

Mistakes of the Many – Hotel Websites

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I met an owner the other day that had some interesting thoughts about the hotel he owned. “I have eight sales managers on staff, responsible for bringing in 40% of my total business. I have one person managing my website, which is also responsible for 40% of my total room revenue.” The moral of the story was obvious...the internet deserves more respect from hoteliers. However, as more hotels have awakened to the opportunities online, they have made mistakes in their execution. The following list are what I consider the mistakes of the many. If you operate a hotel in the U.S., chances are you haven't fallen into one of these internet traps.

1. More Than Just Room Nights – As recently as a couple years ago, a hotel's website was seen as a room generating machine. While capturing room nights is still a primary function, a website can be so much more. Ask yourself whether your website supports group or social functions. Does it empower customers to share their memories with friends and family? Does it help mature your relationships with customers? Does it actively support your outlets? Does it provide you with an understanding of your customers, and their needs? When building a new site write down ALL areas of your operation that the site can impact, and plan accordingly. Selling rooms is no longer the only calling card of a great hotel website.
2. It's a Marathon – A majority of the eMarketing strategies that hotels pursue focus on short-term revenue goals. Travelzoo campaigns, promotions for upcoming holidays and email campaigns to former guests are all valid tactics, but they do not focus on cultivating long-term relationships with your customers. Spend time while planning for 2008 talking about one-to-three year goals for your website. Then make sure those goals are supported operationally and financially. You won't see an immediate ROI, but the long-term strength you build will help ensure success for years to come.
3. Packaging 2.0 – Most hoteliers have learned that the most popular package worldwide is the classic bed and breakfast. However, packaging is about so much more than options. Packaging can help you position your property, or feed a PR and word-of-mouth strategy. In the run-up to the 2004 elections, the Mosaic Hotel in Beverly Hills offered the Left/Right package. Guests had an option to stay on the left side of the building, receive a free Michael Moore DVD and have the New York Times delivered in the morning. Or guests could stay on the right side of the hotel, receive a free Arnold Schwarzenegger DVD and have the Wall Street Journal delivered. The package didn't generate a single sale, but it was picked up by the LA Times and solidified the property as a hip, fun, upscale boutique hotel in Beverly Hills. Be creative with your packaging and reap the benefits of a stronger position in your market.
4. Revenue Management IS eMarketing – One cannot exist without the other. To maximize performance, the efforts taking place online must be coordinated and integrated, with a strong revenue management strategy. The revenue management team is ultimately responsible for improving the ROI of all internet marketing programs.

Perfect example: Over 70% of people who shop for a hotel on a travel site will leave the site in search of the hotel direct website. It is the job of the internet marketing firm to ensure that you are well placed on the travel site, and that the customer is able to find your site when they search for you. However, what about the rates and offers they see when they get to the hotel-direct site? Offering something novel or unique in comparison to the travel sites will allow you to capture a greater share of that direct business, thereby increasing your ADR. To facilitate a strong partnership between your revenue and internet disciplines, your internet partners or in-house website managers should sit in on your weekly revenue meetings.

5. Web 2.0 – Ask a “plugged in” hotelier what they think of Web 2.0, and what strategies they are employing to better manage it, and 99% of them will talk about traveler reviews and owner programs to better monitor/counteract the good and the bad. The truth is during the month they spent putting their TripAdvisor program together, YouTube DAILY downloads grew by 5-10 million, blogs and travel journals were written about their property, their website was tagged multiple times on de.licio.us, a video blog viewed by thousands was hosted from one of their rooms, a trip plan was loaded into Yahoo Travel that included their property and 100’s of pictures were taken by guests, exposing the fact that room 312 had a mold problem. The era of social media is upon us, and you as hoteliers MUST be prepared to respond on your customer’s terms.