

Roadmap to success

ResNet World managing director **Saahil Mehta** explains how following some simple steps can enable hoteliers to take advantage of the world of online marketing and e-distribution



TECH COLUMNIST

The world of hospitality has evolved — with smarter travellers and the rise of the internet, it is crucial to take advantage of the online marketing and e-distribution services available to maximise your revenue.

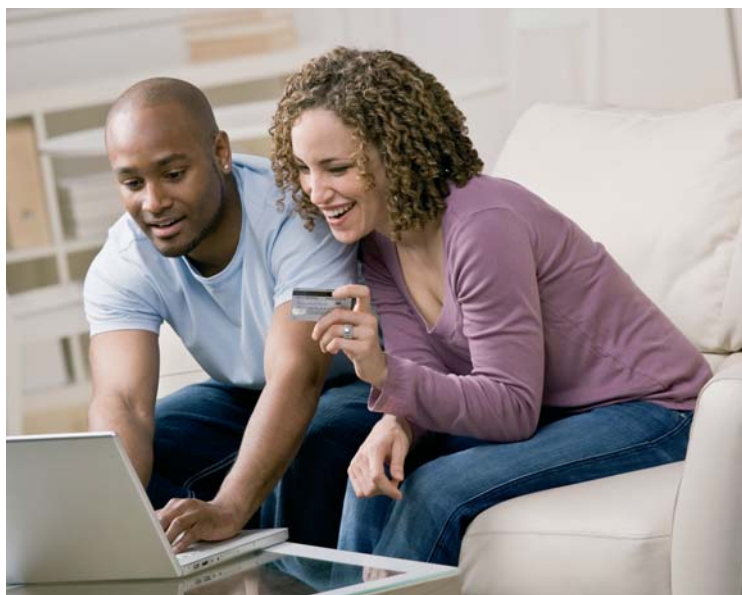
With the region becoming more competitive, our share in the cake is getting smaller. To make it worse, the fall in the economy has resulted in a smaller cake overall. That should not stop you from expanding your horizon and taking a nibble (if not a bite) out of various cakes all over the world. Online marketing and e-distribution has removed all boundaries and brought the world to your fingertips — just follow the ‘roadmap’ to achieve success.

In order to maximise your revenue as well as your profitability, every ‘roadmap’ item must be followed otherwise the path will be broken and you will not be able to reach your destination. These items are listed below:

1. Organisational focus
2. Education
3. Payment and payment processing
4. Communicate your e-presence
5. Create a wow website
6. Optimise your online presence

ORGANISATIONAL FOCUS

Establish a goal for bookings through electronic channels; with-



Turn your ‘lookers’ into ‘bookers’ with strategies such as best rate guaranteed visible on your hotel’s website.

“ WHY HAS THE INDUSTRY STANDARD BECOME NOT PAYING THE TRAVEL AGENT ON TIME? ”

out goals, you have no direction. Once set, use KPIs (key performance indicators) to track your performance. Such measures will help you to define and evaluate how successfully you are moving towards reaching your destination, as long as they are acceptable, understood, meaningful and measurable. Examples may include: % of GDS / IBE / OTA bookings; Tripadvisor ranking; visitors to website; Facebook fans; and the number of guests served through social media (service interactions, not sales).

Ensure that everyone buys into the programme and permeate the message through the entire organisation so they share the same vision; everyone from the GM to room service is responsible for achieving the goal. If everyone is following different directions (or even worse, no direction at all), achieving your

goals will be hindered and slowly but surely your competition will eat your cake. In these troubled times where it feels like you are working in a pressure cooker, but with half the army, everyone seems to be ‘busy’, but it is important to track the KPIs with the organisation through email, morning meetings, intranets, posters, etc. You will be surprised how easy it is to reach your goals.

If your KPIs involve several divisions, create a little competition to see which division achieves the largest growth — friendly battles always increase the energy levels and result in achieving your goals faster.

EDUCATION

Is training something you do once in a while or do you encourage a ‘culture of education’? To result in successful organisational focus, ensure your team takes advantage of the

various online marketing and e-distribution tools available.

During these challenging times, all I keep hearing is ‘we have no budget’! This is the time to invest in education to make the most of the tools you have so you can offer the best service. I recently went to a restaurant in a top hotel in Dubai and was disappointed with the fact that the waiter had no idea about half the items on the roadmap. The result — I will probably never go back because if the hotel won’t invest in its own people, I question whether they care about their guests.

More importantly, with the advancement of technology, the online and e-distribution arena is continually evolving and it is crucial to keep up with the times rather than falling behind. I would suggest the following:

1. Plenty of workshops are being offered through organisations such as HSMIA and HEDNA.
2. Look for regional management consultancy firms.
3. Subscribe to blogs such as Hotel Marketing Strategies (#1 hotel blog according to Google).

PAYMENT AND PAYMENT PROCESSING

Where would we be without the support of our partners — the travel agents? Over the last decade, we have seen the rise of the OTAs, primarily due to the lower price offering. Once payment is due, hotels pay on time to avoid removal from the OTA website. The question now arises; why has the industry standard become not paying the travel agent on time? Just because you cannot be thrown off the GDS does not mean you can abuse the system.

Pay more commission than the industry average in your region and pay quick — no one likes late payments, especially from income the travel agent assisted you with.

There are several Travel Agent Commission Processing companies such as WPS, Perot or PEGS, which should be considered to pay the travel agents. Not only will it make life easier for you, but it gives more comfort to the agents which only results in more business.

COMMUNICATE YOUR E-PRESENCE

If you are a global chain, you could probably skip this part, although there is no harm in reading a little of what you already know. Let your audience know about your connectivity and display your chain code on all communication (email signatures, brochures, etc.) with travel agents and corporates so that they can easily find you on the GDS when trying to make a booking. How frustrating would it be when someone is trying to find you, only for them to find your competitor along the way and book them instead? Had you given them your coordinates, this would have never been a problem in the first place.

Better still, work on converting more lookers to bookers on your own website. By implementing a simple strategy such as best rate guaranteed for example, you will be able to increase your net profitability through a higher number of direct bookings. To make the decision making process more simple, you can even throw in a little something special such as complimentary breakfast or internet — beats paying larger commissions.

CREATE A 'WOW' WEBSITE

The days are gone where your guest has their full interaction with your hotel when they are walking through the hotel entrance. This now occurs when they enter your portal, so create a wow experience and enrich your website with various forms of content.

Studies that have tracked the behaviour patterns of online shoppers indicated that those who were viewing video were more likely to book than those who were not, according to PhoCusWright. Here are some interesting facts based on a study which was performed on one million online travel shoppers and conducted by a major North American chain:

- Online shoppers viewing virtual tours are 67% more likely to book
- Online shoppers viewing videos are 89% more likely to book
- Online shoppers viewing virtual tours and videos are 115% more likely to book

According to PhoCusWright, online travel shoppers visit an average of three websites before making a reservation. These facts highlight the importance to create a 'stickier' website that differentiates your hotel. Do not create an online brochure but rather bring your hotel to life online. Just like a job interview, highlight your key features and make sure the first impression is a lasting one.

Use readily available free tools such as Google Analytics from Google, which will provide you with rich insights into your website traffic and marketing effectiveness.

OPTIMISE YOUR ONLINE PRESENCE

How are you represented online and how are you attracting potential guests to your hotel online?

Invest in attracting potential guests through Search Engine Optimisation (SEO), Pay-Per-Click (PPC), Social Media Optimisation

(SMO), blogging, e-mail marketing, etc. The wider your presence online, the easier it is to find you (not to mention the benefits in SEO as a result). Some interesting numbers for you to consider:

- 90% of purchasing decisions begin online (Forrester)
- The top three results on a search results page get 79% of the clicks
- Result #10 only gets 3%...and appearing on page #2 and onwards means you are practically invisible
- Travel queries have increased 40% in 2009 (over 2008)
- SEO (organic search) can give much better returns than SEM (paid inclusion). 86% of travel sales leads are generated by organic search listings.

'Online' is working for you round the clock — use it effectively.

You now have two choices — either get with the programme and work on maximising your revenue, or watch your competition take money from your pocket in the form of market share. Should you wish to download a concise Roadmap To Success, please visit www.resnet-world.com/roadmap-to-success to get your one page summary. HIVE



Make sure visitors find your website before that of your competitors'.

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ONLINE SHOPPERS VIEWING VIDEOS ARE 89% MORE LIKELY TO BOOK

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