

Adapted from *Distribution Channel Analysis: A Guide for Hotels*, published by the HSMAI Foundation

# 10 STEPS TO SIMPLIFY A COMPLEX DISTRIBUTION WORLD

Content and user experience are key variables that can drive online consumers to one site over another. However, it is important to keep in mind that because travel shoppers visit so many sites and are touched by so many promotional contacts in the run-up to a booking, a presence on multiple sites and at multiple consumer touch points is likely to be appropriate. The following are 10 points to keep in mind:

## Compelling Content

**1** Make your content compelling and relevant, whether it is on your own website or syndicated to many other sites where you have a presence. Investing in great content is a highly effective differentiator given the number of hotel websites from which a traveler can choose. Content is a form of merchandising and should be developed with that in mind. Look at Roomkey.com, Google Hotel Finder or the Regatta search engine (for CVBs) as examples of how a hotel's content can be distributed and plugged in to external sites where users want a range of options. The consumer books using the hotel booking engine, but may find a point of entry to this content on another site, recognizing that any effort spent on content should take into account both the content on the hotel's website as well as what consumers may see elsewhere on the shopping path.

## Great User Experience

**2** Make sure the user experience on your website and your booking engine is easy, enjoyable and efficient. The most important rule – make sure your website and booking engine allow your site visitors to accomplish what they came to do and continually evaluate this to make sure you get it right all the time. There are tools that are low cost or no cost that can be tapped to survey consumers and ask them about their experience. This feedback is essential to be sure your primary portal is functioning well for the users that depend on it for information and that it facilitates the booking process.

## Know Your Customers

**3** Research the path your customers take on their way to a booking with you. Examine each step along that path for opportunities to have

a meaningful presence that engages and builds the relationship, whether that is online or off-line. Some of this information can come from the analytics tool used to indicate the website visited before reaching your site. Knowing where shoppers stop along the way and testing the use of your hotel content on some of these stops can yield better results for a hotel.

## Build an Online Strategy

**4** Consumers can typically have 10 to 15 interactions with various sources of hotel information before they book. The process is complex. Review your online strategy against the travel process to ensure you have considered actions at each step to create a bias among your customers and prospects to consider you. Look at each touch point and review a list of websites that serve that need for your consumers, then determine how you would like to present your hotel on these sites. See the diagram below.

## Create Bias for Your Preferred Channels

**5** You can't make travel shoppers choose one channel over another, but you can put out bread crumbs along their path that are so compelling they will choose your route because it is appealing and helps them accomplish their goals better than the alternatives. This doesn't mean only using your own website. By collaborating with others, you can get travelers to choose sites which can deepen your relationship with them as you lead them to your booking engine. Some new sites may emerge that provide valuable content and help travel shoppers sort the many options they may have in any given

destination; these sites will likely send the consumer to your booking engine, after providing some valuable guidance on their choices.

## Get Social

**6** Consumers are all about social. Figure out a way to be there in appropriate ways. Master the social sites used by your consumers. Think of social sites as places to build relationships and if you sell or incorporate your booking engine into a social site (e.g., Facebook), put it in a place that makes sense for the way the social site is naturally used.



Keep an eye out for an evolution of hybrid sites that may include consumer reviews, other elements to allow social interaction, and offers. Look at the way TripAdvisor has changed since its spin-off from Expedia and check out HotelMe that launched in August 2012, or NileGuide for great examples of this.

### Test and Monitor

**7** Whatever you do online, you should track results in all places possible. If you partner with a website (social, transactional or informational) to promote your hotel, be sure you can track the results from it, whether it is a booking or other form of interaction. If you decide to test a new option, try to remove other factors that would muddy the results.

### Attribution Models

**8** Be sure to calculate promotional lift from all your marketing channels, not just the ones that are vocal about claiming credit for it. It is likely that every one, including promotional messages like email, banner or display ads and some off-line campaigns are contributing to making the cash register ring. Many attribute credit for bookings to either the last place the hotel shopper visited before coming to your site (last click attribution) or to the first place a consumer entered in their shopping expedition. However, this is unlikely given the number of places a consumer may look on his or her shopping path. Look hard at the data to be sure you can quantify what each channel brings in terms of benefit from an added presence and test many sites until you figure out which ones get you the bookings at the lowest overall cost.

### Distinguish Yourself

**9** It is helpful to think about how your brand (independent or chain) differs from the others. Hotel brands have a

tendency to look very similar in their content and messaging. It is hard to cut a unique swath from that cloth; this has been most successfully done in regional settings like boutique brands in major metro areas or in resorts. On a national or international basis, there is a tendency to dilute a brand's uniqueness with messages that resonate with so many consumer profiles that they fail to distinguish the brand for any particular customer cohort. Ensure that your content and interaction sets you apart with the audience that matters most to you in your market; your market is all that matters to the consumer when they are booking into your destination.

### Seek Sustainable Profit

**10** As much as every hotel would love the simplicity of one-step promotions that deliver immediate revenue, few consumers buy without having some kind of relationship first, an outcome that usually requires multiple interactions. Focus on engagement. A customer that does not refer others or return is worth far less than those who do. Spend your time and money on those who will refer or repeat. If you allocate resources in terms of acquisition, persuasion and retention, remind your team that if you are spending too much time on the first two steps, you may find yourself cycling through too many customers and chasing your tail. Focus your resources on the channels that contribute the most profit and have long-term potential.

CINDY ESTIS GREEN is CEO and co-founder at Kalibri Labs, a new analytics firm that specializes in building tools that improve marketing and distribution for hotels, hotel brands and management companies. She can be reached at [cindy@kalibrilabs.com](mailto:cindy@kalibrilabs.com).

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