

# Loews Hotels adopts Remarketing and Similar Audiences to reach new customers and grow revenue for the Loews Regency Hotel by 60%.



## About Loews Hotels & Resorts

- www.loewshotels.com
- Headquartered in New York, NY
- Luxury hotel group

## Goals

- Capture online share of voice
- Expand reach to a wider audience
- Reach qualified people similar to current customers

## Approach

- Moved 70% of budget from offline to digital: 40% on search, 60% on display
- Began using Google Display Network, Remarketing
- Boosted budget, used Similar Audiences for Loews Regency Hotel campaign

## Results

- Overall: 10%+ revenue, 9%+ bookings, 5%+ unique site visitors
- Remarketing generated \$60,000 for \$800 spent
- Loews Regency Hotel campaign: 60%+ revenue, 57%+ bookings, CPA dropped 9%
- Cyber Monday campaign: Grew revenue from \$1.3M to \$2M YOY

With 19 luxury hotels in 15 destinations across the US and Canada, Loews Hotels & Resorts offers guests a uniquely local experience coupled with genuine, four star service. Catering to both business and leisure travelers, Loews Hotels aims to attract a broad audience to its urban and resort properties. Traditionally, Loews Hotels concentrated its marketing efforts in offline channels like print, but had difficulty tracking results and ROI. “We weren’t capturing our fair share of voice in the online marketing world,” says Jimmy Suh, senior vice president of ecommerce and distribution. “Because we kept marketing to the same audiences in the same ways, we had a very limited audience.”

## Shifting marketing dollars online boosts revenue

To grow reach in a scalable, measurable way, Loews Hotels began expanding its digital marketing strategy and working more closely with Google. While it had previously devoted 70% of its marketing budget to print and 30% to digital channels, Loews Hotels now invests 70% of its budget in digital, with 40% of that in search marketing and 60% in display. Since shifting most of its budget online with Google, Loews Hotel has seen a 10% revenue lift across all of its properties, a 9% lift in bookings, and 5% more unique site visitors.

On the Google Display Network, Loews Hotels uses tools like contextual targeting, Remarketing and Dynamic Remarketing to extend targeted reach to qualified audiences. Remarketing in particular proved a cost-effective means of acquiring new customers and bookings, generating \$60,000 in revenue for just \$800 invested. Seeing that Remarketing was “one of our biggest successes,” Jimmy and his team decided to extend the value of their Remarketing campaigns with Similar Audiences.

## Reaching qualified potential customers with Similar Audiences

Similar Audiences is an audience-targeting tool that lets Loews Hotels show ads to new potential customers who demonstrate the same browsing patterns as the current customers who are visiting their site. Similar Audiences targets highly qualified groups of customers by combining Google’s rich audience data with Loews’ Remarketing lists. Over time, Similar Audiences refines its intelligent targeting to find new, high-performing audiences. For Loews Hotels, this means reaching potential customers who have not yet visited the website or may not know the brand, but are likely to be interested in Loews Hotels.

“We wanted to cast a wider net to a qualified audience – people whose profiles are similar to our current customers, with disposable means and the appetite to book one of our hotels,” says Jimmy, explaining that Loews used data from its robust CRM solution to determine customer profiles and value for the seed lists.

## Loews Regency Hotel lifts revenue with Remarketing, Similar Audiences

Loews Hotels first tested Similar Audiences with a campaign for the Loews Regency Hotel located in New York City, which needed to maximize revenue before its upcoming renovation. While the Loews Regency Hotel had historically

invested little in online marketing, the property decided to shift its remaining print budget to digital channels – namely Google display, Remarketing and Similar Audiences – for the end of 2012. “In doing that, we not only gained immediate revenue benefits, but we went into 2013 with a far greater number of bookings directly from our website,” says Jimmy, noting a 60% revenue lift for the Loews Regency Hotel and 57% more bookings during the three-month campaign. The cost-of-acquisition also dropped 9%.

“This was an incredible win and everyone was blown away. The Loews Regency Hotel’s online spend went from minimum to adequate, and the way we spent it was obviously the right way,” says Jimmy. “Using Remarketing and Similar Audiences was a great way for us to reach a larger audience using a very targeted and qualified measure.”

### **More awareness, more revenue for Cyber Monday 2012**

Another instance in which Loews Hotels grew revenue using Google’s Display Network was with its Cyber Monday 2012 campaign. Using mostly contextual targeting and Remarketing, Loews launched a 30-day campaign with increased spend for ample reach. “Through our increased and targeted investment across Google marketing channels, we nearly doubled the revenue from the Cyber Monday campaign over the year before, with even less room inventory available,” says Jimmy, citing a lift to \$2M in revenue from \$1.3M the previous year. “Google’s Display Network allowed us to reach a far greater audience than we previously had.”

He also notes that while Loews Hotels historically relied mainly on its email database to drive the majority of bookings, in 2012 it surpassed that initial database audience volume thanks to the new audience afforded by the Google Display Network.

### **Optimizing return with an evolving digital strategy**

After experiencing the benefits of display, Remarketing and Similar Audiences, Loews Hotels is planning to target audiences more effectively and better measure success. The group plans to keep partnering with Google to invest in and develop efforts around interest-based alignment and attribution modeling. Loews Hotels will continue to participate in Google’s Dynamic Remarketing beta, which Jimmy says will be “a bigger opportunity for us going forward.” And with the launch of a new brand campaign this year, Loews Hotels is also studying how to “take full advantage of all the creative opportunities Google presents” with display.

“If we keep having this success, we’ll keep on shifting spend – as long as we have the inventory capacity to accept the bookings,” says Jimmy. “We’re going to strategize our digital spend to make sure we maximize every dollar of our efforts.”

