

Published

April 2017

Topics

Travel & Hospitality,
Consumer Trends,
Measurement, Advertising

Planning a trip can be an arduous, thankless task. But marketers have new tools and tactics in their arsenal that can make the experience better. By combining data with digital audience solutions, savvy travel marketers can connect with travellers better – and drive more bookings.

think with Google

Exciting as it may seem, trip planning can be a chore. Stress runs unchecked: 69% of leisure travellers worry they're not finding the best price or making the best decision while booking a trip.¹ To put that in perspective, travellers are more worried about not finding the best price or making the best possible holiday decision than they are about their financial investments, home improvements or electronics purchases.²

Compounding this anxiety is the amount of time many leisure travellers allow to plan – and obsess over – trips. Twenty-six per cent decide on a holiday destination three to five months before departure, while 19% decide more than six months in advance.³ This presents a challenge for marketers trying to differentiate their brands and drive consideration throughout the travel shopping journey.



Twenty-six percent of leisure travelers decide on a vacation destination **three to five months before departure**.

Source: Google/Phocuswright, "Leisure Traveller" study, base: US leisure travellers, n=930, Oct. 2015.

With digital, though, brands gain unparalleled insight into their target audience. Marketers can go beyond traditional demographic targeting and look more closely at travellers' intentions. Whether it's videos viewed, searches or content engaged with across the web, these activities send strong signals about whether a traveller could become a customer.

These audience-driven strategies represent an exciting opportunity, but only if brands are smart about how they integrate their customer data with automated audience solutions. Then, they can unlock personalisation opportunities at scale – and set themselves on a path to growth.

Here are three strategies that are proven to find – and convert – travellers on the hunt:

1. Examine lifetime value (LTV) to know who your best customers are

A millennial leisure traveller who spends lavishly at a hotel once a year may not be as valuable as a business traveller who spends less on a single trip but returns again and again. Prioritise the right audience by consolidating your company's first-party data and segmenting customers by the value they bring.

Even if your company doesn't have reams of cumulative data on hand, you can still glean a snapshot of your most valuable customers. Segmenting across category lines (e.g. product type, behaviour, loyalty) for just the past year will allow you to confidently estimate LTV for many user groups.

By learning the online behaviour of your desired audience – as well as how similar audiences engage with online content – you can refine your digital strategy.

2. Engage high-value customers with timely ads

Serving the right ad at the right time is the goal of all digital marketers, but identifying those moments can often feel like hunt-and-peck guesswork.

Starwood Hotels and Resorts found a way to make this easier and more efficient. By utilising remarketing lists for search ads (RLSA), the brand was able to use signals such as date-range inputs to customise follow-up messaging in search for users who had visited its website. With this approach, Starwood drove 240% higher conversion rates and 160% return on investment.

3. Optimise for the entire customer journey

By looking beyond the last-click conversion, brands can understand better how travellers research throughout the customer journey. La Quinta revolutionised its audience targeting with a strategy that utilised data-driven attribution and Smart Bidding in Google AdWords. This approach allowed La Quinta to determine which keywords were more profitable in the context of the full customer journey. Having learned which generic keywords were most influential, La Quinta can now personalise its messages better.

The brand's new audience strategy yielded a 131% higher click-through rate (CTR) and 27% higher conversion rate.

The successes from Starwood and La Quinta are examples of an exciting shift in digital marketing: Marrying consumer data with automated audience-growth strategies can unlock tremendous opportunities to customise messages at scale.

Sources

^{1,2,3} Google/Phocuswright, "Leisure Traveller" study, base: US leisure travellers, n=930, Oct. 2015.