

CASE STUDY

New Zealand's House of Travel Sets Out to Prove the Effectiveness of Digital On Its In-Store Business



Like most industries in New Zealand, the travel industry is experiencing a digital and mobile revolution. Over 80% of New Zealanders now use digital channels to research flights and travel. And, of those who use their smartphones for research, around one in two compare travel products, prices, and even look for inspiration on their mobile devices.

[House of Travel](#), New Zealand's largest independent chain of travel agents, wanted to stay ahead of the curve in this changing digital landscape. Recognising the [importance digital marketing has both online and offline](#), the company sought to measure which of its media channels had the most impact driving in-store sales and inquiries. To do so, it partnered with Google for two of Asia Pacific's first-ever travel attribution studies.

About House of Travel

- House of Travel, New Zealand's largest independent chain of travel agents, offers overseas travel deals, holiday packages, airfares, coach tours, cruises, and travel tips.
- Auckland, New Zealand
- www.houseoftravel.co.nz

Goals

- Understand the impact various media channels (particularly digital) have on driving in-store sales and inquiries
- Determine the most effective media touchpoints to optimise overall media spending

Approach

- Conducted concurrent online-to-store and media mix effectiveness attribution studies
- Used performance and engagement indicators to define the digital touchpoints along the path to purchase, both in store and online

Results

- 60% increase in overall inquiries to store
- 30% increase in online revenue to key destinations
- 25% increase in online bookings to key destinations

A tale of two (attribution) studies

Most travel businesses in New Zealand employ a "clicks to bricks" business model, attempting to drive in-store traffic with online ads. So far, though, businesses haven't been able to prove the true value digital media has on consumers' in-store purchase consideration and overall sales.



65% of all sales were influenced by a **digital touchpoint**.

House of Travel wanted to set the record straight, so it agreed to run two concurrent studies with Google: An online-to-store attribution study to determine the number of in-store sales influenced by digital channels, specifically [Search](#), and a media effectiveness study, to look at how each platform in its current media mix (TV, radio, print, and digital) performed in creating inquiries and sales.

By analysing [Google Analytics](#) purchase funnels and offline advertising media schedules, both studies successfully revealed the effectiveness of each channel, with digital coming out on top.

Digital channels prove influential

So just how effective were House of Travel's digital channels? The results showed that 53% of in-store sales and 65% of all sales [were influenced by a digital touchpoint](#). Further data detailed that 27% of in-store sales that were influenced by a digital touchpoint were driven by paid search ads. In addition, display ads on the [Google Display Network](#) proved 3X more effective in driving sales than any other display or social channel.

After considering the results of the studies, House of Travel adjusted its media mix to increase the efficacy of its media spend. Since doing so, House of Travel has seen a 60% increase in overall traffic to its stores, a 30% increase in online revenue, and a 25% increase in online bookings to key destinations.

"Google's product suite not only enabled us to understand the impact of digital media in the path to purchase, but more importantly helped influence and optimise our media decisions and marketing spend," said Tim Paulsen, House of Travel's Head of E-Commerce.

The takeaway: Understand the consumer journey and invest in digital

Planning a trip can be convoluted, but planning your business's digital strategy doesn't have to be. As the presence of digital in the competitive travel space continues to grow, be sure to consider the strength of its influence both online *and* offline. By optimising its media spend, House of Travel proved smart digital marketing can lead to big profits (and potential vacations). After all, even those in the travel business deserve a break once and awhile.

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