

Direct bookings set to redefine hotel marketing

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[Guerilla Marketing](#), a specialist digital agency for hoteliers in South Africa, recently hosted a groundbreaking direct booking summit in Cape Town on 25 October 2017.

Over 90 senior hotel sales and marketing professionals who attended the [Direct Booking Indaba 2017](#) received game-changing, data-driven strategies that reduce their dependency on online travel agents (OTAs) like Booking.com, Trivago and Expedia.



In the current hotel marketing ecosystem, most hotels are losing a lot of revenue to OTAs who receive commissions that range between 15-25% on all guests revenue that is received through their service.

Added to the stranglehold of commissions are the ever-increasing costs of running a hotel business. The result has been the exertion of astronomical pressure on hoteliers due to shrinking profit margins. Hotels are helpless when it comes to labour, food and overhead costs as they are market-driven. This then means that the only costs that they can control and influence are distribution costs. The good news is that hotels can progressively lower their distribution costs via direct booking.

The game-changing summit covered topics such as:

- Modern travel shopper journey – How consumer behaviour has changed
- Using social media in travel marketing
- How innovative advertising drives direct bookings
- Word of mouth in social and online media: The direct booking journey
- The art and science of a winning hotel website

- Regaining control over customer relations in hospitality
- Wi-Fi marketing – How to maximise guest on-stay engagement
- Revenue and spending – Converting direct bookers into big spenders

(Sign up [here](#) to download the direct booking guides.)

“As an agency that offers services that maximise direct bookings and ultimately direct revenue, we decided to host the Direct Booking Indaba 2017 in order to create awareness among hoteliers of the potential that direct bookings can bear on their revenue,” said Joseph Neusu, the Guerilla Marketing Business Unit Manager.

The Direct Booking Indaba 2017 demonstrated the following benefits that direct booking brings:

1. **Direct relationships:** Hospitality is a people business. The presence of a third party between a hotel and its guest is rarely the best way to improve communications or understanding between the two.
2. **Anticipation:** For guests on vacation, the research is clear – they get more additional ‘happiness’ in the run-up to the trip than in the trip itself. Building anticipation pre-travel adds value to any hotel stay. This is one reason why hotels have improved pre-stay messaging. Direct relationships make this possible.
3. **Loyalty:** It is far cheaper to encourage a repeat visit than it is to find a new customer. Loyalty is vital for hotels. The basic requirement for a post-stay relationship are guest contact details. These are far easier to gather during a direct booking than on-property. Furthermore, it is possible to supercharge a loyalty programme by adding additional guest information. This can be on-site behaviour gathered thanks to a direct booking.
4. **Data:** Improvements in machine-learning and artificial intelligence hold great promise as tools for increasing loyalty, conversion rates and customer service. The impact may be a year or two away, but these techniques will become increasingly important and they are most impactful with first-party data. The more data a hotel has on a guest, the better equipped they will be to deliver personalised experiences. If guests are not researching and booking on the hotel’s own website, opportunities to learn from guest behaviour and imputed desires may be lost forever.

Direct booking is more than a trend. It represents a massive paradigm shift in hotel marketing that seeks to reduce dependence on OTAs and drive revenue growth. The objectives are clear, hoteliers should regain control over their distribution costs as well as their relationship with guests.

Contact us on 011 704 2641 or email gmarketing@adclickafrica.com to learn more about our direct booking solutions.

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