

# HeBSdigital

## Hotel Website Optimization

The blueprints for a robust direct-to-consumer online distribution strategy | By Jason Price and Max Starkov

Direct-to-consumer online distribution should become the foundation, the main focus of any hotelier's online distribution strategy. In the offline world, hoteliers are the best direct salesmen with an estimated 75% of all reservations sold directly to consumers. Online, the industry direct sales average 52% (PhoCusWright, 2002) with many hoteliers reporting less than 5%. As a result, many hoteliers cede control of their inventory and pricing to online intermediaries, at an enormous cost financially and to brand integrity. Website optimization is the first step toward building a robust direct online distribution strategy.

## Direct Online Distribution Should Become the Focus of Hoteliers' Internet Strategy

This year over 13% of all revenues in hospitality will be generated from the Internet. Three years from now the Internet will generate over 20% of all hotel bookings (PhoCusWright).

Roughly 52% of all online bookings in 2002-2003 will be completed directly through hotel-sponsored websites. Forrester Research confirms that people who book online prefer to use a supplier website over intermediaries.

If your hotel is not generating at least 53% of its online bookings directly from the hotel website, but from intermediaries, then you are not competitive on the Web and run the risk of long term price and brand erosion.

The Internet is the ultimate "Direct Distribution Medium". It provides the hotel with long-term competitive advantages by lessening dependence on intermediaries, online discounters and traditional channels that may soon become obsolete. Any promising, sustainable, and defensible distribution strategy must start locally at the hotel website.

Direct-to-consumer online distribution has the following benefits:

- Puts the hotel in control of its Internet presence and exposure
- Prevents brand and price erosion
- Lessens dependence on online discounters and intermediaries
- Is the shortest path to establishing interactive relationships with customers
- Provides long-term opportunities to benefit from the lifetime customer value
- Is the least expensive way to distribute hotel inventory--direct to consumer!

## Direct Online Distribution Begins with the Hotel Website

The foundation of a hotel's direct online distribution strategy begins with the website. A well functioning, fully optimized hotel website is a real asset that serves as the chief instrument to capture new markets and facilitate transactions.

Unfortunately a majority of today's hotel websites and web strategies in hospitality suffer from two common flaws:

### Websites built with no online distribution strategy

Most hotel websites are performing poorly as far as online distribution and search engine strategy are concerned. Why? Most hotel websites have been developed by web designers who know nothing about the hospitality industry, based on input and concepts by hoteliers who are not experts on Internet strategy, online distribution, and eMarketing. And many of them were designed as online brochures without taking into account fundamental online distribution principles.

### Using a "quick fix" approach to undo what's fundamentally wrong

Such hotel websites, built without clear online distribution concepts and principles, inevitably produce poor results and few bookings. Hoteliers then turn to Search Engine Optimization (SEO) vendors for a quick fix of the hotel website to boost search engine rankings and increase online revenues. In reality, "slapping" meta tags to a stale, user-unfriendly website and submitting it to the search engines can achieve few sustainable results.

Only a fully optimized website can produce the desired online revenues and position your hotel company ahead of the competition. Website optimization takes a comprehensive look at the website and prepares it for optimal performance (maximum user experience, bookability and conversion rates) and yes, for the

search engines. Especially in hospitality, regaining control of distribution from the online discounters and building a presence over the web directly to consumers is increasingly important. Website optimization is an imperative in today's marketplace.

Hoteliers who have instituted website optimization strategies are ahead of the curve with their own direct distribution strategies. They have higher placement on the search engines and are able to convert more lookers into booker. These hoteliers understand that online consumers prefer to buy directly from the hotel. They recognize the hotel website is a source to control room inventory, hotel descriptions and content, room pricing and availability, group-bookings, and corporate rate programs, something completely unachievable on any third-party channel.

What is Website Optimization?

To begin with, a hotel website is not an online brochure. It is not meant to serve as reference material secondary to a sales pitch. The website is a 24/7 sales and marketing tool, a hotel's top producing "virtual" sales office. The website is a "living organism" with descriptive copy, images and keyword updates, special packages, email capture, and overall fresh and locally relevant information--all meant to enhance the user experience and all easily achievable at minimal cost. Therefore, website optimization addresses eDistribution, revenue management, and overall marketing—well outside the role of web designers and more closely associated with eBusiness experts.

Website optimization consists of several core components that combined reflect best practices. These are: user-friendly website, search engine readiness, website bookability, and eCRM. The first two components are further addressed in the remainder of this article. Several features that characterize a user-friendly website and search engine readiness are identified underneath the headings below.

User-friendly website

- Introduce credible and optimized body copy
- Address the "trust" issue to boost consumer confidence (e.g. Privacy Policy)
- Streamline navigation by introducing well defined, easy-to-use tiered navigation
- Increase conversion rates by introducing a robust real-time booking engine
- Consider offering lowest price guarantee
- Set up search/availability box right on Home Page
- Make all promos and packages bookable in real time
- Optimize images to improve download speeds
- Improve download speeds to less than 15 seconds at 56K ("AOL Benchmark")
- Introduce rich media features: virtual tours, photo shows, floor plans, etc
- Develop sections/pages to target specific customer segments
- Introduce foreign languages to attract foreign clientele
- Utilize low-cost customer support and FAQ
- Offer customer email capture
- Search engine readiness
- Implement domain name strategy - does the domain name include all three required components for a searchable and descriptive hotel URL?
- Introduce credible and optimized body copy
- Permeate relevant and destination-focused target words and phrases throughout copy
- Leverage the popularity of the local destination
- Ensure the website consists of static HTML pages
- Convert essential copy from .gif or .jpeg to HTML
- Remove all frames, splash pages, Flash intro pages
- Introduce unique page titles, description tags and meta tags throughout the website

As you may suspect the above may or may not dramatically change the look and feel of the website but it will definitely optimize the guts of the website. Once the website is optimized it operates at peak performance, much like a car running on all pistons. A fully optimized website achieves between 3 to 5 times more online transactions than its competitive set. From the list above, only the meta and description tags are addressed by SEO (search engine optimization) vendors.

Case Study: Slow download speed results in low look-to-book ratio.

Before realizing the need for a website optimization, a popular global hotel brand paid attention only to the number of website visitors and spared no expense for online advertising, pay-per-click marketing and email campaigns. Such barriers to success identified included the nearly 70 seconds to download the Home page on a 56k modem. This hotel did not achieve the 15 second "AOL Benchmark"-the maximum time people tolerate for a website download. This slowness alone alienated over 35 million AOL users who dial up using a 56k modem. Struggling from low conversion rates (look-to-book ratio) underwent website optimization which included: optimizing download speed, introducing eCRM models, optimizing body copy, and streamlining navigation into a 4-tier navigation structure. Hotel reports conversion rates and online bookings tripled within three months.

Website Optimization vs. Search Engine Optimization (SEO)

Did you that know 85% of Internet users rely on search engines to locate information over the Web? (e.g. Yahoo, Google, MSN, AltaVista, etc). Independent hotels, branded hotels, hotel management companies and lodging companies not part of a major brand must rely even more on search engines for referrals.

A cottage industry of SEO vendors has risen in recent years to take advantage of businesses' lack of knowledge on how to build a web presence. Unsuspecting hoteliers turn to SEO vendors for a "miracle cure" to boost search engine rankings and increase search engine submissions. In reality, "slapping" meta tags to a stale, user-unfriendly website will achieve minimal sustainable results. Optimizing a website takes a comprehensive approach and goes far deeper in the analysis, as illustrated by the list above, than just by tweaking meta tags.

The problem worsens for hotels with artsy websites built in Flash. SEO vendors sell their expensive service well-knowing search engines cannot read Flash. Similar problems arise when unwitting hoteliers contract with SEOs to optimize dynamically generated websites and websites with complicated navigational structures. These structures further inhibit search engine "spiders" from indexing and cataloging websites.

Rather than address the core components of website optimization, sadly, SEOs focus primarily on the meta tags of the website, a fraction of what represents best practices. Even internally driven hotel-based SEO efforts are a waste of resources. meta tags are no longer supported by most search engines as this is the easiest place to spam. Improving an existing website requires a closer look at best practices and this comes in the form of website optimization—a comprehensive approach to building a sustainable, competitive, and defensible website.

Not to belabor the point mentioned earlier, but SEO vendors are only too eager to promise you top positioning on the search engines. Many "burnt" hotel clients may tell you to save money considering the negligible results achieved. In reality, no one can guarantee a website will appear on the top search engine results of Yahoo or Google—no one. Only a comprehensive website optimization strategy can assure that your website will be considered seriously by the search engines. The right eBusiness experts will advise you to steer clear of SEO vendors.

The following quick guide on search engines helps dispel myths espoused by the SEO industry.

A Quick Guide on How Search Engines Work Today

The latest generation of search engines has made many of the SEO's services irrelevant.

Search engines use major computational analysis to index and catalog websites. They have grown increasingly intelligent and specific to each search conducted.

- Today's search engines are extremely smart. They serve the "Best of the Web" and deliver the most relevant results to the user. Long gone are the years when a little tweaking in the meta tags could influence search engine rankings. As a result meta tags are increasingly less important and germane to the search engine process. In fact, only one major search engine- Inktomi- officially claims to support meta tags while a few others will take snippets.
- Today's search engines value the descriptive body copy found on the web page. The body copy must contain relevant target keywords and phrases (destination and product related) that permeate throughout the website. Search engines rate body copy as the only truthful source to pull descriptive data on the website for indexing. Search engine executives constantly reiterate, the body copy is the most important factor for getting high rankings.
- Today's search engines evaluate popularity measured in the amount of activity on the site as well as links from other sites. When the user cannot navigate, trust, or understand the website does it really matter how it ranks on the search engines? If the room cannot be easily booked, if room descriptions are missing, photos unclear, if overall body copy is barren of keywords, and navigation cumbersome, ranking does not matter-- no one will visit, revisit, explore, and book hotel rooms.
- Lastly, today's search engines draw on the aggregation of destination specific content. The relevancy and depth of content works to the advantage of the website and is rewarded by the search engines. Pulling off this exercise requires involvement of the hotel manager, marketing team, and outside hospitality experts. SEO vendors are not hospitality experts but offer their services across all industries to any willing buyer including those in banking, medicine, pornography, technology, and virtually any other business with a website.

## Putting Website Optimization into Practice

### The Website Optimization Blueprint

With general theory out of the way, let's get to work creating a website optimization blueprint. The blueprint drives the entire website optimization strategy and serves as the vehicle to communicate to the team, including web designer, exactly what goes into the website. A well developed blueprint serves as the backbone for the entire direct-to-consumer distribution strategy.

The blueprint, built by professionals schooled in online distribution, revenue management, and eMarketing strategies, creates a comfort zone in forming the clarity hoteliers so desperately need. The blueprint nicely bridges the gap between web designers who will eventually implement the blueprint and hoteliers who don't know how to use the Internet as a distribution channel.

From a feasibility standpoint, a website optimization blueprint serves a number of purposes:

#### Focus on Core Competence

Working off a website optimization blueprint allows the web designer to focus on core skills: the look-and-feel, overall website design, HTML code and website functionality. Building marketing messages, learning online distribution models, and understanding ASP booking engine technologies are left to eBusiness experts.

#### Competitive Bids

Working from a blueprint, a web designer can easily base an accurate quote on what exactly goes into the website. Price quotes for website design, re-design, or simple implementation are much more precise, usually 25%-40% lower in costs.

#### Expedited Implementation Process

Once the web designer creates the new look-and-feel, the web development consists of simply cutting and pasting each component of the blueprint into HTML code. The contents of the blueprint have already received management approval.

#### Bridges the "Knowledge Gap"

A majority of hoteliers are not experts in online distribution while web designers do not know hospitality. The optimization blueprint bridges the knowledge gap in best practices as well as prevents unnecessary up-selling by web designers.

#### Constructing the Optimization Blueprint

According to a recent eMarketer survey, the top two most important website features sought by Internet users is the credibility of the content (80%), which suggests not just the body copy but the extent to which the site promotes its products for building consumer trust, and the quality of the website navigation for ease of use (80%).

Adapted from eMarketer 2002:

Most Important Website Features, according to Internet users:

- Being able to trust the information on the site (80%)
- Site is easy to navigate to find what you want (80%)
- Being able to identify the sources of information (68%)
- Knowing the site is updated frequently (65%)
- Being able to find the facts (50%)

In other words, the success of turning "lookers into bookers" is: a) consumer confidence that what you say is for real with back-up to support your claims, and b) consumers are able to navigate their way through a website to find the information and make a reservation.

Build confidence with credible copy. With the Internet it is not always clear who is behind the information being sold. For example, who exactly is Hotels.com? When a third party channel promotes a hotel better than the actual hotel, you know something is seriously wrong. Ease of navigation seems simple enough, yet is commonly overlooked. Be sure the navigation is tiered, buttons appropriately labeled and representative of the copy. Enough money has been sent drawing consumers to your site, now don't drive them away.

#### Building Credible and Relevant Copy

The body copy plays an essential role in promoting the hotel to web customers. It is the copy that describes the hotel products, features, room services, amenities, and local destination information. The copy should be truthful and written in short, declarative, and descriptive sentences. And remember, bullet points were invented with website copy in mind.

Web readers are unpredictable. They jump from page to page in no particular order and at most scan the copy. Because of this tendency each web page should be constructed in "chunks" or precise segments of information for quick reference, referral, and transaction. Therefore "chunking the copy" is essential when creating the website content. By chunking content each Main page can act as a standalone page

fully optimized with copy, meta tags, description tags, and page titles for the search engines. Chunking allows the reader to grasp the essence of the product and click to view, inquire, or simply book a room no matter which page he selects to scan.

Recall the list of key words and phrases for search engines alluded to earlier? This list must now permeate throughout the copy of the website as well as serve in the form of "invisible" copy: page titles, meta tags and description tags, and speak to not just customers, but search engines. They serve as cues for search engines to index and catalog the website. The real expertise is to weave the keywords into the copy so that the copy reads as credible promotion and in the same time "speak" to the search engines.

### Building the Keyword and Key Phrase List

Imagine an army of search spiders, bots, and meta crawlers that sift through the copy analyzing, indexing, and cataloging each submitted page found on the website. Leg work goes into researching keywords and key phrases popular yet relevant to the local destination and then weaving these keywords throughout the "visible" and "invisible" copy.

In hospitality, only a Destination-Focused Search Engine Strategy works as the product by definition is destination specific. This strategy involves optimizing the destination pages within a single or multi-market website (multi-property lodging company with presence in several vastly different markets). For example, within a corporate portal a cluster of hotels in San Francisco and Chicago should each have its own optimized destination page and search engine strategy.

Be sure to include product related keywords that speak specifically to the product being sold—in our case hotels and hotel rooms. Developing the destination related keywords list is much more complex and trickier because it requires not only identifying the most popular keywords for the particular destination, but the most popular relevant keywords. "Singapore Airline" and "Singapore Girl" are popular keywords yet have no relevance for customers searching a Singapore hotel.

Creating the keyword list requires a combination of Internet, hospitality and destination-specific knowledge and extensive research. Some required steps include:

- Identify patterns of consumer online purchasing habits for the hotel/resort and the particular destination;
- Destination research to identify relevant copy
- Research to identify relevant target keywords
- Research to rank the keywords according to their popularity
- Develop credible and relevant copy
- Weave the target keywords throughout the copy
- Develop the "invisible copy": page titles, description tags and meta tags.

A major goal of the website optimization process is to leverage the popularity of a particular destination for the benefit of the hotel website. The optimized destination content within a single or multi-market hotel website is very important for the search engines and ongoing marketing including email and pay-per-click campaigns.

Scoring top positioning on search engines will depend on how well constructed the word and phrase list reflects your product and destination, and only comes after careful research on consumer search behavior and purchasing habits. Building this list requires software to analyze popularity, word matching to analyze relevancy, bench research to dig out unique and specific words and common phrases to the search that characterize the destination, and finally some human discretion from those with a depth and understanding of online marketing in hospitality and use of search engines.

Case Study: Website optimization blueprint for a destination portal boosts direct distribution five-fold.

A leading Hotel Management Company instituted a website optimization strategy for its local destination portal. The portal represented as many as 10 properties in 3 major tourist and business destinations. The website optimization included: 3 optimized destination pages, a 3-tier navigation based on multiple audiences, enhanced body copy with keywords and key phrases, revised meta tags, description tags, and page titles, new functionality, data compressed high quality images, and introduced specially designed foreign language pages. The optimized website underwent a priority registration with top search engines and URL submission to all international search engines. Online bookings doubled within several short months. HMC now projects online revenues generated directly from the new website to increase five fold in 2003.

### Building a Better Navigation

Website optimization calls for a clearly defined and well-constructed multi-tiered navigation. We are all familiar with the website navigation bar which delineates the contents of the website. A navigation bar allows users to scan the labels on the buttons of the navigation bar in order to determine which buttons are personally relevant. The labels are also meant to represent the essence of the content behind each button the user selects.

Too often, the origins of a hotel website strategy had begun by simply digitizing the hotel brochure and then slapping on a booking engine a few years later. Over time the website grew into a hodge-podge of random content devoid of any strategic logic. The navigation frequently winds up being overburdened with redundant and confusing information, mixing consumer with administrative features ("View King Suite" with "Career Opportunities", "Investor Relations", "Press Releases"), and misrepresenting the content and copy of the website.

Creating navigation tiers has proven to be a highly successful approach. Based on the hotel strategy, product mix, and target audience, the website navigation should reflect a two, three or four-tier navigation structure. Each tier represents an order of authority that helps layout the organization of the website. By using a tiered structure you can arrange the navigation in such a way that it moves users comfortably and easily toward a set of services, including the reservation process. As a minimum, a hotel website should have:

- Actionable Navigation
- Main Navigation Bar
- Sectional or sub-navigation

Once the tiered structure is defined, label the navigation buttons properly and include a button called "Home". There is no room for creativity when it comes to having a Home page button—it's a must. In fact, clicking on the corporate logo to return to the Home page is considered offensive in certain cultures.

The next step is to streamline the navigation to contain only core products and services. Avoid cluttering the Main Navigation Bar with superfluous activities. What is more important, making a reservation or offering employment opportunities? A hotel website is a business-to-customer enterprise. Streamline the navigation by removing or shifting non-essential services away from the Main Navigation Bar.

A poorly designed navigation will never turn lookers into bookers. Sadly in this depressed travel market every incremental bit of business is vital yet many hotel navigations are poorly designed and confuse users with an overload of unnecessary navigational choices and useless information that neither enhances the hotel's image nor drive consumer desire to make a reservation.

## Conclusion

We've covered a lot of ground and hopefully it has become as clear as ice that website optimization is essential for building a direct-to-consumer distribution strategy. It should serve as the foundation of any long-term competitive distribution strategy.

Website optimization starts at the local hotel and encompasses a comprehensive approach for boosting search engine ranking and converting lookers into bookers. The approach underpins the total online direct-to-consumer distribution effort. Successful hoteliers use their websites to communicate directly with consumers and establish long-term interactive relationships. A website optimization blueprint drives the overall direct distribution strategy and blueprint creation is well beyond the skills of SEO vendors and web designers. Partner with experienced eBusiness strategist to help optimize the website and leverage the Internet to its fullest potential.