HeBS | Hospitality eBusiness Strategies

Best Practices in Hotel Website Design

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The Hotel Website – The Main Hub for Multi-Channel Customer Engagement

Many hoteliers do not realize how important it is to address the significant change in travel consumer behavior over the past several years, namely the emergence of a new breed of hyper-interactive travel consumers.

Most hotel websites are not designed to handle today's hyper-interactive consumer and read like a static online brochure. Many hotel websites offer dead, stale textual and visual content. There are no interactive Web-2.0 features engaging the travel consumer and soliciting his/her participation and input.

This is contrary to the mere nature of today's hyper-interactive Internet user, who is tweeting, texting, emailing, communicating with friends via Facebook, and commenting, often in real-time, on restaurants and hotels via review sites like Yelp and TripAdvisor.

The advent of social media and the mobile Web has accelerated the hyper-interactiveness of Internet users and travel consumers in general. Social media means deep user engagement, content generation by users on a daily, if not hourly basis, multi-channel interactions and opinion sharing. The Mobile Web takes this behavior to an entirely new level and enables it 24/7. All of this adds the additional responsibility to the hotel website to become the hub for cross-channel customer engagement.

To aggravate the situation, due to economic considerations many hotel websites have been practically abandoned during the past two years (i.e. the approximate duration of the recession). During this time, a number of very important developments occurred that profoundly changed inventory distribution and marketing in hospitality: social media, mobile Web, cross-channel marketing, and the emergence of the Hyper-Interactive Travel Consumer.

The Hotel Website – The Main Hotel Revenue Driver

Today's hotel website carries the burden and responsibility of generating the bulk of bookings for the property. This year 45% of all hotel bookings in North America will be online. Across the industry, in 2010, Direct Online Channel sales (via the hotel website) will exceed 62% of total online hotel bookings. In Q1 2010, 71.7% of online bookings for the top 30 hotel brands were direct via the brand websites, while 28.3 % were via the indirect online channel (the Online Travel Agencies (OTAs)).

The Direct Online Channel is by far the most cost-effective distribution channel and provides hoteliers with excellent ROIs, immediate results, and long-term competitive advantages. A recent analysis by HeBS showed that in average the cost per booking via the OTAs is in average 8-10 times higher than via the hotel website.

Take a Hard Look at Your Hotel Website

The property website has become the backbone of the hotel marketing mix and is the main digital asset of any hotel. In this age of multi-channel marketing, any type of hotel marketing initiative (from search engine marketing and banner advertising to email and social marketing) ultimately drives travel consumers to the hotel website.

Eighty-three percent of American travel consumers plan and research travel online (TIA). There is no doubt the hotel website has become the "first point of contact" with the overwhelming majority of

hotel customers. Unfortunately on many occasions a visit to the website turns out to be the "last point of contact."

Hoteliers must realize that the hotel website has become not only the main revenue driver for their property, but also the main influencer for making travel purchase decisions and as discussed above, the main hub for customer engagements in today's cross-channel interactive environment. Therefore, enhancing and optimizing the hotel website to meet and exceed industry best practices and customer expectations should be a top priority for any hotelier.

Here are some important considerations:

If your hotel website is over 2 years old:

- So many things happened over the past 24 months that hoteliers no longer have a choice of whether to re-design their website or stick with their old and tired site. This is a matter of "life and death" for any hotelier. A website re-design is a must and should be considered in Q3 or Q4 of 2010, or at least budgeted for early 2011.

- The new website should reflect 2010-2011 industry's best practices for an optimum revenue-generating website. It should be user-friendly, search engine-friendly, travel booker-friendly, and Web 2.0-friendly (customer engagement-friendly).

- A website re-design is typically a 90-120 day project; plan accordingly.

- Return-on-Investment (ROI): our experience shows that any website optimizations, enhancements or re-designs pay for themselves within 3-4 months.

The following Case Study concerns one of our luxury boutique hotel clients from Oregon and is based on a 9-month span starting from launch of the newly designed website. The study clearly shows the cost effectiveness and excellent ROI from the website design:

- Website revenue: $517,386
- Total spend: $42,981
    - Including:
        - $16,176 - Marketing Spend
        - $9,305 - Fees for campaign management, hosting, analytics, maintenance, etc
        - $17,500 - Website Re-Design + Buildout Cost
- **ROI (Return on Investment):   1104%**
- **ROAS (Return-on-Ad-spend):   3098%**

If the site is over 12 months old:

- Search engine optimization (SEO) is now due in order to take full advantage of the much cheaper organic search related visitors to your site.

- Web 2.0 optimization is now due to improve customer engagement on the site.

- Customer segmentation optimization is now due to fully address all key customer segments, from meeting and group planners, to corporate and leisure travelers, social event planners and family travel planners.

A Note about the Franchisee Hotel's Vanity Website

Many hotel chains allow and even encourage their franchisees to launch property vanity websites. Almost all hotel chains have specific guidelines regarding these external property websites. For the franchisee, a vanity website's main objective is to provide incremental revenues to what the brand website can provide. It does this by:

- Creating deep and relevant content – at least 35-50 pages of fully optimized local content that can successfully compete against the OTA websites' descriptions of the property.
- Focusing on long-tail keyword terms to capture incremental traffic and bookings.
- Focusing on local content: area attractions, local events and happenings, as well as main feeder market initiatives.
- Focusing on key market segments via deep relevant content and SEO: meeting planners, group planners, SMERF, weddings, social and special events.

If developed as per industry's best practices, the franchisee vanity website should generate <u>at least the same amount of revenue</u> as the major brand site generates for the property.

Best Practices for Today's Hotel Website Design

When re-designing the website, hoteliers need to understand that website design is not an art and it is certainly not rocket science - it is a creative solution to a business problem. If your hotel website's bookings are down, that's a business problem. Your visitors can't find your website? That's a business problem. Your site is hard to navigate and functionality does not work? That's a business problem. Obviously the hotel needs to apply other criteria such as industry best practices, site usability and booker-friendliness, regardless of whether the GM or ownership likes the website design or not.

Your site needs to "meet and exceed" user objectives and not provide any obstacles to achieving these objectives. If the hotel site has a solid, professional design layout that is supported by easy-to-understand navigation, helpful functionality and relevant textual and visual content, users will stay longer and will explore the site deeper—ultimately resulting in bookings.

As mentioned above, today's hotel website must reflect 2010-2011 industry's best practices and should be:

- User-friendly
- Search engine-friendly
- Booker-friendly
- Web 2.0-friendly (customer engagement-friendly)
- Mobile-ready

In the following pages we will comment on each of these crucial aspects of the hotel website design and provide best practices and recommendations.

1. Website User-Friendliness

Website user-friendliness refers to the quality of the user experience on the website (i.e. the website usability). In human-computer interaction, usability usually refers to the elegance and clarity with which the interaction with a computer program or a website is designed (Wikipedia).

Website user-friendliness encompasses several key components that are crucial to the user experience, including:

- Site Architecture and Page Layout
- Golden Triangle Rule
- Website Navigation
- Rich Media and Imagery (i.e. Visual Content on the Site)
- Website Copy and Descriptions (i.e. Textual Content)
- Destination Web Strategy

Site Architecture and Page Layout:

With the proliferation of high-speed Internet access and better and bigger monitors, the current trend is that 96% of Internet users in the U.S. are using a screen size of 1024x768 pixels or more (2010, W3 Schools). This allows the design of wide-screen websites featuring large, landscape "hero" photography, enhanced image density, interactive applications and videos that take advantage of fast download speeds and big monitor dimensions. Presently most hotel websites do not take full advantage of wide-screen layouts, high-impact imagery and rich media applications.

Golden Triangle Rule:

Another important consideration is the so called "Golden Triangle Rule." Studies based on research using beams of light that bounce off the eyeballs of online test users reveal certain patterns of online viewing behavior on content sites. Basically users tend to focus more on the top left corner of the page (i.e. the real estate of the page now referred to as the "Golden Triangle"). The website design and layout, including positioning on the page of important elements such as the navigation, call-to-action elements, the reservation widget, and featured specials and promotions should take this user behavior into consideration.

Website Navigation:

A well-functioning and user-friendly website calls for a clearly defined and well-constructed multi-tiered navigation. According to an eMarketer survey, the *quality of the website navigation for ease of use* is one of the two most important website features sought by Internet users.

Based on the hotel strategy, product mix, and target audience, the website navigation should reflect a two, three or four-tier navigation structure (e.g. Actionable, Main, Sub and Support Navigation). Each tier represents an order of authority that helps lay out 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.

A poorly designed navigation will result in a poor user experience and low conversions on the site.

Rich Media and Imagery:

Selling travel is all about selling a vision, a dream—an intangible product. Rich media and its many formats—from photos and visual galleries, to videos and virtual tours, e-postcards, web cams, interactive maps, etc.—can truly present your travel product and make it tangible and real.

Seventy-two percent of US Internet users view video online on the same scale as network television and 89% of users surveyed said video influenced their booking decision (PhoCusWright).

Usability surveys about hotel websites show that the majority of users think hotel websites are "lacking or need more" pictures and images.

Website Copy + Descriptions:

The website copy serves two distinct audiences:

- Travel consumers: the site must describe all aspects of the hotel product and services.

- Search engines: for premier placement in the search engines, the site H1 headers, body copy (keyword density), page titles, description tags and meta tags must adhere to best practices.

The website copy is vital in promoting the hotel properly to customers visiting the website. The copy describes the hotel, its features, accommodations, amenities, services, and local destination information. The copy should accurately represent the property and be written in concise, declarative, and descriptive sentences.

Another reason the quality, depth and breadth of the website copy is so essential is because today's search engines (e.g. Google, Yahoo! and Bing) value the visible (on-page) website copy as the most relevant and credible copy to index. The website copy must contain relevant target keywords and phrases (related to both the product and the destination) that can be found throughout the website. Website copy plus the site's link popularity (i.e. the number of recognized inbound links), are the two most important factors for getting high rankings on the search engines.

Hotel travel planning is destination-sensitive. By utilizing a Destination Web Strategy, hoteliers use the popularity of the destination to their own advantage and make their hotel the "hero" of the destination. This approach provides valuable and relevant destination information so that travelers searching online and the search engine bots alike find value on the website beyond the mere hotel product content.

2. *Search Engine-Friendliness*

The search engine-friendliness of the hotel website includes addressing issues such as:

- Search engine friendly site architecture, page layout, logical and consistent navigation, website development language, etc. (i.e. the "crawlability of the site" for the search engine bots).
- Relevancy, depth and breadth of the website copy.
- Search engine optimization (SEO) on the site, including keyword density of the website copy, H1 and H2 headers, page titles, description tags and keyword tags.
- Number of recognized inbound links (Link Popularity).
- Internal linkage, site maps, Google site maps, etc.

Search engines are an essential component of the hotel direct online distribution strategy:

PhoCusWright surveys found that three-fifths of online travel shoppers cite search engines as resources to research their vacations, and 64% of online users start with a search engine for travel related searches.

HeBS' own research shows that between 50%-70% of website traffic and revenue is a direct referral from the search engines.

The search-engine friendliness of the hotel website is important not only for organic search. Good SEO on a website improves the Quality Index for paid search as well. The Google Quality Index determines how much you pay per click (PPC) and the ranking of your PPC listing, and is based on keyword relevancy, quality of the marketing message and relevancy of the landing page (i.e. the website and its SEO). With a lower Quality Index you pay more per click and your ad is ranked lower.

3. Booker-Friendliness

The booker-friendliness of a hospitality website is a direct result of how well the hotel website handles a whole range of complex issues that can influence the purchasing behavior of the website users. Here are only some of them:

- Building Trust and Credibility.
- Ease-of-use of the booking engine and smoothness of the booking process.
- Reservation widget as part of the global navigation of the site, with customized look-and-feel design that "mimics" the website design.
- Availability of bookable unique special offers, packages and promotions with excellent perceived value proposition.
- Assurance of best rate and rate parity for non-bundled hotel rates.
- "Book with Confidence" marketing messages at the point of sale.
- Perceived good security and privacy policies on the site.

Below we will discuss a few of these important issues:

Building Trust & Credibility:

According to an eMarketer survey, 80% of Internet users consider the credibility of website content as one of the top two most important website features (the other one is the site navigation).

In this Web 2.0 environment, travel consumers like to see "both sides of the medal" –the "official" content, descriptions and presentation of the product on the hotel website and in the same time review the "unofficial" content on peer review sites, blogs, etc. If the official content differs vastly from the unofficial content, guess which is the more credible content in the eyes of today's sophisticated online traveler? All surveys and our own research show that user generated content on social media and on review sites is perceived as more credible by travelers searching online. The bigger the disparity between official and unofficial content, the bigger the gap in credibility.

What can and should hoteliers do to improve the credibility of their website content? They should review the content on their websites and align it with the content about their hotel on social media

and review sites (i.e. align the official content with the unofficial content). For example if you describe your hotel as luxurious, while all customer reviews describe your hotel as a "good value hotel" or an "economy category hotel", then you should drop the "luxurious" description because clearly your customers do not perceive your hotel as such.

Online Booking Engine Functionality & Conversion:

The quality and functionality of the online booking engine and smoothness of the reservation process are important aspects of the conversion process. HeBS' Usability Survey on a major hotel brand site showed that 44% of people who had "difficulty" with the site related these difficulties to the reservation functionality.

Some of these features include the booking engine's ease-of-use, logical reservation steps, well-designed reservation screens with fast download speeds, good room and suite descriptions and imagery, ability to book packages and special promotions (e.g. stay 2 nights get the third night free) and to purchase auxiliary products and services (e.g. bottle of wine, bouquet of flowers, box of chocolates, etc.), foreign languages and currency conversion, assurance of secure environment, ability to support third-party analytical tools like Omniture Analytics, etc.

Quite often, hotel managers underestimate the importance of the booking engine's quality and functionality on the conversion process and focus solely on implementation and transaction costs. The fact is that cost should be just one of the many criteria when evaluating a booking engine for the hotel website. Lower conversion rates and lost business will negate any cost savings if you choose a cheaper but less capable solution.

4. *Web 2.0-Friendliness of the Hotel Website*

Today's customer lives in an environment full of interaction, engagement, expression, and sharing. The social media phenomenon has spoiled today's customer, who now expects to interact on the hotel website in exactly the same manner as on any of the social networks: Facebook, Twitter, LinkedIn, etc. Therefore, hotel websites can no longer exist as mere online brochures and transactional mechanisms; they have to become as engaging and interactive as the social media networks and the blogosphere.

Hoteliers must align the interactivity of the hotel website with the hyper-interactive behavior of today's travel consumer both on the hotel website and on the social web. Create multiple opportunities for your website visitors to communicate with your hotel. If you do decide to engage your hotel website visitors with any of the Web 2.0 tactics described below, make sure to allow those participants to share their experience via all their social networks (i.e. if a website visitor enters a sweepstakes, make it easy for them to share that they entered with their friends on Facebook and to tweet the contest).

The Web 2.0-friendliness of the hotel website is dependent on how well the website can intrigue users and enable them to provide comments, share information, upload content, and interact with various features and functionality. For a hotel to have a strong brand voice on the web, the relationship with customers must be a two way street. A strong Web 2.0 strategy means a strong brand relationship—an engaging relationship that grows with the latest technology.

Here are only some of the Web 2.0 features and functionality consumers expect on the hotel website:

- Blog on the hotel website to share the latest news, happenings and photos at the property and the destination, and solicit customer comments and input.
- Customer reviews on the hotel website to enable hotel guests to leave comments and ratings of your hotel thus providing valuable reviews for their peers right on the hotel website.
- Interactive Sweepstakes for getting people excited about your hotel and for building buzz, as well as to build your opt-in email and mobile list.
- Interactive Calendar of Events to keep your website visitors updated on all the latest events happening at and around the hotel, as well as to keep your website content fresh with a constant flow of new information. This will encourage repeat website visits and improve SEO.
- The hotel's social media initiatives easily found on the website: from Facebook's "I Like" button and links to your social media profiles on Facebook, Twitter, LinkedIn, and YouTube.

5. *Mobile-Readiness of the Hotel Website*

Travelers are already using their mobile devices to plan and book travel and hotels. Websites of hotels – small and large – are visited by thousands of mobile customers. Many hotels are already taking advantage of the growing mobile traveler population and generating incremental revenues from their mobile sites, marketing and apps.

Any mobile marketing initiative in hospitality, such as a mobile-ready hotel website, must start with the realization that the mobile Internet *is not* wireless access to the conventional Internet. The mobile Internet does not merely duplicate the traditional Web. Many retailers and travel companies who literally "translate" their conventional websites for the wireless world fail to achieve any significant usage and conversions.

Why? The mobile Internet adheres to different rules than the conventional Internet. Mobile users have even shorter attention spans. They have less time to browse and are often on the go. Slower speeds, yet to be perfected mobile browsers, smaller displays, limited data-input capability, multi-step booking and information retrieval processes are some of the limiting factors.

Imagine the user experience of trying to squeeze your wide-screen hotel website, designed to fit screen resolutions at 1280x1024 pixels and above, onto the tiny screen of a mobile device. Our analysis shows that more than 90% of mobile users access the hotel website via mobile devices with screen sizes of 320 x 480 pixels. Accessing a "conventional" website via a mobile device, even the latest iPhone, often results in an undesirable user experience: the inability for customers to find information they need which in turn leads to a predictable outcome of abandoned websites and reservations.

While some new devices, for example the iPad, can view a full version of your site, some functionality will simply not work (for example, Flash), and download speeds in the mobile world will spoil the user experience.

Overall, the growing use of the mobile Internet increases the importance for hoteliers to offer a mobile website specially designed to provide an excellent user experience in a mobile environment—a mobile-ready hotel website.

What are the features of the mobile-ready hotel website?

- Fast download speeds

- Automatic detection of type of mobile device to serve the appropriate version of the mobile site
- Efficient and simple navigation
- Short and concise textual content
- Scaled-down visual content
- Easy-to-use mobile booking engine with easy access to your user profile, pre-populated with your contact information, credit card information and reward program number
- One-click map and directions to the hotel
- Toll-free phone for additional information and reservations
- Mobile website SEO
- Mobile website analytics

The mobile Internet is already here. Mobile marketing allows hoteliers to take advantage of a unique marketing and distribution medium where mobile services, marketing messages or applications are delivered via a very personal device (e.g. your cell phone or smart phone). This creates an additional responsibility form. Marketers are to "tread carefully" and strictly adhere to best practices and standards due to the highly sensitive privacy concerns of mobile users and wireless carriers alike.

Conclusion

The hotel website is not only the main revenue generator for the property, but also the main influencer for making travel purchase decisions, and serves as the main hub for customer engagement in today's interactive environment. Enhancing, optimizing and re-designing the hotel website to meet and exceed industry best practices and customer expectations should be a top priority for any hotelier.

Hotel website design is not an art. It is not rocket science. It is a creative solution to a business problem. It is subject to well-established industry best practices and stands as a logical business approach. There have been so many developments over the past 24 months that hoteliers no longer have a choice as to whether they re-design their website or stick with their old and tired site. This is a matter of "life and death" for any hotelier.

A website re-design is a must and should be considered in Q3 or Q4 of 2010, or at least budgeted for early 2011 if the hotel website is over 2 years old. The new website should reflect 2010-2011 industry's best practices for an optimum revenue-generating website. It should be user-friendly, search engine-friendly, travel booker-friendly, and Web 2.0 friendly (customer engagement-friendly).

Think carefully before choosing your website vendor, as this is the most important decision you will have to make regarding your Internet marketing strategy. With 45% of all hotel bookings in North America being made online this year, the capability of your hotel website in generating bookings will determine the overall success of your hotel. Work with a website design firm that understands best practices in hotel website design, uses state-of-the art technology, has proven results in the form of prestigious design and Internet marketing awards, and has transformed its clients' hotel websites into their most cost-efficient revenue generator for their property.

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HeBS has pioneered many of the "best practices" in hotel Internet marketing and direct online distribution. The firm specializes in helping hoteliers build their direct Internet marketing and distribution strategy, boost the hotel's Internet marketing presence, establish interactive relationships with their customers, and significantly increase direct online bookings and ROIs.

A diverse client portfolio of over 500 top tier major hotel brands, luxury and boutique hotel brands, resorts and casinos, hotel management companies, franchisees and independents, and CVBs has sought and successfully taken advantage of the firm hospitality Internet marketing expertise offered at HeBS. Contact HeBS consultants at (212)752-8186 or info@hospitalityebusiness.com .