

DIGITAL MARKETING PERFORMANCE EVALUATION IN THE COVID-19 PANDEMIC

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TABLE OF CONTENTS

HOSPITALITY AND COVID-19 **03**

PHASED APPROACH **04**

TRAVEL ON PAUSE **07**

INITIAL TRAVEL RECOVERY **08**

TRAVEL DEMAND STRENGTHENS **09**

KEY METRICS **10**

ADDITIONAL INFORMATION **11**

HOSPITALITY AND COVID-19



The Covid-19 pandemic is causing major disruptions in the travel and hospitality market and associated organizational and marketing strategies by hospitality suppliers.

On a region-by-region and time-period-by-time period basis, these strategies will change as the pattern of the pandemic evolves and the availability of a vaccine emerges. All of this will cause changes in digital marketing strategies and the selection of key performance indicators (KPIs) to evaluate the effectiveness of strategic actions taken.

As an added value for those considering taking a **certificate** in digital marketing or a new course digital marketing performance evaluation, and to illustrate their usefulness, we are providing this whitepaper for free.

It accompanies and amplifies other materials in the Keynote webinar (or minicourse), **Hospitality Goes Digital: Rethinking the Online Guest Experience in a COVID-19 World.**

PHASED APPROACH: OVERVIEW



Each hospitality enterprise will or should have both an organizational and marketing strategy, including a digital marketing strategy developed to recover from the impact of the pandemic. The recovery may be sequential or cyclical, depending upon a reoccurring pattern of the pandemic for a given region. Most, if not all, enterprises should focus on the three phases of a recovery

(See Figure 1):

- (1) while travel is on pause;
- (2) when travel demand begins to recover – or is estimated to do so;
- (3) when travel demand strengthens.

Associated with each of these phases are digital marketing activities and associated KPIs that owners and managers should be monitoring. Digital marketing enterprises and agencies and internal hospitality staff should monitor these and other more detailed KPIs.

Based on the phase of recovery in which enterprises find themselves, marketing objectives will differ. Using the *marketing funnel* of consumer behavior objectives **(See Figure 2)**, digital marketing objectives and actions differ – from awareness generation, to engagement creation, to commerce, to guest advocacy. For example,


01

TRAVEL ON PAUSE

Strengthen Brand Relationship

While people are not traveling and many hotels are closed, hotels should stay connected with past and future guests through social, email, and editorial content that entertains and adds value.


02

INITIAL TRAVEL RECOVERY

Ramp Up Marketing and Reach

Ramp up marketing efforts with affordable CPCs and reach people beginning to daydream about rebooking and planning vacations. Ensure a flexible cancellation policy.


03

TRAVEL DEMAND STRENGTHENS

Increase Marketing Efforts

Continue marketing efforts focusing on intent as well as targeting the right demographics and feeder markets with the right messaging and packages.

FIGURE 1 — DIGITAL MARKETING STRATEGY: PHASES OF PANDEMIC RECOVERY

Source: Next Guest Digital, April 2020

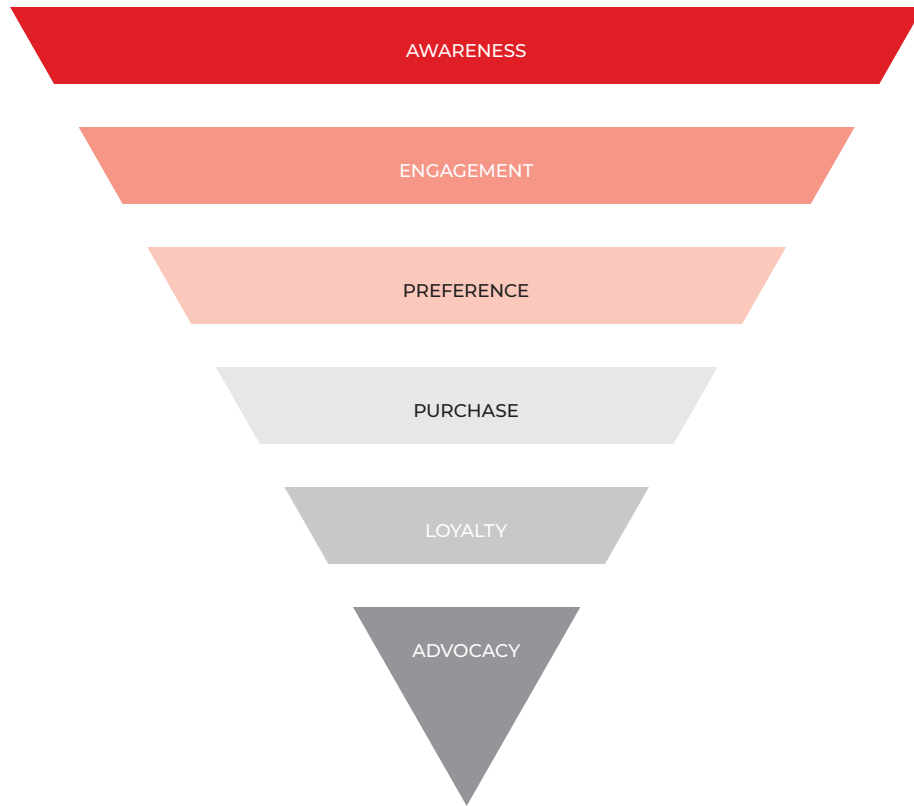


FIGURE 2 — THE MARKETING FUNNEL

Source: Success Metrics for Hospitality Digital Marketing (SHA549 Course)

during the *pause* phase actions should focus on maintaining awareness of the enterprise and what it is doing to ensure the safety and security of guests when they do return; in effect, maintaining engagement with guests. During the *recovery* phase, the enterprise should be moving down the funnel by targeting likely guests with marketing activities that assure guests of a safe and secure hospitality experience and a flexible reservation

cancellation policy. These, in turn, are designed to encourage bookings. As demand *strengthens* in the final phase, enterprises should reach out to guests to determine satisfaction; resolve issues; encourage loyalty (and repeat business); and promote advocacy through positive reviews and posts.

Underlying the execution of the various marketing activities in each phase and for each associated set of marketing

objectives are a set of KPIs that should be evaluated to determine if the activities are working or not. The impact of the pandemic has caused a financial strain on nearly all hospitality enterprises. With tight budgets, marketing must be effective — creating the optimum return from marketing spend (return on advertising spend or ROAS) in terms of revenue, awareness, engagement, and advocacy.

7

PHASED APPROACH: TRAVEL ON PAUSE



01

During this period, enterprises should focus on activities that strengthen the brand relationship; demonstrate efforts to provide for guest safety; and connect with past (loyal) guests and future (cancelled reservation) guests. This would be accomplished with editorial blogs, social media content and paid placements, search engine optimization (with related brand website structure and content changes), search engine (paid) marketing — keyword bids and paid placements, and email.

KPIs to be evaluated would be the number of blog posts and views; social media views, posts and likes; search engine optimization (SEO) and search engine marketing (SEM) metrics — views, click-throughs, etc. tied to potential guest focuses — safety, security, flexible advance reservation restrictions; and emails sent, opened and responded to. These should be evaluated over time and versus the competitive set within which the enterprise operates.

PHASED APPROACH: INITIAL TRAVEL RECOVERY

02

As indicators emerge that travel may be starting again, digital marketing should focus on the key concerns of guests such as safety and value provided at the property and destination. Indicators that the enterprise and destination are in the recovery stage phase include an increase in organic (SEO) traffic for the site (i.e., click-throughs); an increase in bookings initiated; an increase in search volume for relevant destination words and phrases; and increases in flight searches for the destination.

Digital content for social, search and email could include actions taken by the property to assure the guest safety; actions taken within the destination to protect travelers; flexibility for reservation cancellation; and advance reservation packages with value ads and discounts.

These actions would move further down the marketing funnel to include engagement, commerce, and advocacy.

It will be increasingly important during this phase to focus on the demographics

and geographic source market of potential guests as the target for digital marketing. For example, there is likely to be a greater share of the drive market and younger versus or older guests. Search word selection and paid positioning should focus on brand and destination and intent-driven displays and re-targeting (paid and enterprise initiated) based on indications of intent to travel.

Metrics to be evaluated during this phase would be the number of social media views and comments, tweets and re-tweets search engine optimization (SEO) and search engine marketing (SEM) metrics – views, click-throughs, brand site usage – views, time and place on the site.

The focus of performance evaluation during this phase is clearly “engagement.” Are digital users engaging with the content in social media – views and shares; search – views, click-throughs and bookings; and email – opens, responses, and bookings? KPIs should be evaluated over time and versus the competitive set within which the enterprise operates.

During this phase it is critical to monitor, respond to, and share peer-to-peer reviews, posts and pins related to safety and security of guests. What properties say is less important than what guests say.

PHASED APPROACH: TRAVEL DEMAND STRENGTHENS

03

During the final phase of recovery, attention should be focused on changes in the demographics and source markets of potential guests. Adjustments should be made to digital marketing activities executed during the ramp up phase. Digital marketing actions migrate from awareness to engagement, commerce, and advocacy during the various subphases of a strengthening market.

See Figure 3.

PHASE 1

- Generate brand awareness
- Focus on locals and drive-in markets
- Begin ramping up for fly-in markets
- Capture bookings with a 30-60 day lookback window

PHASE 2

- Hone in on in-market audiences
- Continue retargeting website visitors as cookie pool grows
- Capture bookings with a 90-day lookback window

PHASE 3

- Ramp up lower-funnel targeting and retargeting

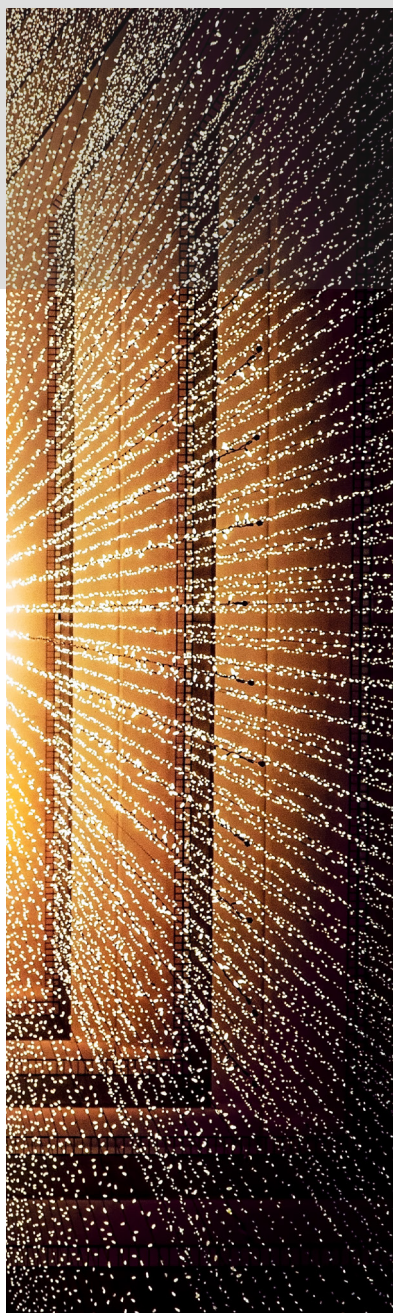
PHASE 4

- Adjust strategy due to evolving travel demand

FIGURE 3 — SUBPHASES OF TRAVEL STRENGTHENING

Source: Next Guest Digital, April 2020

KEY METRICS



Key metrics to be evaluated during this third phase would be ROAS on responses to social media intent-driven (paid) displays; SEO and SEM metrics – click-throughs and bookings initiated, bookings; brand site usage – views, time and place on the site, bookings initiated, and bookings.

The focus of performance evaluation during this phase is clearly “commerce.” Are digital users engaging and booking with digital marketing? Are proper shifts being made in spending and use of digital media like high net return paid search and display ad buys. As with the other phases, KPIs should be evaluated over time and versus the competitive set within which the enterprise operates.



ADDITIONAL INFORMATION

Background material for this paper was drawn from numerous sources, including two major digital marketing agencies serving the hospitality industry. For those wanting more detailed information, see:

www.nextguest.com

www.milestoneinternet.com

The eCornell course on digital performance measurement and the certificate go into much greater detail and provide more background on the role of digital marketing in hospitality enterprises. The course is designed for those who are responsible for high level oversight and management of hospitality digital marketing. For more information, see:

www.ecornell.com/certificates/hospitality-and-foodservice-management/hospitality-digital-marketing