



# TOP 5 ONLINE MERCHANDISING TIPS FOR HOTELIERS

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At the core of merchandising, is the fundamental idea that presentation greatly affects how well products sell. Although it's a concept that hoteliers typically associate with choosing the right pillows or accessorizing guestrooms with certain decor, there is a new way of thinking about merchandising: as a proven way to extract the most value from online hotel listings. This mentality is becoming the key to success for hotels in today's competitive online travel market.

### **Online travel “mega-stores”**

An easy way to understand online hotel merchandising is by thinking of travel websites as mega-stores with thousands of hotel listings sitting on the shelves. Naturally, the hotels with the most compelling displays get picked off the shelf, or booked, more often than the rest.

These mega-stores present valuable opportunities for hoteliers. One of them being, control over how well their hotel listings tell a story that makes travel shoppers say, "That's the hotel I want to stay at!"

### **Merchandising and marketing: What's the difference?**

In the world of online travel, merchandising and marketing are not one and the same. While marketing is focused on getting consumers *into* the store, merchandising is what happens once consumers *actually enter the store*. Brand.com, OTAs and third-party travel websites drive travel shoppers *to* their “stores” so that you can focus on how your hotel is actually displayed *in* the store.

Where and how travel shoppers *book* your hotel is irrelevant, as long as they book *your hotel*. Effective merchandising influences travel purchase decisions at every step in the planning process and ultimately leads to increased bookings.

### **Better merchandised hotels get more bookings**

The bottom line is that better merchandised hotels get more bookings. Merchandising your hotel online is a lot easier than it sounds. Here's a list of five easy tips that will help you better merchandise your hotel online, or at least get you thinking about it!



## TIP 1: UNDERSTAND TRAVEL SHOPPERS

The best place to start is by gaining an understanding of online travel shopper behavior, how they shop for travel and what influences their booking decisions. As you probably know, the internet is the primary source for travel research,<sup>i</sup> which means that travel shoppers have a lot of information at their fingertips. This is partly due to the influx in third-party travel websites that has changed the way consumers shop for travel online.

Now, online travel shoppers can research and compare and book hotels in just a few clicks. In fact, the average online travel shopper visits at least 3 websites when researching travel online<sup>ii</sup> and bookings are split between supplier (brand.com or hotel websites) 61% and OTAs at 39% of hotel sales.<sup>iii</sup>

Booking behavior aside, the important thing to note is that travel shoppers visit multiple sites before making a decision which is why hoteliers need to merchandise their properties on the websites that travel shoppers visit during their travel shopping process.

With that in mind, the most practical way to understand online travel shoppers is by stepping into their shoes. Go online and visit an online travel agency like Travelocity, search for hotels in your city and click on your hotel's listing.

Assuming you haven't merchandised your hotel, you'll probably see a written description and standard photos of your hotel. Being as unbiased as possible, ask yourself this question: based on what you see, would you book your hotel? If your answer wasn't a resounding "yes" then keep on reading.



## TIP 2: DETERMINE UNIQUE FEATURES

Every hotel has unique selling features. However, many hoteliers experience a disconnect between their goals and their brand's goals. Hotel brands are more concerned with getting consumers to book any one of their branded hotels, whereas individual hotel properties are focused on getting consumers to book their hotel specifically. As such, hoteliers see travel sites as selling environments while hotel brands see them as engines to drive traffic to brand.com.

Hotel listings managed by brands on OTAs and third-party travel websites are more about brand image than showcasing each hotel's unique features. This presents hoteliers with an opportunity to leverage their property's unique features and "sell" their hotel on these powerful selling channels.

Online merchandising systems enable hoteliers to use visual content to enhance their hotel's presentation on the online selling channels. For example, the Marriott Orlando Airport Hotel effectively uses its hotel's unique features to sell the property to specific guest segments - business travelers and meeting planners on relevant travel websites.

"Our state of the art on-site meeting and conference facilities give us an opportunity to target a specific market - meeting planners. What better way to do it, than video displayed on the websites they're using to research and book conference facilities online," states Chanda D. Ebo, Senior Manager, Marketing & eCommerce, Orlando Airport Marriott.

What are *your hotel's* unique features? Do these features lend themselves to particular guest segments? Use your hotel's unique features to your advantage.



### TIP 3: DIFFERENTIATE YOUR HOTEL FROM YOUR COMPETITION

Differentiation is way to show travel shoppers which hotel to book. Regardless of how close your competitors are to you geographically, they're only one click away online - which has its benefits. It makes competitive analysis easy. Just looking at your competitors' online hotel listings can reveal valuable insight into how your hotel compares and identifies key opportunities on how to differentiate it.

Converting lookers into bookers online is about doing more than just selling 'heads in beds,' it's about packaging an 'experience' that differentiates your hotel based on value, not price.

"Providing a unique value proposition to the potential customer and differentiating your hotel product from what the competition is offering are two of the strategies smart hoteliers utilize today.<sup>iv</sup>"

When your daily rates are comparable to other hotels in your geographic area, how do in-market travel shoppers choose which hotel to book? They choose the one that they perceive as giving them more value – the one that conveys the most desirable expected experience that aligns with their needs and expectations.



#### TIP 4: DEVELOP AN ENGAGING STORY

After stepping into the shoes of an online travel shopper, evaluating your hotel and your competition, it's probably evident that the hotels with the most engaging hotel listings are the most appealing. That's why they get more bookings.

Although hotel photos and written descriptions are necessary, rich media, or "moving" content, especially video, is the most effective way to tell a story and sell your hotel. Online travel shoppers have a "show me, don't tell me," mindset when booking travel online. In fact, 89% of travel shoppers indicated that online video influenced their travel purchase decisions.<sup>v</sup>

Online video presents an opportunity for hoteliers to tell their hotel's story. If your hotel is a popular wedding destination, then tell a story of what a bride and groom can expect on their wedding day at your hotel. When they can imagine themselves there, or as part of the story you tell, they're more likely to book. But, a story isn't effective if it's never told to anyone.



## TIP 5: MAXIMIZE YOUR HOTEL'S ONLINE VISIBILITY

Visibility is everything, in terms of how much visual content you display and where you display it. Extract the most value from your online presence by ensuring that your hotel listings are complete with written descriptions, photos AND rich media on as many websites as possible. Just like retail merchandising, full displays sell, so putting as much on display as possible is essential.

Travel websites are powerful engines that, when leveraged to the fullest, can mean more bookings for your hotel. Merchandising your hotel listings on these sites and brand.com ensures that your hotel's story is consistent and influences travel shoppers throughout the buying process, it also yields the highest return on investment.

Focusing on better merchandising your hotel online means the difference between selling your hotel and having it sit on the shelf. Better yet, it's a quantifiable ROI driven strategy that can increase bookings, even in difficult economic times. Working online merchandising it into your budget just makes sense, so when it comes down to a travel shopper choosing between your hotel and your competition, the choice is clear.

***Note:** Distributing visual content to tens of thousands of travel websites may sound like a daunting task, but luckily it's not. VFM Leonardo is the leading distributor of visual content for the global travel industry. Check out VFM Leonardo's online merchandising solutions for hotels at [www.vfmleonardo.com](http://www.vfmleonardo.com).*

### RELEVANT ARTICLES

**White Paper:** [The Influence of Visuals in Online Hotel Research and Booking Behavior](#)  
**Article:** [Generating Bookings through Merchandising](#)

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<sup>i</sup> eMarketer, 2008

<sup>ii</sup> PhoCusWright, 2008

<sup>iii</sup> Hospitality Net, 2008

<sup>iv</sup> Hospitality eBusiness Strategies, 2008

<sup>v</sup> PhoCusWright, 2008

