

Monthly Myth Buster:

You don't need statistical/revenue tracking on your website for a successful online marketing plan.

I am always amazed at how many property managers have a website and online marketing plan in place but are not tracking visitor behavior or revenue from their website. Although I have not readily heard people say they don't need a website tracker, the logical conclusion due to how often tracking systems are not utilized is that managers either feel that statistical tracking is not viable or they simply have not gotten around to getting one. In this month's Myth Buster, **RezNEWS** will discuss the importance of statistical tracking, what to look for when choosing a website tracker, and which reports are the most useful for making important spending decisions when purchasing a tracking system.

Online marketing can be expensive. It is also easy to spend money allotted for marketing inefficiently. While some online resources and advertising techniques work great for one property, they may be inappropriate choices for another. The only way to distinguish between marketing practices is to monitor website visitor behavior and track marketing campaign revenue. This practice works on both a macro and micro level. For example, a specific directory may show a great return-on-investment for a property in San Francisco, California but may show little or no revenue for a property in Madison, Wisconsin. On a micro level, some pay-per-click keyword phrases may be effective at generating revenue and some keywords may prove to be futile. In each example, it is critical that you are able to identify the successes and failures and adjust your strategy and spending accordingly.

What are the attributes of a good tracking system? About three years ago, most trackers only tracked visitor behavior. While this is still beneficial information and many visitor behavior reports can be indicative of success or failure, there is an important component missing by only analyzing visitor behavior – the component of revenue tracking. In the past few years, many companies have integrated tracking software with the online booking process to enable marketers to closely track the revenue per reservation and to follow which specific campaigns generated that revenue. Overall, you need a tracker that can track visitor behavior on every page of your website and booking process as well as track marketing campaigns from start to finish. A typical approach in accomplishing this is to hire two or more providers that offer these services and then try to integrate those solutions. The preferred and more streamlined approach is to find one company that has already done this integration for you.

Similar to revenue trackers, there are many reports that can help you understand how well your website is functioning. Most trackers have far more information (in the form of reports) than property managers will ever use. The leading reports are listed below with a brief description of why that report is useful and what numbers you should expect to see. These numbers closely resemble industry averages and in many cases (with an effective website design and marketing plan) can far be exceeded. These numbers are relative and independent of traffic volume and will be valid for 100 visitors a day or 1000.

- **Top pages** – by combining statistics from this report, you can measure the quality of your website design and more specifically, your homepage design. After landing on your homepage, the next logical page visit is your rooms page. If you divide the number of rooms page visits by the number of homepage visits, you will get a percentage. A low percentage indicates an invalid search result or a lack in what the visitor is looking for. A low percentage can also indicate a poor website design. Your website needs to have a professional look in order to immediately build the visitor's trust. Poorly designed websites do not build trust and will compel your visitor to continue their search for a more professional appearing property. Low "rooms page conversion" rates are largely the result of these two factors. Using the simple math equation above, a tracking percentage below 30% would be considered low, an indication that website design improvements are needed.
- **Time on page** – this report shows how effective your website is in maintaining your visitors' attention. Higher than average time on page results will indicate both a high quality website

design and property information that is accurate, timely, and interesting. Strive to exceed the industry average of 30 seconds per page.

- Conversion rate – your conversion rate is the percentage of website visitors that book a room. If two out of every 100 visitors book a room at your property, your conversion rate is 2%, which is typical of the industry standard. The two major factors which influence your conversion rate are website design and ease of online booking. As mentioned earlier, a poorly designed website will be dysfunctional to the user and produce a low conversion rate. If you have a substantial number of visitors reaching the initial step of your booking engine but end up not booking, you may have a dysfunctional booking engine. The most effective booking engine model is a step-by-step process that results in a confirmed reservation. Availability tools, reservation request forms, and counter-intuitive booking engines will produce low conversion rates. The conversion rate report can back up both the most viewed pages and the time on page reports. If all three reports are at industry averages or below, it is time for a new website design and/or a more intuitive booking engine.
- Campaign/revenue tracking - whether you are spending marketing dollars on pay-per-click, link building, directories, banners, or all of the above, it is critical that you know how much revenue those campaigns are generating. Newer trackers that are integrated with your booking engine can easily deliver this important information. Some campaigns you try will perform well and others will not. When you are armed with the ability to identify the success of each campaign and make adjustments to your spending, your marketing plan becomes more efficient and can generate more targeted traffic resulting in more revenue.

It is evident by the information above that at a very basic level, statistical tracking for a lodging property solicits two very important questions. Does my website function efficiently and are my marketing dollars being well spent? While most tracking software has more reports than listed above, understanding the main report benefits will allow you to analyze the performance of your website and the effectiveness of your marketing efforts.

This month's myth, that you don't need statistical/revenue tracking on your website for a successful online marketing plan is...**BUSTED**.

About the author

Joe Pawlak is Vice President of Sales and Business Development for RezStream, Inc. He also heads the Internet marketing division. Joe has over seven years extensive experience in the website design, hosting, and marketing arena.