

## CASE STUDY: PPC – A SMALL PRICE TO PAY

### CLIENT:

Reval Hotels is the biggest hotel chain in the Baltic countries. The chain consists of ten first-class hotels in a range of locations. Reval Hotels have three hotels in Tallinn, three hotels in Riga, two hotels in Vilnius – the capital of Lithuania – with another two located in the Lithuanian cities Kaunas and Klaipeda, and one newly opened hotel in St Petersburg, Russia. The Hotel Group is owned by the Norwegian company Linstow AS.



The screenshot shows the Reval Hotels website interface. At the top, there is a navigation menu with links for Home, Hotels, Rooms, Conferences, Spa & Wellness, Special offers, Destinations, Dining & Entertainment, First Client, and Contacts. Below the navigation is a red header with the Reval Hotels logo and the tagline "Exciting moments". A search bar is located in the top right corner, with a language dropdown set to "ENGLISH".

The main content area is divided into several sections:

- Left Sidebar:** Lists hotels by country: Estonia (Tallinn Hotels: Reval Hotel Olympia, Reval Hotel Central, Reval Park Hotel & Casino), Latvia (Riga Hotels: Reval Hotel Latvija, Reval Hotel Rīdzene, Reval Hotel Elizabete, ESPA Rīga), Lithuania (Vilnius Hotels: Reval Hotel Lietuva, Reval Inn Vilnius; Kaunas Hotel: Reval Hotel Neris; Klaipeda Hotel: Reval Inn Klaipeda), and Russia (St Petersburg Hotel: Reval Hotel Sonya *New*).
- Center:** A large banner for "It's time for May Holiday celebrations" with a red starburst graphic stating "Prices starting from 35 € per night". Below this is a "Special offers" section with three packages: "Family Miniholiday Package from 60 €", "One Night Miniholiday Offers from 35 €", and "Three -Night Miniholiday Deals from 31 €/night + 10 € restaurant voucher".
- Right Sidebar:** A "First Client" login section with fields for Username and Password, and a "Log in First Client" button. Below it is a "Room" and "Extra Services" section with a dropdown for "Location/Hotel", "Check-in" and "Check-out" date pickers, "Nights" counter, and "Adults" and "Children" dropdowns. A "Check Rates" button is at the bottom.

### THE CHALLENGE:

At the start of our contract, this is what we were up against:

- Low demand for the Baltics region due to the recession
- Weak occupancy, ADR and RevPAR
- Tough competition and new entrants to all of Reval's markets
- High cost per click (CPC)

## THE SOLUTION:

We studied the region by making several visits to the major Baltic cities and conducted market research drawing on the hotel management, Reval's competitors and other local resources. We also studied travellers' profiles looking at changing buying and travelling behaviours. Due to having worked with hotels in the Baltic region for the last four years and thanks to our extensive experience in the hospitality and travel industries elsewhere, our team quickly understood the core needs of this client and aligned the activities according to their needs and goals with return in mind.

### **In addition, our team:**

- Reviewed competitors' online activities
- Analysed Reval's target markets and developed a unique strategy for each market
- Created an annual PPC activity plan
- Trained Reval's e-marketing team, so that they could support the campaigns once implemented

Alongside this focused PPC effort, we continued supporting Reval's e-Marketing Management Team with strategic consulting on e-marketing, e-commerce, revenue management and e-business related fields.

## IMPLEMENTATION:

Here are the main activities that were part of our PPC-focused online marketing strategy:

- Studied each target market and target audience to make sure each campaign was tailored according to their needs
- Examined the website and optimised it to ensure the content's relevancy; engaging visitors for longer
- Undertook extensive keyword research for each hotel, each destination and local amenities (around 7,000 keywords used in the PPC campaigns)
- Implemented unique campaigns and ad groups for each destination and service (around 500 individual ad groups)
- Created new and optimised landing pages to maximise return on investment

- Tested new campaigns and variations to optimise and keep the campaign up-to-date
- Executed a bidding strategy to reach the goals, increase the conversion rate and minimise the cost
- Used different combinations of keywords and phrases including exact, phrase and negative keyword variations
- Performed on-going campaign optimisation

## THE RESULTS:

The PPC campaigns reached their target audiences, drove highly qualified traffic, delivered high ROI and exceeded expectations. Reval's team were delighted with the results. Here are some of the highlights:

- Conversion rate increased by 20%
- Cost-per-acquisition decreased by 300%
- PPC Return on Investment (ROI) and return on ad spend (ROAS) increased by over 400%
- Number of sold packages increased by 35%
- Overall web revenue increased by 16%

## POSTSCRIPT:

On April 20th, 2010, management of Reval Hotels was given over to the Rezidor Hotel Group. All ten hotels within the Reval Hotels Group are to be rebranded as either Radisson Blu or Park Inn. All hotel staff will be retained, though sales and marketing of the hotels will, during 2010, be taken over by the Rezidor headquarters in Brussels as the ten hotels make the transition to the Rezidor Group.

Our relationship with Reval Hotels has lasted for over four years and our services included PPC, search engine optimisation (SEO), e-commerce, e-merchandising, and strategic consulting, revenue management and e-marketing training, and website development.