

Black Friday Report 2020

A deep dive into this year's Black Friday effect in hospitality



Black Friday in Hospitality

Over the past years, Black Friday has become a key date on any hotelier's calendar. On such a date, travelers expect to bump into discounted rates, hotel credits or exclusive add-ons. Despite facing one of the most unprecedented years in history, this edition has been no exception.

This year, Black Friday has effectively helped hoteliers boost their direct bookings and has proved that in today's challenging situation, leveraging special calendar dates in hotel marketing is more crucial than ever.



Report Methodology

At <u>The Hotels Network</u> (THN), we've taken a closer look at our clients' numbers to see how Black Friday has impacted their results and which tactics have proven to be the most effective.

For the analysis, we've taken into consideration THN clients who conducted a Black Friday campaign – 470+ hotels worldwide –, comparing their Black Friday campaign results (dating from Nov 15th – 30^{th} 2020) to the results obtained in the previous month of October 15th – 30^{th} .

To further develop our findings, we've divided our analysis into three approaches:

- 1. Hotels Who Created Dedicated Campaigns
- 2. Hotels Seeing an Increase in Website Traffic
- 3. Hotels Not Seeing an Increase in Website Traffic



Report Stats

To conduct the report, the following metrics have been analyzed:







How Black Friday impacted THN's hotel clients who ran a dedicated Black Friday campaign

Website Traffic



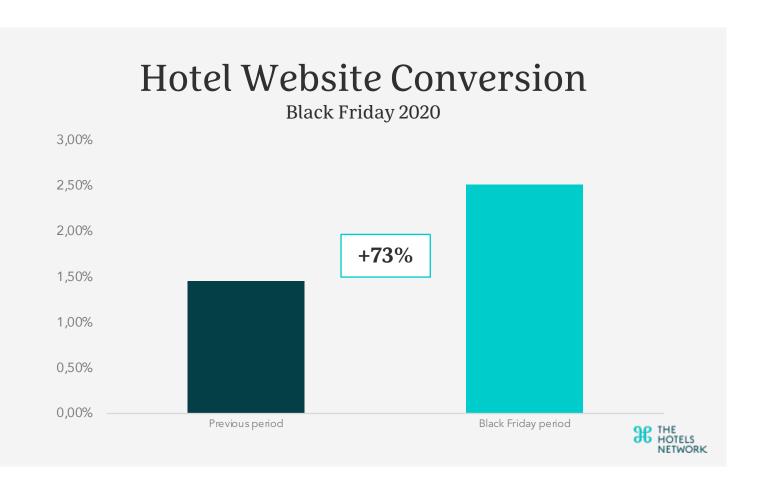
During the Back Friday period, for THN hotel clients running dedicated campaigns, we observed an overall increase of 19% in the number of visitors browsing within the booking engine. This is a reassuring number which indicates that, despite the challenges facing our industry, people are still planning to travel and book stays at hotels.

In parallel, looking at the global website traffic results, we saw an overall decrease of 2% during this period. Some hotels saw an increase in traffic, perhaps thanks to organic or paid promotional campaigns, while others saw a decrease in traffic. We will analyze the results of both groups separately to be able to see the difference in performance.

The fact that booking engine traffic increased by almost 20%, despite a slight decrease in total website visits, highlights that hoteliers using THN's tools were able to effectively communicate their Black Friday offers on their website, engage with visitors and drive them down the booking funnel.



Hotel Website Conversion

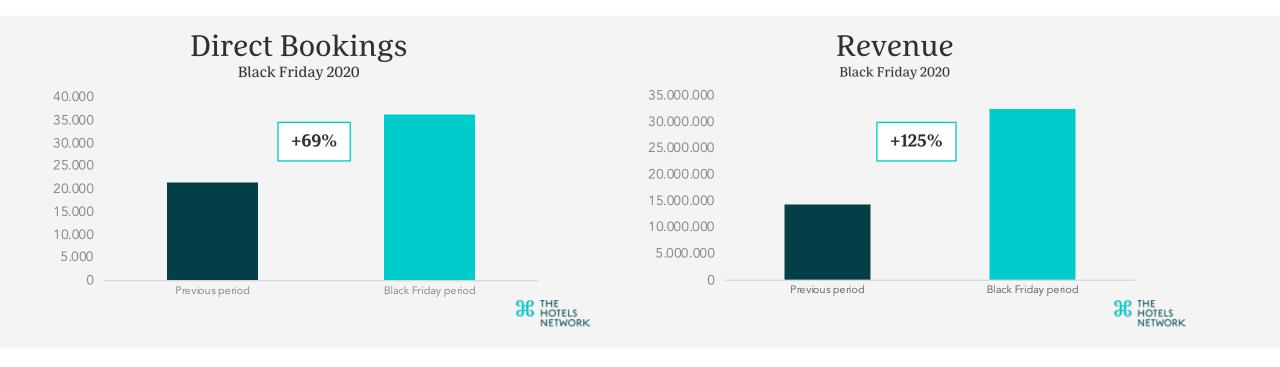


The increase in booking engine traffic also translated into a significant increase in hotel website conversion rate, reaching an impressive average growth of 73%.

These results underline that hoteliers are becoming more well-versed when it comes to creating relevant and appealing offers towards their audiences and promoting them throughout their website. It's also important to note that visitors tend to book more impulsively during these dates, driven by the fear of missing out on these exclusive deals.



Direct Bookings & Revenue



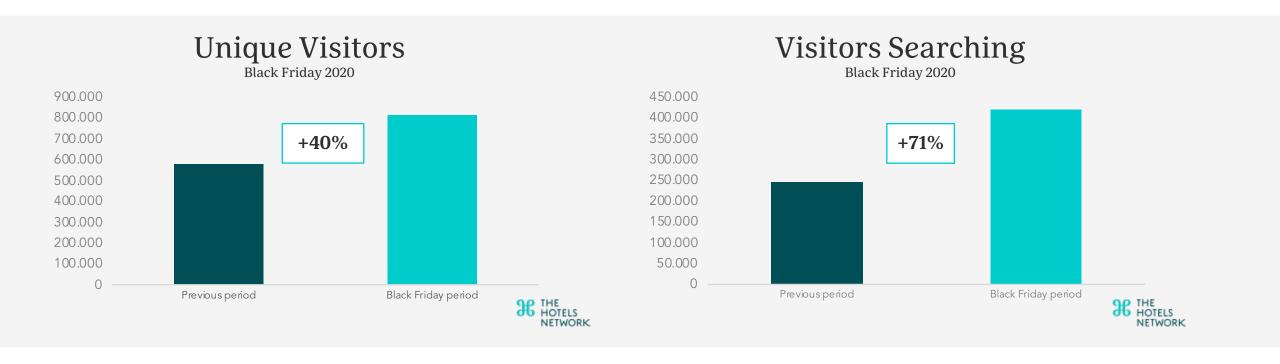
A common fear about flash sales is whether hoteliers are eating into their margins when slashing down their rates. However, this wasn't the case for our hotel clients. By creating exclusive Black Friday campaigns, THN clients grew their direct bookings by 69% while increasing revenue by 125%.

These effectively and tactically-created Black Friday deals increased not only the number of direct bookings but the average booking value at the properties as well. We've seen our hotel clients offer exclusive Black Friday packages of all types and kinds, from extended stays to higher room categories, exclusive perks, and more. By following tried and tested strategies, hotels have been able to effectively spark their visitors' attention and encourage them to spend some extra to be able to access these deals.



How Black Friday impacted THN's hotel clients who ran a dedicated Black Friday campaign and experienced an increase in website traffic

Website Traffic



The impact of dedicated Black Friday campaigns is even more pronounced when we look at the results of the group of hotel clients (270+hotels worldwide) who experienced an increase in website traffic during this period. These hotels observed a growth of 40% in website traffic, which suggests they invested time and resources into driving traffic to the website through organic and/or paid campaigns.

This set of hotels also enjoyed a significant increase in the number of visitors browsing on the booking engine; a 71% growth compared to the previous period. Taking the numbers into consideration, we can say that these hoteliers were not only able to drive qualified traffic to their websites but also to create and communicate appealing Black Friday deals, helping to drive users down the booking funnel.



Hotel Website Conversion

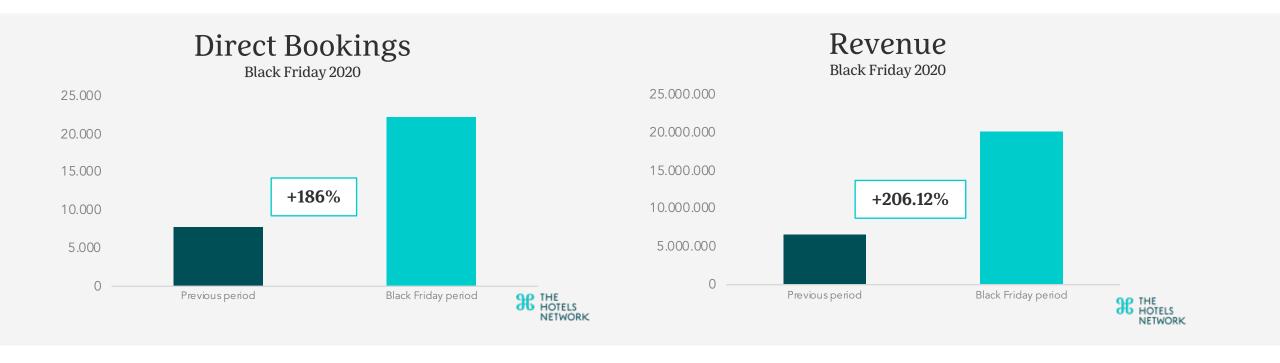


Properties who experienced a peak in traffic during Black Friday also saw a greater boost in website conversions, with an increase in conversions of 104% compared to the previous period.

These numbers not only reaffirm our assumption that hoteliers were successfully driving qualified traffic towards their sites but also that they were offering visitors the deals they were looking for. Effectively promoting their appealing Black Friday offers across the site enabled these hotels to engage visitors and generate a peak in direct reservations.



Direct Bookings & Revenue



Once again, THN clients falling under this category saw a significant increase in both direct bookings and revenue. Their direct bookings grew by 186% while revenue increased by 206%.

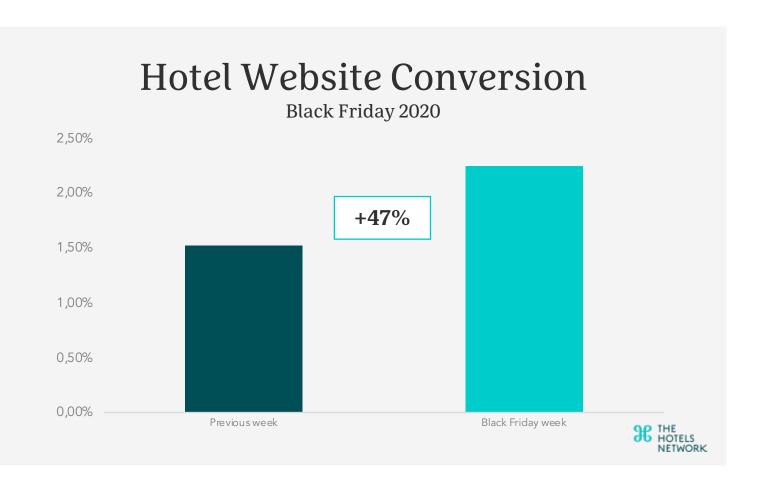
This substantial rise indicates that the packages and deals that hoteliers built around Black Friday were appealing enough to urge potential guests towards a reservation without worrying about spending a little extra, as this gave them an extra night, room upgrade, or a little treat.





How Black Friday impacted THN's hotel clients who ran a dedicated Black Friday campaign but didn't experience an increase in website traffic

Hotel Website Conversion



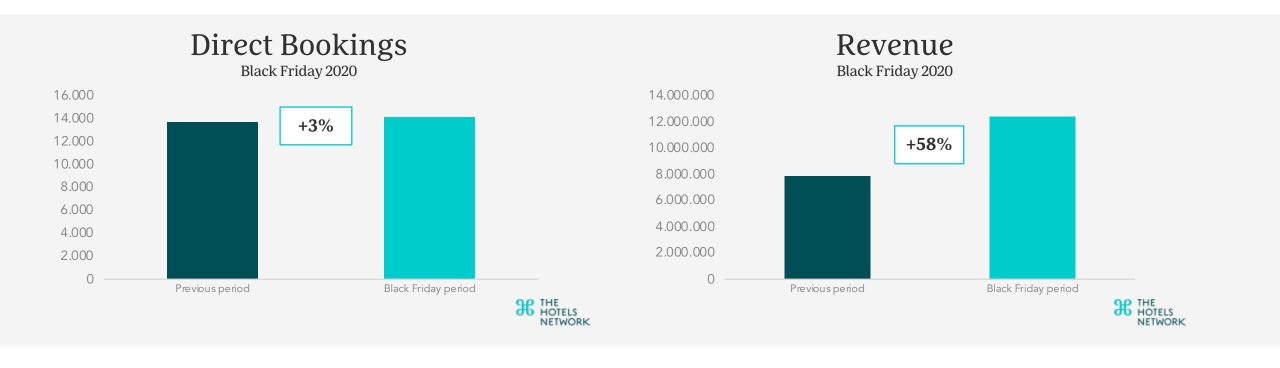
For this part of the analysis, we looked at the performance of those properties who didn't see an increase in website traffic during the Black Friday period, a group of more than 200 hotel clients worldwide. We can assume that they didn't run campaigns to drive additional traffic to their website or perhaps in some cases, a drop in website traffic could have been due to the second wave of the pandemic hitting hard at that time in their markets.

Despite there being no increase in website visitors, it's interesting to see the positive effect Black Friday campaigns had on bookings. These hotels experienced a remarkable jump of 47% in hotel website conversion.

With these results, the hotels undoubtedly proved that they were able to craft well-designed and appealing offers to reach out to their potential guests. By effectively promoting these offers throughout their website, they were able to capitalize on any traffic they did receive and significantly boost website conversion.



Direct Bookings & Revenue



By promoting Black Friday offers on their website, these hotels were able to counterbalance the sometimes-significant fall in website traffic they experienced and even increased slightly the number of direct bookings. Even more remarkable was that they were able to boost revenue by an impressive 58% during the Black Friday period.

Once again, this reaffirms that hoteliers properly assembled Black Friday packages that matched with their visitors' expectations and desires, nudging them towards a booking without thinking twice about the extra costs, as these offers involved special treats and deals.



Report Conclusions

Black Friday 2020 in Hospitality

Our analysis has shown that despite the challenges our industry is facing, Black Friday still represents a huge opportunity in hospitality.

This means that within today's context, hoteliers should make sure they are still taking advantage of any key dates marked on the calendar. Christmas, New Years, Valentine's Day... any occasion is a prime opportunity to boost direct bookings. The key here is to build a strong direct channel strategy by creating timely, personalized campaigns that resonate with potential guests and uplift website conversions.



About The Hotels Network

The Hotels Network is an innovative technology company working with over 5,000 hotels around the globe. Boasting an international team of specialists, we offer clients a hotel tech ecosystem to boost website conversions and ADR. By adding a layer of tools to the hotel website, brands can improve the user experience for guests and grow their direct booking channel.

In addition to price comparison, reviews summary and a full suite of personalization options, our latest product innovation, Oraculo, is the world's first predictive algorithm for hotels. Oraculo harnesses machine learning techniques to predict the behavior of visitors to the hotel website and then automatically personalizes both the message and the offer for each user.

Our mission is to improve the booking experience and strengthen the relationship between hotel brands and their guests.

Contact us today to find out more.

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