

## **Client Profile**

Newly constructed, luxury inn in Napa Valley, CA. Unique concept with 86 individual cottages and 10 suites. On-property café and restaurant, extensive in-room spa services, and meeting and banquet space for up to 120 people.

## **Business Challenge:**

Use the Internet to achieve the following goals:

- Drive incremental room revenue and increase online sales distribution
- Reduce customer-acquisition costs through decreased dependence on third party channels.
- Capture maximum online revenues at lowest possible transaction fees
- Capitalize on numerous area demand generators by creating heightened online presence
- Gain online market share and RevPAR
- Enhance asset awareness and RevPAR against competitive set

## **The Strategy:**

Client installed booking engine and search engine optimization in January 2004 to capture market share and increase online sales distribution. Their website was modified to ensure maximum user functionality while optimizing its content to achieve maximum search engine positioning. Extensive market and competitive set research was conducted in order to develop and execute comprehensive Internet marketing strategies, including prominent association with effective travel sites. The online marketing campaign is targeted to reach a wide variety of consumer types including leisure (national and local), niche markets, travel agencies, group business and meeting planners.

## **The Results:**

- Increased online revenues, resulting in over \$1 million booked directly through their website at highest ADR (\$559.81) in comparison to other channels.
- Of total site visitors, more than 30% clicked through to check rates and availability.
- 43% of total revenues generated from direct online bookings (website)
- Generated \$192,000 in packages revenue – 19% of total Internet bookings
- Captured additional \$25,000 revenue in ancillary services (spas, F&B, golf, etc)
- Collected 1200 email addresses for future direct email initiatives
- Less than 5% ratio of marketing expenses against Internet revenues
- Generating bookings 6 months in advance
- Over \$10,000 savings with transaction fees.