

PAID MEDIA CASE STUDY

How a large portfolio drove \$295k in incremental revenue by realigning ROAS expectations

BACKGROUND

A diverse portfolio of 50 select service hotels were missing budget and urgently needed to drive revenue before the end of the month. With a short time frame to work with, Expedia TravelAds was the best channel to leverage. However, the current campaigns weren't meeting stakeholders' ROAS expectations, so they weren't willing to invest more.

ACTION

Second Wave needed to address ownership with two critical pieces of information. First, we needed to educate them on how using ROAS as an exclusive goalpost can leave money on the table. Next, we needed to illuminate current market conditions, especially in down markets like Scottsdale and Atlanta, where many of these properties were located, and where more advertisers are fighting over less travelers than previous years. This had increased the cost per click by \$0.51 in the last 12 months, significantly impacting ROAS for all hotels. In order to get enough visibility to be competitive, hotels need a daily budget that can withstand the cost of higher bids. That means increasing your monthly budget.

OUTCOME

By switching to a more aggressive bid strategy with higher overall budget, we were able to increase visibility over 650%, and increase engagement by 600% while sustaining the previous conversion rate of over 7%. The ripple effect was that we were able to triple room nights and revenue for the last 10 days of the month, bringing in \$295k. While ROAS did dip down to our 10:1 benchmark, our campaigns were still highly profitable and the significant increase in revenue highlighted their efficiency in driving volume and putting the portfolio back on track to meet budget.



"It might seem like a high ROAS is always better, but what really matters is how many bookings the campaign produced. Remember, a 30:1 return could equate to one booking. It might look good on paper, but doesn't impact the bottom line at all".

LAURA BYERS

Manager, Marketing & Digital



"The best use of your budget is not always where you'll generate the highest returns, but rather how it will have the biggest impact. When the dynamics of the game change, sometimes you need to move the goalpost."

GARTH MCDERMOTT

Director, Digital Strategy