

Playbook

How to Double Your Average Booking Size in Five Steps

Have you ever watched an interview with the coach of a sports team before the game starts? They often go like this:

Reporter: *What does your team need to do to win this game, coach?*

Coach: *If we can score, and keep the other team from scoring, I think we have a shot.*

Reporter: *Thanks, Coach.*

He has presented his goals as tactics, but that doesn't really answer any important questions. Sometimes, our industry suffers from the same problem.

How do you increase your revenue? You increase conversions and do a better job of pricing. But how do you do those things? That is the real question. And specific tactics are the real answers.

The best way to increase revenue is to increase the size of your customers' shopping carts, while decreasing abandonment of those carts.

And the tactics that will get you there?

Read on.

1. Sell to the Right People

In every study ever conducted on the matter, it has been found that **acquiring** new customers is much more expensive than **keeping and re-converting** existing ones.

No matter your net promoter score, you have past guests that *loved* their experience the last time they visited. And it's a fair bet that most of those people only actually experienced a fraction of what you have to offer.

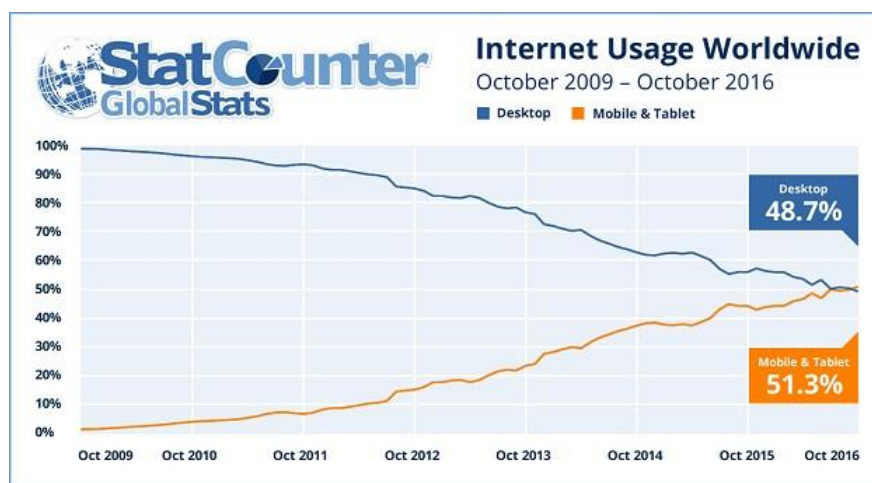
Don't just ask them to come back; entice them with what they missed. Dig into your data to segment your past customers based on the room types, activities, and services they've already purchased. Get in front of people who are already sold on your core experience with a great deal on the things they haven't done yet, and watch your ROI go through the roof.

What's that? You don't *have* an easy way to dig into your customer data, segment based on past activity, market to those segments effectively, and then track the ROI in real dollars based on actual purchases?

I might be able to recommend [**a travel-focused CRM**](#) for you.

2. Be Responsive

About 40% of all lodging reservations are completed online (the number for Inntopia customers is significantly higher, but that's a subject for another day). Of those, we find that about 26% are completed on a hand-held device. That is an incredible number of people pulling the trigger on very expensive trips from their phones.



Every year, these numbers get crazier. As of November 2016, total internet usage on phones and tablets surpassed total internet usage on computers for the first time ever, and there's no going back.

Are a quarter of your online bookings being completed on mobile devices? If not, our data suggests that you're missing out on significant revenue. A guest who's ready to book from her couch is not going to get up and go to the study to use her computer when your mobile experience gets frustrating. She's going to go look at your competitors, or head over to Expedia or the Hotels.com app (and we don't want that).

3. Offer to Sell More

Take a look at the checkout line at this Trader Joe's.

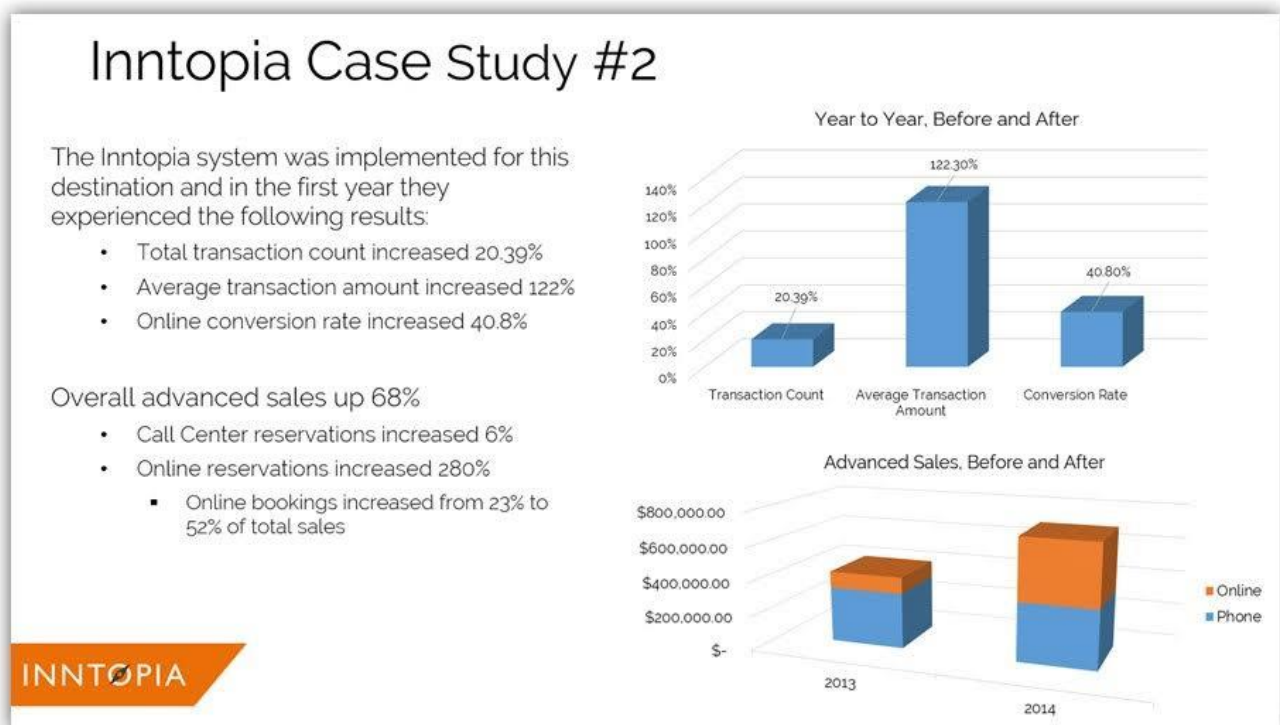


Why do they do this? Because increasing the size of each customer's transaction, even by a chocolate bar, has an enormous cumulative effect on total sales and revenue.

Once someone has made the decision to purchase, **adding just one more tempting item to their cart is all upside**: more revenue, with negligible marginal costs.

In destination travel, you can take advantage of the same principle to boost your bottom line.

In fact, your ROI could be even more significant. One customer who recently implemented **Inntopia Commerce** to sell lodging and activities in a cart on their own website saw a 122% increase in average booking size.



But don't stop there. What about other **activities** and **attractions** in your destination? What about **transportation**? What about **upgrades**? Once you start thinking like this, you'll find that the opportunities to spend a little bit of effort to add temptation to your checkout experience are nearly endless.

4. Make the Transition Easy

We recently analyzed one month of reservations at a major North American resort that uses the Inntopia Commerce online booking engine, as well as the Agentopia call-center platform, and found some things that may be surprising.

Of around 22,000 reservations booked during that month, **7.4% of bookings and 9.6% of revenue** came from reservations that were started in the call center and completed online or started online and completed in the call center.

This is just one data point, but it is a staggering thing to consider. **Nearly 10% of total revenue!** What would have happened to all those reservations if this resort didn't have the ability to smoothly transition customers from their web-based reservations experience to their call center and vice versa? I think it's reasonable to assume that some significant portion of those reservations would never have been completed.

So, keep this in mind as you start down the path of integration. More products and services lead to bigger bookings. But **as shopping carts get larger and more complex, some portion of your customers will need hand holding.**

If you can offer that as an option without interrupting the flow or getting in the customer's way, you'll increase your total sales.

5. Deal with Abandonment Issues

The industry-wide total conversion rate for booking engines is about 2%. For Inntopia customers, that average is more like 4%. But that leaves **96% of your visitors in the *Didn't Purchase Yet (DPY)*** bucket.

So, what do you do with your abandoned carts?

There are plenty of automated solutions out there, and if your CRM isn't plugging into your booking engine to address this potential revenue source, your Marketing Cloud account manager can recommend some strategies that will work wonders.

But what if you start even more simply?

Try having your call-center reps use downtime to search abandoned carts for big opportunities and reach out to try to close the deal by answering whatever question was preventing the customer from following through.

Bottom Line

So, how do you increase revenue? You increase cart size and decrease abandonment. But you can do better than the proverbial coach during the pre-game interview. You can suggest:

1. Spending your limited time and money to convert returning guests
2. Catering to the rapidly growing segment of travelers who book their entire vacation from their phone
3. Growing average booking size by adding temptation to the checkout experience
4. Allowing big spending customers to follow their carts from online to the call center and back
5. Digging into your abandoned carts to find sales opportunities

Of course, you won't be surprised to hear that Inntopia Marketing Cloud and Inntopia Commerce can help with all five of these tactics and more. But don't take our word for it. Check out our [**growing collection of case studies**](#) from happy customers just like you.

If you're ready to explore a better way to market and sell your lodging, activities, and services, go ahead and schedule a no-pressure demo.