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## Converting Hotel Web Site Traffic Into Incremental Revenue

**You got web site traffic? Now turn those visits into dollars...**

All kinds of wild figures are thrown around from 0.5% to 20.0% of site visitors that book then and there; this is broadly referred to as the conversion factor. I'm not going to tell you what it should be for your web site because I don't believe in it. I use RevPOV - Revenue Per Online Visit - this is the RevPAR alternative for web site revenue benchmarking. It's an easy sum; take your total DIRECT online revenues and divide it by the total number of visits to your site. Now, go back for the last 12 months and chart this both on a linear and month-on-month basis. Chasing visit growth as your goal is like chasing occupancy or average rate individually...as we all know, genuine hotel benchmarking is really about RevPAR, and in the online space, it's all about RevPOV.

Yes, you need to grow visits but you also need to reach visitors who are ready to buy...and make them buy! That's why we measure your total online revenues per visit, that is your most important benchmark...and now some tips on how to grow your RevPOV sensibly!


### How to convert more web visits into revenue...

Right up front, your web site MUST have an Online Booking Engine (OBE) that allows site visitors to see real time availability; one that is able to sell a room or package and confirm the sale NOW, whilst I am in the mood to book. There are a range of third party suppliers that have ready-made booking engines, preferably that can be plugged into a page on your site or one that will open up in a new browser when a visitor clicks on the Book Now button.

Search for "online hotel booking engine" on your favorite search engine and many will come up. We always prefer to keep visitors within a site and therefore the OBE code needs to be easily integrated into a page on your site. Failing that, your OBE set up MUST open a new browser and either present some design/color relationship with your site (reproduce it completely if possible) or very clearly state that this is the booking engine for The Sample Hotel; it should never provide links to other hotels that the OBE company services.

Why must your OBE open in a new browser? So that, should a customer chicken out of the booking process or make an error and want to start again, your site is still there in the original browser. This way, they can either start again or, shock horror, they might just pick up the phone and call.

Fees vary greatly but most OBEs will offer you a set up fee and then some form of base fee plus a percentage of revenue over a certain volume. Me? I'd negotiate away the setup fee and base fee (they kind of expect you to, that's why they have them) and make it purely performance based. Don't begrudge them the ongoing fee as, frankly, you are paying this only for materialised bookings so it comes out of incremental revenue and with a technology and user experience level that you could never reproduce on your own site. Don't sign any long term

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agreements that don't have a thirty day cancellation clause and read the fine print; there are some cowboys in this space.

And look for ease of use, for you and your team as well as the consumer. Is it easy to understand and operate or do you need to be a propeller-head to work your end of the system? We also like OBEs that have easy to create packages and lately we also like the ones that offer some value adds just before the final sale for things like fruit platters, wine and cheese or a bottle of bubbly on arrival... just don't make things too complicated for your consumer...you have got between three and five clicks at the most to finalize a sale online, end of story.