

Beyond The Marketing Budget For 2008

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We've spent many years forecasting and implementing travel and hospitality corporate and marketing budgets and plans. Our company like yours is in the midst of planning and budgeting for 2008. And, just like you, after reviewing this year's results, we generally pull out our crystal ball and project into the future what the travel and hospitality business will be like in the months ahead. This is actually the easy part! The real challenge is when the budget is set and the plan is agreed and now you have to implement your plan.

An aggregate of industry experts and hoteliers tell us that a reasonable hotel marketing budget is 15% of the forecasted room revenue and 25 to 30% of the marketing budget should go toward Internet marketing services such as website design and marketing (25%), organic search optimization (16%), paid search marketing (15%), link development (12%), email marketing (12%) and social media and web2.0 (7%), banner ads and listings on complimentary websites (6%), meta search (3.5%) and local search (3.5%). Some of these lesser important line items may not be necessary depending on your hotel size, local market and your property service attributes.

Strategic questions that were most likely part of your budget and planning now need resolution to proceed with an effective implementation process, some relevant marketing questions should be, Is it cost effective to manage Internet marketing in-house or to outsource? How do I measure a supplier's service results and ROI? Do I really need a consultant to learn more about Internet marketing because it seems to change faster than they can deliver their reports? Can my brand deliver Internet business for my hotel or am I just subsidizing all of the brand's hotels when I buy brand marketing services for my brand web pages? Why are brands so adamantly against direct marketing on a property vanity website when they still get their share of gross sales revenue? Is there really a cost effective way to manage and benefit from social media cost-effectively?

As you move forward with implementing marketing plans, you will undoubtedly encounter more questions, such as, will a website redo deliver more sales? Is there value to a full flash website? Why is search marketing getting so expensive? Is the gorilla marketing promise really monkey marketing? Why doesn't my website rank as well as my competitor on Google's organic search? Is there a difference between how a web developer, an advertising agency and an Internet marketing agency implement search engine marketing? Is it necessary to optimize or pay for search advertising on my hotel brand name? Can I really receive a good return on my investment in banner ads and paid listings on OTA sites and meta search websites? What is the difference between a social media marketing service and a social media monitoring service? How do I build local relationships for incoming links to my website?

Sorry, there is no silver bullet! A good plan has to be implemented one step at a time and plan to step back to analyze your results and expectations. Most hotels cannot and should not try to manage Internet marketing in-house because a change in that manager means you may have to start all over again. The best approach to resolving these questions is to find reliable marketing service suppliers. These are the ones who don't make too many promises, keep you informed on their results and will work with you to resolve problems when they do occur and they will. Also, you need to be proactive and work with your supplier and keep them informed of local market events, property changes or other local issues that affect your business. If you are a brand hotel with a property website, the property website needs as much attention as your brand web pages. Keep all online information fresh and informative. Don't rely too much on your brand because the brand sells the brand not your hotel.

No matter what form of marketing you are pursuing, some marketing elements never change, know who your guests are, know how to target your primary and secondary markets, integrate traditional marketing with your Internet marketing and always keep your sales managers informed of your marketing activities.

About Lodging Interactive

Lodging Interactive is a leading provider of Internet Marketing Services to the travel and lodging industries. The company provides a portfolio of effective Internet Marketing Services to hundreds of hotels, resorts, timeshares and bed and breakfasts worldwide.

The Company also offers effective online tools and services: hotelBLAST.com, a self-service email marketing system, ChatterGuard.com, an online social media monitoring and reputation management system, CommentCards.com, a full-service business-2-consumer comment card service, interactive Google mapping services, eProposal Rapid RFP Response System, an online RFP response tool for Sales Managers, and RFPLink.com, a group RFP lead generation and reporting system.

Lodging Interactive clients include branded properties such as Marriott, Sheraton, Hilton, Radisson, Crowne Plaza Hotels, Doubletree Hotels, Candlewood Suites, Best Western, Wyndham Hotels plus numerous independent properties.

The Company is headquartered in Parsippany, NJ and can be reached at 973-402-4970 or by visiting its website at www.LodgingInteractive.com. Lodging Interactive's HotelCast2.0 can be heard by visiting www.LodgingInteractive.com/podcast.htm.

Lodging Interactive is a proud member of the American Hotel & Lodging Association (AH&LA), The California Hotel Association, and a supporter of the Hotel Sales & Marketing Association International (HSMIAI). For more information you can also contact Richard Walsh, Vice President of Business Development at rjwalsh@lodginginteractive.com or at 973-402-4970.

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