

CASE STUDY

How a family-run hotel group used Hive to gain direct bookings and reduce commission fees



LAKE DISTRICT
HOTELS

Founded in 1983, Lake District Hotels is a collection of unique family-owned hotels in the heart of the Lake District. Their main marketing objective is to **increase direct bookings and reduce third party commission** whilst maintaining and **increasing occupancy and revenue**.

Like many hotel groups, Lake District Hotels had **valuable guest information** on legacy reservation systems with many incomplete or incorrect fields. For example, despite having a dog-friendly policy, they had no way of identifying if a visitor had brought their dog with them. The reservations database was not integrated with their general marketing database, so they did not have a detailed understanding of their guests' journey and overall lifetime value.

Using Hive Marketing Cloud, the marketing team were able to **personalise email messages** and **target specific segments with highly customised automated journeys**. The return on investment of their email marketing has hugely increased.

The Challenge

Because Lake District hotels had siloed and incomplete previous customer data, sending personalised, targeted campaigns based on customer life-cycle journeys and previous behaviour was almost impossible. Cleaning the databases would have taken a significant amount of budget, time, and resource that was not available at the time.

In addition to email, Lake District Hotels also use direct mail as part of their overall mix. In common with many marketing teams, they had issues with accurately attributing revenue and ROI by marketing channel.

Lake District Hotels, like most accommodation providers, aim to maintain a minimum occupancy percentage. This requires promotions and discounts to generate demand to fill the distressed inventory.

“**We wanted to be able to access our reservations data easily in order to target our previous guests in a much more efficient and personalised manner.**”

James Pass, Online Manager

“Being able to use the Hive Solution for our offline marketing as well has been a brilliant added bonus. The ability to create filters and journeys for direct mail has meant that we have been able to hugely improve our guest targeting and personalisation across offline channels too.”

They previously had no way to restrict the audience for discounts and were then having to pacify unhappy guests who had booked at rack rate and then seen the lower rate or promotional discount.

This was obviously negatively impacting the average revenue per night and overall yield, and more importantly was putting a strain on customer relations along with the brand reputation.

The Solution

The Hive Marketing Cloud Customer Success Team undertook a data integration process to ingest the Lake District Hotels booking and customer information as well as website traffic data into a Customer Data Platform (CDP).



EASILY
**SEGMENT
CUSTOMERS**
SO THEY WILL
ONLY RECEIVE
RELEVANT
MARKETING
MESSAGES

This created a single view of the customer for marketing along with dynamic segmentation based on recency, frequency and monetary value as well as hotel preference, etc.

Several automated journeys were created to promote conversion from prospect to customer, grow customer loyalty and value, and target lapsed customers to entice them to come back.

Finally, some standard reports and a dashboard were built so that James could monitor progress and analyse customer behaviour on a continuous basis

Some benefits of Hive Marketing Cloud



SEE THE
**EFFECT OF
CAMPAIGNS**
AND EASILY
MONITOR YOUR
RETURN ON
INVESTMENT

NURTURE
AUTOMATED
**CUSTOMER
JOURNEYS**
TO INCREASE
CUSTOMER LOYALTY

“Booking values are also noticeably higher, with the average order value (AOV) being 37% higher on bookings made as a result of receiving a targeted message in the week prior to the booking being made.”

The bottom line

Implementing Hive Marketing Cloud resulted in a 4% increase in overall direct bookings within the first six months. It also delivered an 8% reduction we in third-party bookings while overall occupancy was maintained.

James has been able to optimise Lake District Hotel's customer journeys by implementing a further series of life-cycle automations.

James explains: "We run various automations, including a welcome journey for new subscribers and a lapsed booking journey for guests who haven't stayed with us for over 18 months"

We are also able to automate targeted campaigns for each of our hotels with specific offers, news and events. The Hive Marketing Cloud has enabled me to send the

right message to the right guest, based on how they booked with us in order to convert direct bookings."

The value in this solution for James and Lake District Hotels is clear. The system has now been in place for a number of years and in the last calendar year over a third of overall bookings occurred within 7 days of the target audience receiving a mailing. This accounted for just under half (48%) of the overall booking revenue.

“The ability to target rate reductions and promotions without damaging existing booked revenue has resulted in a saving of over £10,000 per annum.”

LAKE DISTRICT HOTELS

Lake District Hotels is a group of six family owned and run hotels situated in the picturesque market town of Keswick and on the shores of Derwentwater and Ullswater.

Established in 1983, the company has a dedicated senior management team in each hotel and in the head office, many of whom have a long track record in the group.



Hive Marketing Cloud puts enterprise capability into the hands of marketers in medium sized businesses to accelerate their marketing revenues by enabling them to deploy highly personalised, sophisticated, multi-channel marketing from a single technology platform; based on customer intelligence. The Hive platform can surface all of its clients' data for an improved, relevant, customer experience that converts.

See our platform in action

Book a demo and we'll show you how our other ecommerce business clients are making marketing more personal and results more impressive.

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