Sojern’s Complete Guide to Hotel Metasearch
The battle for direct hotel bookings rages on, with independent properties and major hotel chains alike pushing a number of direct booking initiatives. The importance of these efforts has become even more apparent in the wake of the COVID-19 pandemic, where direct bookings guarantee that hoteliers can have a 1:1 conversation with their customers, as well as allow for higher margins through increased loyalty and upsell opportunities. However, despite years of these direct booking initiatives, Skift reports that over half of bookings continue to come from indirect channels, like online travel agencies (OTAs).

If you are a hotelier who cares about driving direct bookings and reducing your reliance on OTAs, a multichannel marketing strategy is critical for this success—and perhaps one of the most important of these channels is metasearch. Travelers are now more price conscious than ever, which is why this lower-funnel, high conversion-driving channel is a fundamental tool in every hotelier’s arsenal. Today, marketing plans without metasearch just won’t cut it and can ultimately lose valuable direct bookings. Don’t let third parties reap the benefits of your marketing efforts.

You can dramatically increase your direct bookings by establishing your presence on metasearch engines. Sojern’s Complete Guide to Hotel Metasearch offers:

- The basics of metasearch marketing—what it is, how it works, and its benefits
- Things to keep in mind when getting started with metasearch marketing
- How to set your hotel up for metasearch success
Nearly three-quarters of travelers are believed to use metasearch engines in their search process, making it one of the most important channels in travel marketing. But for such an important channel, it is perhaps one of the most complex, and most misunderstood. In this section, we explain the basics of metasearch—what it is, how it works, and why it’s such a powerful way to drive direct bookings.

What is a Metasearch Website?

Metasearch websites consolidate rates from multiple booking channels, such as hotel websites, wholesalers, and OTAs. The most well-known metasearch websites include Trivago, Kayak, Skyscanner, Tripadvisor, and of course, Google Hotel Ads.

Through metasearch websites, travelers can search for real-time hotel room prices and availability in a single view. Metasearch is different from other ad types (like Search Engine Marketing (SEM), display, and social) in that results are prompted by the user entering dates for their trip. It’s also the only channel that uses live rates with a path to purchase that leads directly to the hotel website.
Metasearch helps travelers compare deals or rates on various booking sites and redirects them to the advertiser’s direct website to complete the reservation. Unlike display advertising, your ads only appear on specific metasearch websites after being searched by someone who is ready to book – which is very valuable for your hotel.

It’s important to note that a metasearch site could direct a user to your website, so long as you have a presence there. If you aren’t using metasearch to advertise your property, rest assured that OTAs are. Just like with SEM, OTAs are bidding on your hotel to drive travelers to book with them. Therefore it is critical to have a presence on this important channel.

How Does Metasearch Work?

To bid on metasearch sites, advertisers need to provide dynamic rates and availability to match current pricing. That requires integration both with your booking engine and the various metasearch engines. As each metasearch engine has its own pricing, ranking, and bidding logic, this adds to the complexity of managing these campaigns.

A traveler searches for a room on a metasearch website.

Rates and availability are passed back so that accurate pricing can be displayed.

Sojern bids on behalf of your hotel so the traveler clicks on your property’s listing.

The traveler books directly on your website.
How is a Metasearch Website Different from an OTA?

At first glance, it may be difficult to discern a metasearch website from an OTA. These sites can look similar, and both provide hotel rates and availability to compare for given dates of travel. The best way to think about it is that OTAs are distribution channels, whereas metasearch engines are marketing channels.

There are two main things to consider for comparison:

1. Where the actual booking occurs

The booking with an OTA always occurs on their own website, even if it is with your property. With metasearch, if a user clicks on your placement, they are directed to your website, where they complete their booking directly.

2. Who owns the customer relationship

Because OTA bookings happen on their website, they own the relationship with the customer. If your property is booked via an OTA, you will only be passed the most basic customer information about the booking. If the guest wants to cancel or modify their booking, they must go through the OTA. Bookings that come through metasearch websites belong to you because the traveler completed the booking directly. And direct bookings are key in hospitality—they give you the best chance to build an exceptional relationship with your customers and build loyalty, which leads to higher margins over time.

Metasearch is one of the top sources of traffic for the OTAs, so if you are not using metasearch as a channel, you are effectively handing direct bookings over to the OTAs.
Where is Metasearch Most Effective in the Traveler Path to Purchase?

Metasearch is a mid-to-low funnel marketing tactic. As travelers narrow their preferences and move from the planning to booking stages, metasearch ads influence them to book directly with you. As such, we recommend that all hoteliers add this channel to their marketing strategy, so they are top of mind and their hotel ads are displayed when the traveler is ready to book.

Where do Metasearch Campaigns Appear?

There are two main categories of website where metasearch campaigns appear.

Classic metasearch travel websites such as: TripAdvisor, Trivago, Wego, or Skyscanner (among many others). These major players invest millions of dollars in advertising to remain top of mind. Hotel ads can appear in hotel results listings, or alternatively, on more general destination listings.

General search engines such as: Google, Bing, Yandex, or Baidu. These companies integrate metasearch into the results page when users search for a hotel. They have specific ad placements for hotels (e.g., in the case of Google, they are integrated into Google maps as well).
What Does a Metasearch Ad Look Like?

Every metasearch site has a different look and feel, but generally there are a few key pieces of information on each listing.

**Search Bar:** This is where a user can enter specific dates of travel. This may also include things like number of guests, number of children, etc, in order to make the results more tailored to the users' needs.

**List of Advertisers:** A list of providers who are offering that particular hotel room, with real-time pricing from each. Usually your direct website will be included in this list, but OTAs may also appear.

**Dynamic rates and availability:** Pulled from various sources.
The Benefits of Metasearch Advertising

High conversion rates

As mentioned, the traffic driven to your website is highly qualified, and these visitors are brought to your site further down the purchase funnel - appearing on your search results page rather than your homepage. Because of this, metasearch shows a high conversion rate, which is calculated by dividing the number of bookings by the number of clicks. In fact, we see that metasearch has an average conversion rate of 4.5% - higher than any other marketing channel.

Shift share away from OTAs

If you aren't using metasearch to advertise your property, the OTAs will be. Metasearch is dominated by OTA spend. They are the major revenue drivers for companies like Trivago. However, there is a bias in the metasearch landscape to drive direct, which means the metasearch engines give your property enhanced exposure to encourage a direct experience for the consumer.

No creative required

Unlike other marketing channels, creative is not required. However, many engines, Google included, do provide the option for promotional text.

Ready for the cookieless future

Metasearch does not require the use of third party cookies, which are slated to be obsolete in 2023. Metasearch sets you up for success in the future by minimizing the impact of campaign performance dips that are likely to result from cookie-reliant channels.

Part of a comprehensive, multichannel marketing strategy

You can't say you are doing a full-funnel, multichannel marketing strategy without metasearch. These sites are popular for travelers, especially in the mid-to-lower funnel, when travelers have narrowed down where and when they want to travel. Make sure you are top of mind for those last steps in the booking process, where you can maximize direct bookings.
Chapter Two

Best Practices for Successful Metasearch

Now that you have the basics of what metasearch is and why you should use it, let’s focus on how to make the most of it as a marketing channel, and the key considerations you need to factor in so that you are setting realistic expectations.

Two-thirds of independent hotels receive direct bookings from metasearch engines\(^5\)

1. Define your goals and budget

Before you get started, consider:

- **Expected volume**: 7%
  - Conversion Share of Total Direct Website

- **Expected performance**: 7-9x
  - Return on Ad Spend (up to 10-13x in 2020, in line with cancel rate evolution)

If you currently receive 5% of your bookings directly, set a realistic goal for what you’d like that to grow to - say, 7%.

The benchmark for performance on metasearch is between a 7-9X return on ad spend (ROAS).

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<thead>
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<th>Website Monthly Revenue</th>
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Once you have expected volume and performance numbers, you can then estimate what your website monthly revenue would be, based on your average daily rate (ADR). From that, you can estimate a budget to assign to metasearch.
2. Rate Parity is Key

Rate parity means maintaining the same customer-facing rates across all of your online distribution channels, including OTAs and other third parties.

With the right online advertising, you can attract millions more people to your website, but if someone can find your same offering for a lower cost on a different site—that’s likely where they will book. If you are not in rate parity across all online channels where people can find your property, then advertising will not increase your direct bookings. If you are looking to ensure that you are in rate parity, our partners at The Hotels Network (THN) have a great rate parity tool.

Metasearch can only be successful if a hotel is consistently in rate parity.

3. Display your best rate first on your own booking engine

Metasearch helps you promote your best available rate (BAR). When metasearch redirects users to your own search results page, make sure that BAR appears within the first two results on the page. Don’t leave it to the user to scroll down to find it - conversion rates plummet when this happens. While it’s tempting to drive them to your most expensive room rates, the experience is better when they are driven to the same rate you are advertising on metasearch.
Interested in running metasearch as a marketing channel for your property? Great news. The next step is to figure out the best metasearch provider for you and your hotel’s needs.

Sojern metasearch-driven bookings are up to 72% incremental vs other channels, meaning our clients could not achieve these bookings through their other digital marketing channels.⁶

Key Questions to Consider When Evaluating Metasearch Providers

Who is managing your metasearch, and are they actively managing it?

There are a lot of metasearch providers out there, and many booking engines are able to run metasearch on your property’s behalf. However, these players are not digital marketing experts, and don’t necessarily dedicate the resources required to maximize your campaign’s performance and impression share across each metasearch site. In Sojern’s case, our expert team of data scientists and analysts optimize for ROI, conversions, and site visits, and we are constantly optimizing based on signals including device, location, length of stay, and more to get the optimal bid in front of your potential guest.

What are your fees?

Consider the various payment methods of metasearch, as there are several. Traditionally, metasearch is managed on a Cost-Per-Click (CPC) basis, meaning that you pay for every click that a metasearch engine drives to your website, whether the user meant to click or not. Other payment models have emerged, including commission per booking and commission per stay. Sojern has several payment models that work for hotels, whatever their goals and budgets may be.
Are they de-duplicating bookings against other marketing channels?

This one can be tricky, particularly if you are running advertising across different marketing channels with multiple partners. While there may be an inclination towards not ‘putting all your eggs in one basket’, it’s very difficult to determine how to give credit to bookings that were influenced with more than one touchpoint. The overlap between channels varies by hotel and is dependent on what other channels you are running and budget size.

For example, if a customer is influenced by a display ad and a social media ad from one partner, but then is influenced by a metasearch ad from a different partner, who ultimately gets credit for the booking? How much time are you wasting trying to figure that out? How are you ensuring that your spend is managed efficiently, and that there is a deduplication process in place to minimize overlap in spend? Sojern specializes in multichannel advertising, so we track performance across all of the advertising channels in order to avoid duplicate conversion counting and ensure you only ever pay once for each booking.

Can you tell me about my performance?

Every provider tracks performance differently, so think about what is important to you and what you value seeing in terms of reporting. At Sojern, transparency is in our DNA, which is why our clients are able to track and report on their campaign performance, in real-time, with their Sojern Online Account.
Success Story: How Sojern and Alaric Hospitality Solutions Partner to Increase Hotels’ Visibility and Generate More Direct Bookings Through Metasearch

Alaric Hospitality Solutions is an Indonesian hotel technology provider that offers comprehensive IT-based platforms and solutions for hotels to increase revenue. Sojern and Alaric partner to provide digital marketing solutions for Alaric’s hotel portfolio.

Before Sojern, Alaric had partnered with a different metasearch provider, but experienced problems with performance and customer service

With their previous metasearch provider, Alaric clients experienced limited visibility in top metasearch engines and delayed campaign launches. Alaric’s customers needed a digital marketing solution that could drive direct bookings efficiently, while also providing the customer support in order to respond to changing market conditions. They turned to Sojern to drive increased performance with exceptional customer support.

Alaric’s clients leverage Sojern to drive direct bookings

As it’s fully performance based, hoteliers using Sojern’s Pay on the Stay only pay a commission after the guest completes their stay, which helps manage their spend efficiently. For six Alaric properties, Sojern works across programmatic display, SEM and most recently, metasearch, leveraging real-time intent data to engage travelers across their path to purchase and influencing them to book directly.

Results

- Increased impression count and share of visibility in top metasearch engines
- 24% of direct bookings driven by Sojern
- Halved launch time from 30 to 14 days

We were working with another metasearch partner but our hotels never saw their properties in the search results. With Sojern, we always see our properties in the top results, so we know our hotels are getting what they pay for.

Hendra Kusnandar, CTO, Alaric
Running Metasearch with Sojern

Sojern offers metasearch marketing to its hotel clients through its Pay on the Stay, commission-based solution, which provides metasearch as a part of a multichannel marketing strategy. This solution accommodates a wide range of property sizes and marketing budgets. With Sojern, our customers:

**Level the playing field through data**

With other marketing channels (such as display or Facebook and Instagram), you have many opportunities to reach your potential customers while they are browsing online. However with metasearch, you must have a presence in order to appear in the search results the moment the person starts looking. If you aren’t using metasearch to win direct bookings, you will lose to third parties who most definitely are. In fact, the largest OTAs represent over half of metasearch traffic. Level the playing field by getting smart about your metasearch efforts. Sojern’s metasearch customers bid on valuable travelers with high travel intent, so they can maximize direct booking potential.

**Use metasearch as part of a comprehensive, multichannel marketing strategy**

On average, Sojern customers that adopted three channels (display, Facebook and Instagram, SEM) saw their number of conversions double. When it comes to metasearch, our clients on average experience +8% in bookings following the activation of a metasearch campaign.

**Have a highly efficient return on investment (ROI)**

Metasearch is one of the most expensive marketing channels because the audience is so qualified. With Sojern, your property will appear across the seven leading metasearch sites, and we are constantly optimizing and managing your campaign to deliver the strongest ROI. Sojern’s Pay on the Stay solution means that our clients pay commission on completed stays, making it a very efficient solution.
Setting Your Hotel Up for Metasearch Success

Leverage travel marketing expertise

At Sojern, we’re always advancing—constantly innovating our offerings, strategies, and ourselves in order to better serve our clients’ needs around the globe. Sojern sees what travel brands cannot see on their own. Our data science and travel intent data leveraged through our unique partnerships with leading travel giants gives us unmatched visibility into global travel demand—stitching together a path to purchase view across the broad landscape of travel competitors and aggregators.

Sojern empowers hotel marketers to drive direct bookings and maximize net RevPAR. Sojern works with all players in the hospitality industry—from independent hotels to large brands to leverage data for targeting, run multi-channel ad campaigns, and gain insights through sophisticated analytics to more effectively attract and convert travelers.

Drive higher Net RevPAR

Market concentration gives OTAs more pricing power, which has resulted in rising commissions for them, and lower margins for hotels. Hotel Tech Report estimates that hotels are facing up to 45% commissions from OTAs. Sojern’s commission-based Pay on the Stay solution is a more efficient use of marketing spend. We optimize our bidding strategies to drive higher yield for you based on known search parameters, such as length of stay, check-in day of the week, or booking window—resulting in a higher net RevPAR than other distribution channels.

Achieve real incrementality

Sojern metasearch-driven bookings are up to 72% incremental, meaning our clients cannot reach them through the other digital marketing channels they run with us.
Conclusion

Metasearch advertising isn’t just a ‘nice to have’—it’s one of the strongest channels for driving qualified traffic to your website and for generating more direct bookings—and it is a crucial part of any comprehensive digital marketing strategy.

Sojern offers metasearch to its hotel clients in addition to display, Facebook and Instagram, and Search Engine Marketing (SEM), in order to reach in-market travelers with relevant advertising, no matter where they are in their path to purchase. Our focus on data science and machine learning means our team is constantly optimizing strategies in order to deliver the best for our clients across all channels.

Endnotes

2. PhocusWire, How metasearch became the most important marketing channel in travel, 10 July, 2019.
5. Travel Daily News, “Phocuswright study shows independent hotels are concerned with growing costs of third-party reservations but see metasearch as a solution,” 16 January, 2019.
9. Ibid.
Sojern is a leading digital marketing platform built for travel marketers. Powered by artificial intelligence and traveler intent data, Sojern provides multichannel marketing solutions to drive direct demand. 10,000 hotels, attractions, tourism boards and travel marketers rely on Sojern annually to engage and convert travelers around the world.

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