



Red Roof Inn Turns Flight Cancellations into Customers

MMA CASE STUDY

Campaign Summary

Unable to match the search budgets of its major competitors, Red Roof Inn leveraged proprietary technology to aggregate flight cancellation information in real time and use it to specifically target travelers with canceled flights. This strategy allowed the brand to stay at the top of last-minute hotel searches and significantly increase business during one of the worst winters in decades.

Strategy

Objective and Context:

Search marketing drove more than half of Red Roof Inn's online bookings, but the search landscape had become challenging for the brand, which operates on a fraction of the media budget of its competition. In addition to other hotel chains, online travel aggregators such as Orbitz and KAYAK often dominate paid and organic search results, making it increasingly difficult to get "top results." Finally, the rise of mobile search (frequently used by on-the-go travelers) made the visible search space even smaller, and top positioning more important.

In order to effectively advertise in a space where it was being outspent, Red Roof Inn relied on a hyper-targeted mobile search strategy that invested in only those customers with the greatest propensity to convert. With this limited budget, the brand's objective was to identify a new way to penetrate the mobile search market, adapting the brand to this new landscape.

Target Audience:

To make sure Red Roof Inn was spending its media investment wisely, it targeted a small segment of travelers in the midst of disruption and qualified them against a finite list of propensity signals. To find this audience, the brand fused real-time data with geodata and a specific set of search queries (such as "hotels near O'Hare Airport"). The brand was focusing on stranded travelers with as much precision as possible.

Creative Strategy:

In the midst of the harshest winter in decades, the brand identified a pivotal trend: between 2 and 3 percent of U.S. flights were being cancelled every day. Red Roof Inn, with properties near some of the busiest airports in the country, was in prime position to capitalize on travelers' misfortunes and outflank its deep-pocketed rivals. The brand identified mobile search as the appropriate channel, as it could reach stranded travelers on the ground at the moment they were seeking accommodations for the night. A blend of geodata and targeted queries ensured that the campaign focused on this precise segment of consumers with relevant messaging.

Execution

Overall Campaign Execution:

Red Roof Inn developed a flight-tracking tool that processed thousands of bits of live cancellation data (collected via an API) and filtered the data through a conditional algorithm that automatically boosted bids and made copy

adjustments across the brand's mobile search campaigns. Once a threshold was reached based on time of day (evening) and volume of cancellations (high), the creative automatically updated to speak directly to the stranded traveler. Ads were updated with exact distances from travelers' airports, letting them know how close they were to a Red Roof Inn.

Mobile Execution:

The campaign was launched in March 2014. This effort signifies an entirely new strategy for Red Roof Inn, as this is the first time the brand has utilized custom technology to "talk" to its search campaigns and augment search management with external, non-standard search-related data.

The technology created for Red Roof Inn's search efforts allowed the brand to outsmart when it couldn't outspend. Mobile phones accounted for approximately 50 percent of all campaign traffic compared to only 22 percent in core non-brand campaigns.

The hyper-competitive nature of the hotel category limited Red Roof Inn's ability to compete within the space, particularly on mobile, where search real estate is far more limited. The mobile component and the technology the brand built allowed it to identify relevant prospects and invest at the moment customers entered the market. Blending real-time need, convenience, and mobile search, Red Roof Inn filtered through the noise of everyday demand, reaching prospects most likely to convert to paying customers. By narrowing the action, Red Roof Inn reached and converted customers who would otherwise be unattainable.

Results

Prior to the campaign, Red Roof Inn was having difficulty gaining visibility in search, an especially problematic scenario when it came to reaching prospective customers with a high likelihood of booking hotel rooms. Instead of pouring more investment into its campaigns, Red Roof Inn's solution was to leverage its proprietary technology to bid "smarter" than the competition, allowing the brand to gain first position for 75 percent of key last-minute queries in Google (non-impression share prior to launch was less than 25 percent). Over the course of the year, Red Roof Inn projected that this will help the brand appear in prime position for 400,000 stranded travelers.

Key results include:

- 266 percent increase in non-brand mobile bookings, which led to a 115 percent increase in non-brand mobile investment
- 650 percent increase in share-of-voice for key travel search queries
- 375 percent increase in conversion rate; 60 percent bookings lift across non-brand campaigns
- 98 percent increase in CTR across non-brand campaigns

Beyond these results, Red Roof Inn emerged as one of the first brands to utilize flight-tracking technology to power its efforts in search. By syncing campaigns with beacons from the "outside world," Red Roof Inn was able to dictate the course of its campaigns based on events such as flight cancellations, which have proven to alter consumer behavior in ways beneficial to nimble marketers.

Source

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