

QUERYCLICK

Uncovering effective attribution in the travel sector

A GUIDE FOR TRAVEL MARKETERS

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The impact of COVID-19 is having a dramatic effect on the travel sector as customers radically alter the way they research, assess and purchase everything from hotel bookings to package holidays.

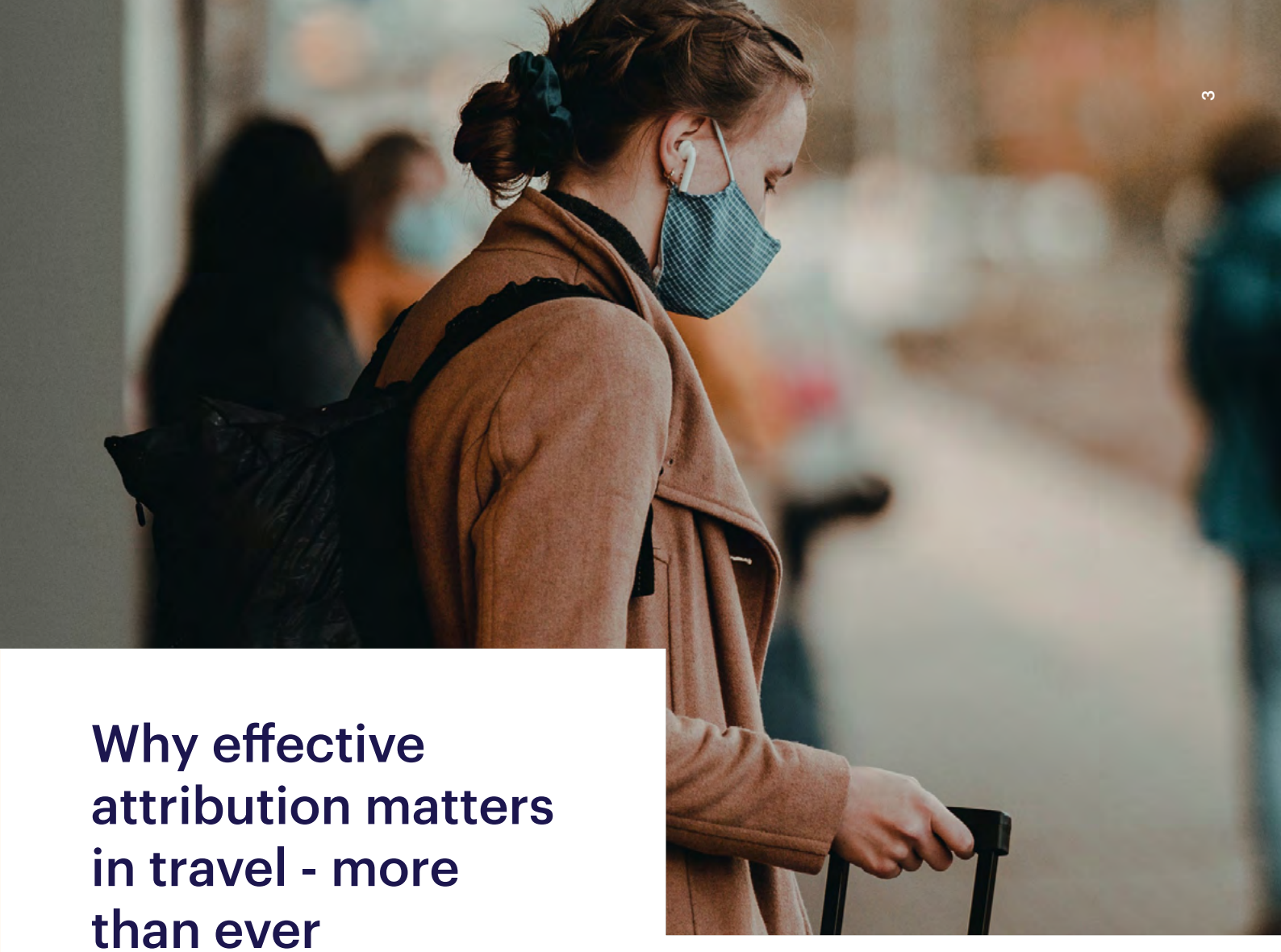
As travel marketers pivot to maximize reduced levels of budget spend and reach new audiences - using a broader range of media channels and personalization techniques - the need for effective attribution has never been more important.

In this ebook we take a look at:

03 Why effective attribution matters in travel - more than ever

09 Some key issues holding travel attribution back

14 5 tips for choosing the right solution for your needs



Why effective attribution matters in travel - more than ever

Getting attribution right pre COVID-19 was already challenging for travel marketers with increasingly complex customer journeys, increased levels of competition and radical changes in customer travel preferences.

But the advent of the pandemic has changed the situation beyond all recognition. To successfully navigate a path out of the downturn, travel marketers need to optimise the effectiveness of each and every marketing interaction with customers. And successful attribution is at the heart of this approach.

Here are **5 reasons why effective attribution matters to travel marketers** now, more than at any other time in recent history.

1. **COVID-19 has turned the travel industry upside down**
2. **Recovery in travel needs to be underpinned by effective marketing and attribution**
3. **The need to adapt to new demographics and platforms**
4. **Buying travel is a process not a single purchase**
5. **Less dependency on a small number of media channels post-COVID**

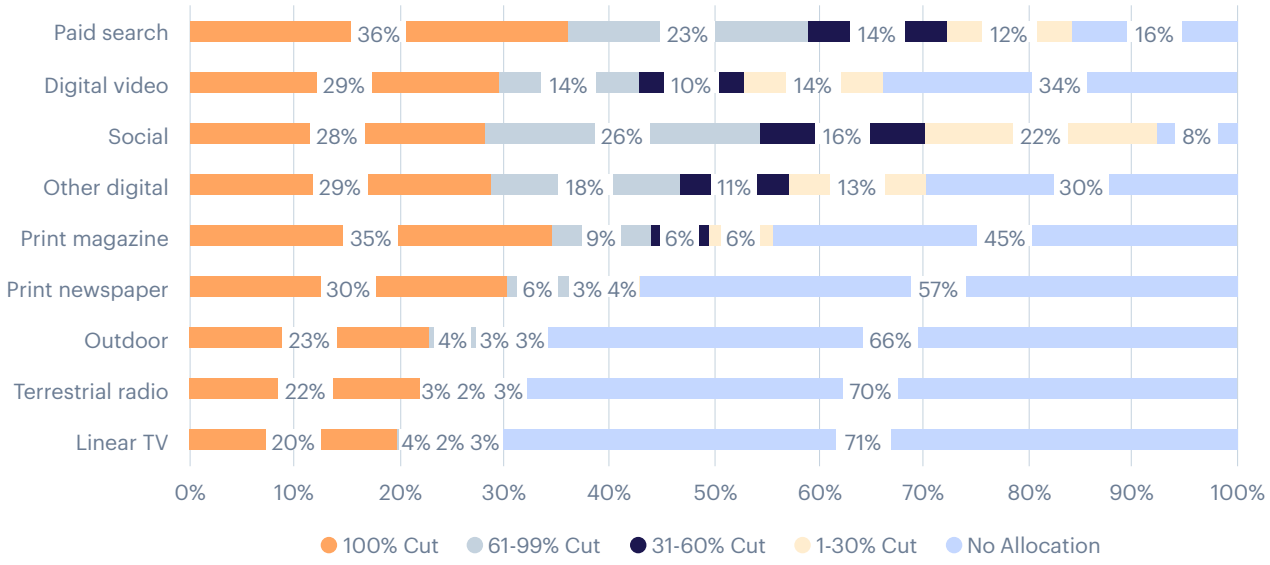


COVID-19 has turned the travel industry upside down

The impact of the pandemic, forced lockdowns and extensive restrictions on travel have had a seismic impact on the sector and the challenge facing travel marketers.

The COVID-19 situation is unique in its nature, combining the impact of a global health crisis with an economic crisis. Both on unprecedented levels. And the impact is staggering – with the OECD estimating that international **tourism fell by 80% in 2020.**

Levels of Paid Media Spending Cuts in Travel Companies (By April 2020)



Source: Skift Research, Travel Marketing During COVID-19 report

According to Skift Research the plummeting demand and **radical changes in customer behaviour have also led to 90% of travel marketers having their budgets slashed.** With the largest seven public online travel agencies likely to lose at least $11.5 billion in revenue in 2020 alone.

And the knock-on effect on spend has been equally dramatic. As the graph above shows, spending has been severely reduced with Paid Search, Digital Video and Social being particularly hard hit.

So, travel marketers are having to think about what they spend, where they spend it and what is – and isn't working for them – like never before. The impact of the pandemic, forced lockdowns and extensive restrictions on travel have had a seismic impact on the sector and the challenge facing travel marketers.



A strong recovery will rely on effective marketing – underpinned by accurate attribution

Recovery in travel needs to be underpinned by effective marketing and attribution

The situation may have been inevitable in the short term, with marketing typically being one of the first and easiest expenses to cut as revenues abruptly dried up overnight. But it brings into sharp focus two key priorities for travel marketers:

1. The need for **highly effective optimization of the spend that remains** in the short-term
2. The **ability to accurately track and fully attribute future spend** as part of a recovery strategy as restrictions recede and the economy bounces back

Effective attribution lies at the heart of both priorities. In fact, a strong recovery will rely on effective marketing - underpinned by accurate attribution.

As experienced travel marketers know, customers don't simply appear out of nowhere, book a trip and disappear into the night never to return. Even in the worst of travel downturns, like right now, customers are considering travel options, researching locations and providers - and making plans. The trick – as evidenced by Forbes – is to continue to invest in the downturn. To boost not only downturn sales but to make the most of the travel upturn when it comes.

Crucially, **marketing attribution will allow travel marketers to understand which tactics are most effective and allocate budget accordingly** to recover marketing performance and drive accelerated reach.

The need to adapt to new demographics and platforms

Although the impact of COVID is unprecedented, there are some useful lessons from recent history in travel which give a feel for where things may head next.

In the 2008 financial crisis the travel industry was severely impacted as bookings plummeted. But as things gradually eased customers looked to technology and found new ways to travel. Booking their own "DIY" holidays using innovative online marketplaces and providers such as **HomeHolidays** and **Airbnb**.

There is some evidence recovery is in sight again at the current time but, again, travel marketers will need to be flexible to take advantage of the upturn.

There are some important initial learnings we can take from the travel sector – particularly from countries that are further through the pandemic, such as China. According to a report from Gartner, China's travel sector recovery has been largely driven by the local market and by targeting a younger demographic. Social Media has played an essential role in this, with **emerging platforms such as TikTok acting as key growth drivers for the sector.**

The successful businesses in the travel sector have invested in technology to personalise and intelligently deliver promotions.

Investing in technology has also been essential to travel business recovery. Online travel consumers are better informed and more knowledgeable than ever.

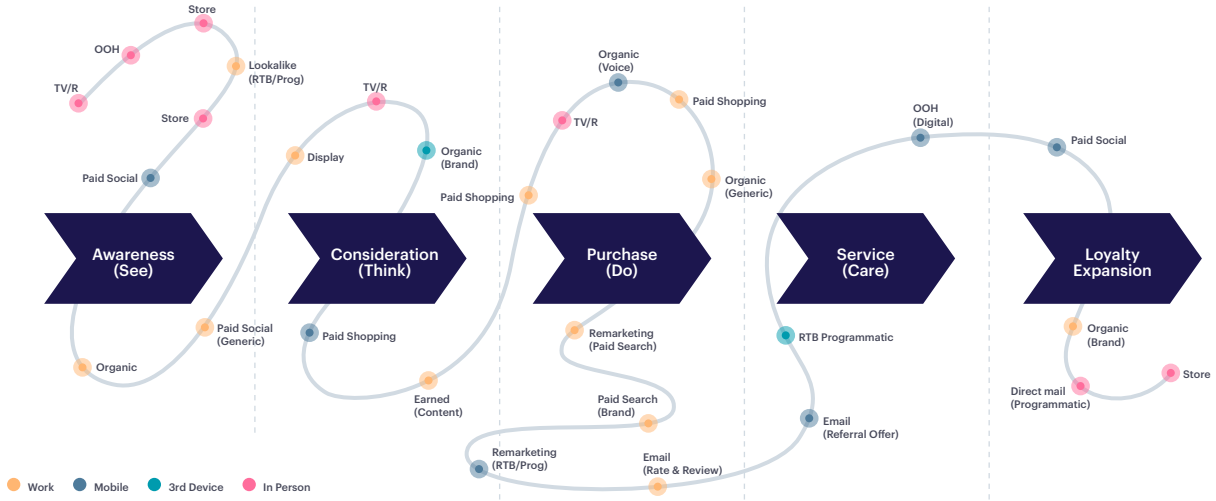
The challenge for travel brands is to engage with them in a way that appeals to them – and key to this is personalisation. In fact Google uncovered the fact that **69% of customers are more loyal to travel companies that personalize their experiences on and offline.** And the most successful travel businesses have invested in technology to do this and drive re-engagement within the sector.

To do this effectively you need solid marketing attribution, but increasingly siloed marketing channels are making this difficult for many travel brands.

Buying travel is a process not a single purchase

Travel marketers also need to start looking at the customer journey as a process, not simply as a purchase.

The reality for many travel brands is that the journey is a complex one. According to Tripadvisor the average traveler now spends time browsing an average of 38 websites before making a purchase. And Expedia report, **59% of travelers start researching their next trip between one to three months before departure.**



These are relatively long and complicated buying interactions. Undertaken very often over several months and across a range of digital devices. Including a broad range of media interactions - both on and offline – from paid media, to search and social. With a range of touchpoints that influence the final purchase decision.

The challenge for travel marketers – which is even more pressing given the unprecedented commercial and competitive pressures they are under – is to find a way to connect media impact with revenue. And using over-simplistic attribution models, like Last-click and First-click attribution, and effectively judging your marketing efforts at the start or finish line only simply don't cut it.

What is needed is a way to understand the entire customer journey – and the contribution of ALL of the touchpoints that are contributing to revenue outcomes.

Less dependency on a small number of media channels post-COVID

The reality is that a large number of marketers continue to stick to outdated "Last-click" attribution models. Where full recognition is given to the last interaction or touch prior to booking. Which allows Google to secure an overstated amount of credit in the attribution mix – and has artificially boosted investment in media like paid search.

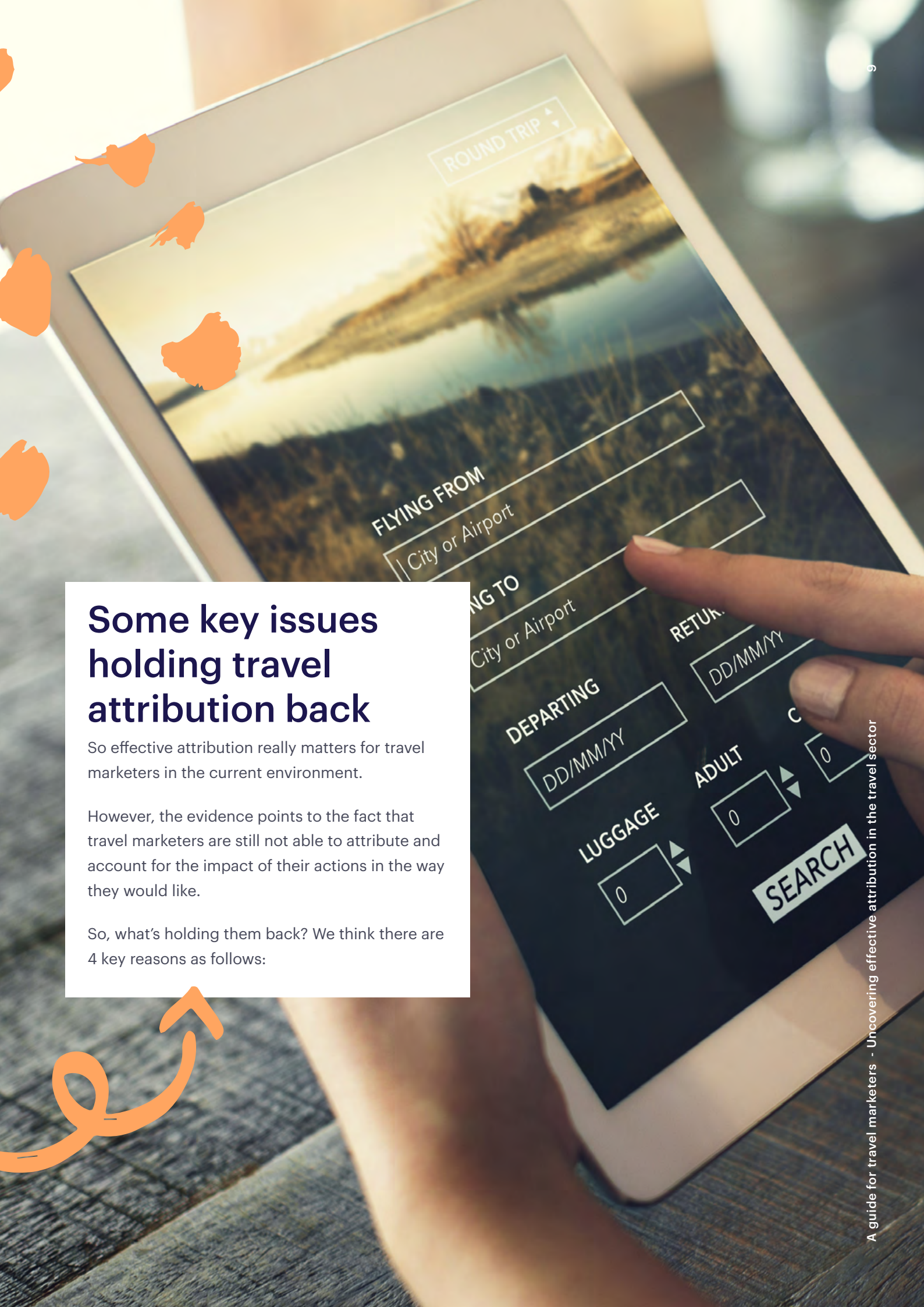
However, the impact of COVID-19 and the resultant reduction in budgets is forcing many travel marketers to rethink their entire marketing strategy. With many brands overhauling their entire approach to better co-ordinate paid media investment in sub-brands and channels to eliminate competing spend and optimize across their portfolio. Others are also investing significant amounts of time and energy in identifying the "connected trip" and maximizing the impact of activity right across it.



And – as customers increasingly look for reassurance and information about travel choices – **content is playing an increasing part in the conversion mix as travel brands leverage "trusted advisor" status.** Driving increased brand engagement across direct and organic channels. With 80% of millennials saying they plan travel based on content posted by their peers and fed by travel brands.

The key to being successful in what is a changed environment is to have the tools and capability to identify the touchpoints that have the biggest impact on the buying journey and to serve the right content and media when it matters most. And being able to effectively assess and attribute every step on the journey is key for success.

The impact of COVID-19 and the resultant reduction in budgets is forcing many travel marketers to rethink their entire marketing strategy.



Some key issues holding travel attribution back

So effective attribution really matters for travel marketers in the current environment.

However, the evidence points to the fact that travel marketers are still not able to attribute and account for the impact of their actions in the way they would like.

So, what's holding them back? We think there are 4 key reasons as follows:



In 2021, it's predicted that you're going to have about 30% more data in silos than we had as marketers back in the days of 2011 and 2010.

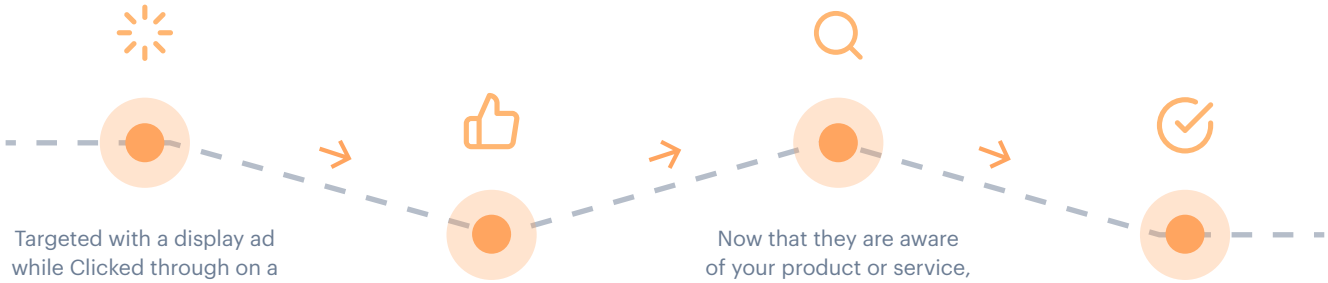
1. Lack of access to appropriate attribution models

At the most fundamental level, travel marketers are being held back by outdated attribution models that aren't fit for purpose in today's complex environment.

In fact, our own research has uncovered the fact that **90% of those responsible for improving marketing ROI in the UK are struggling to access the type of sophisticated models they need to connect media impact with revenue.**

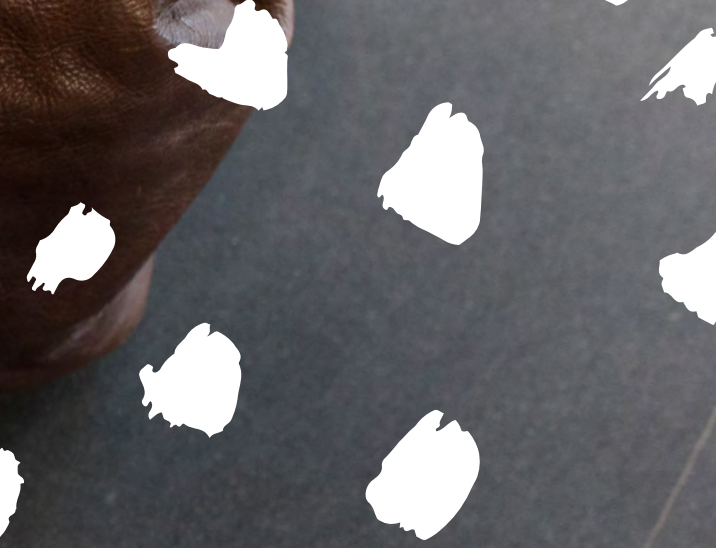
In a market heavily impacted by COVID-19, travel brands are scrambling to maintain engagement with customers and increasingly using a wider range of media to connect with, inform and reassure them to convince them to book ahead of time. Add in the fact that customers are using multiple devices – 40% research travel on a mobile but buy on another device – and you have a complex attribution puzzle to unravel.

In this environment, rules-based attribution models like First-click and Last-click, with their heavy bias to the front and back end of the customer journey - are simply anachronistic.



Their impact in recent times within the travel sector has been to over-attribute the impact of media like Paid Search. Savvy travel marketers are seeking out attribution solutions that accurately assess the impact of all touchpoints ACROSS the customer journey – which provide a much more accurate assessment of ROI that can be used to adjust spend.

And, crucially, optimise future revenues.



2. Poor quality of the underlying data being used for attribution

A second issue is the quality of the data that travel marketers are feeding into their attribution analysis, which is often poor in the first place.

The nature of travel marketing spend means that marketers are very often heavily dependent on sourcing data from channel partners like Facebook and Google. The challenge in this model is that you can encounter very real data issues even before you get to the attribution stage.

And for marketers who are using models like First and Last-click in Google the concerns are very real.

We take a more detailed look at the issue in our Complete Guide to Marketing Attribution ebook. But - in a nutshell – the very nature of the way that Google collects digital marketing data is problematic because it is based on a session-based approach (cookie/pixel tracking) where a device accesses a web property. Not on identifying an individual user who uses multiple devices on their buying journey.

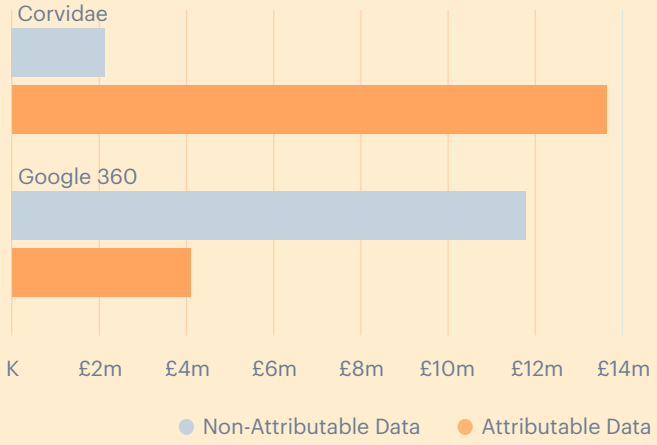
As a result, **it generates data that is up to 80% incorrect** as shown in the graph at the bottom of the page.

3. Internal data silos are making things challenging

"In 2021, it's predicted that you're going to have about 30% more data in silos than we had as marketers back in the days of 2011 and 2010," according to Chris Liversidge, CEO at QueryClick. "Back then, digital spend was predominantly with Google and in Paid Search."

Nowadays, however, there are an increasing number of isolated channels that travel marketers must choose between for investment, including the likes of Facebook and Programmatic Display.

Daily attributable data (i.e. Repaired broken sessions & enhanced cross device)



In this example, QueryClick was able to use its Corvidae platform and take existing Google 360 data and effectively rebuild it for a client. And **adjust the level of attributable spend from £4.1m to £13.6m in the process.**



The emergence of these new media channels is somewhat of a double edge sword for travel marketers. On one hand, they offer the ability to reach customers in a host of different ways that weren't previously possible and to get your brand in front of them more of the time.

But the flip side of the equation is that, more often than not, they are run along departmental or channel-based lines - building up separate silos of data that either don't connect or simply aren't available to other channels.

This is clearly problematic in that channels like Paid Search, Programmatic, Social, Outdoor Display and TV/radio are effectively responsible for "marking their own homework". Which inevitably leads to over-reporting on channel effectiveness and over-valuing revenue and ROI.

Add in the complexity of the "walled garden" approach that social platforms like Facebook and Amazon have to data availability for analysis outside of their own analytics platforms and you begin to understand the challenge around unifying your cross-channel analysis around a single data source.

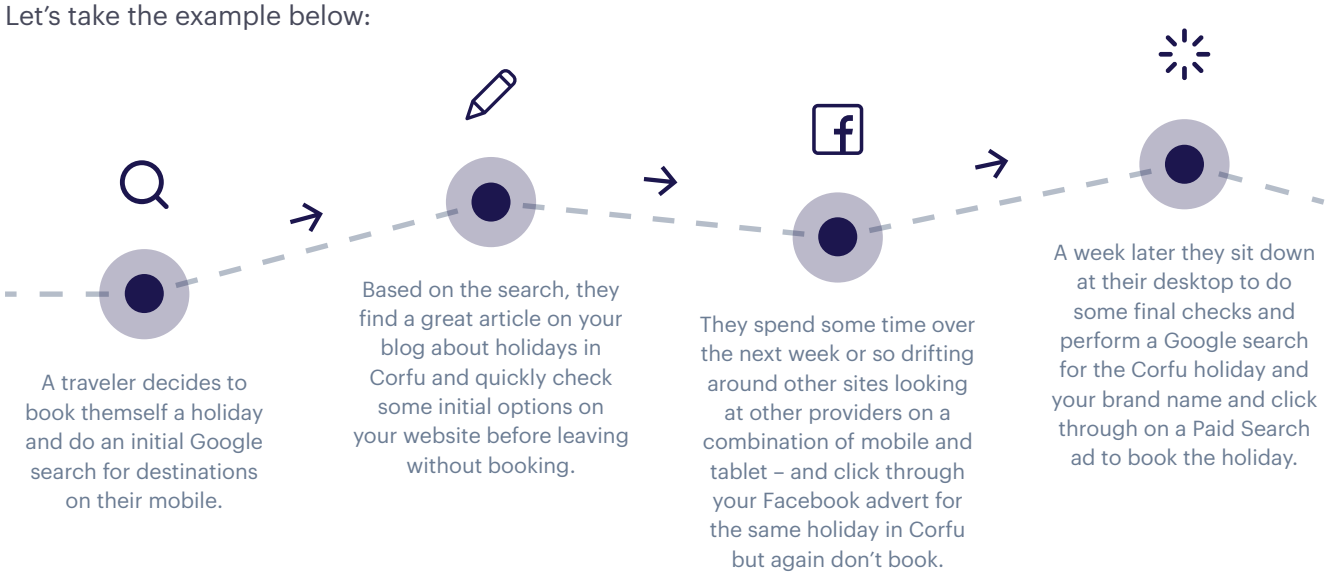


4. An inability to see right across the customer journey

According to Mintel's Travel Industry report, the type of travel being booked is likely to influence the time you spend on researching and booking online. With **up to a week being the norm for domestic or short breaks and anything from 1-3 weeks, or even more, for overseas trips.**

And depending on which data source you choose to consider all of them point to buying cycles that are longer, more complex and on a wider range of devices than ever before. As we pointed out earlier simple attribution models like First-click and Last-click are simply not up to the job of analysing these effectively.

Let's take the example below:

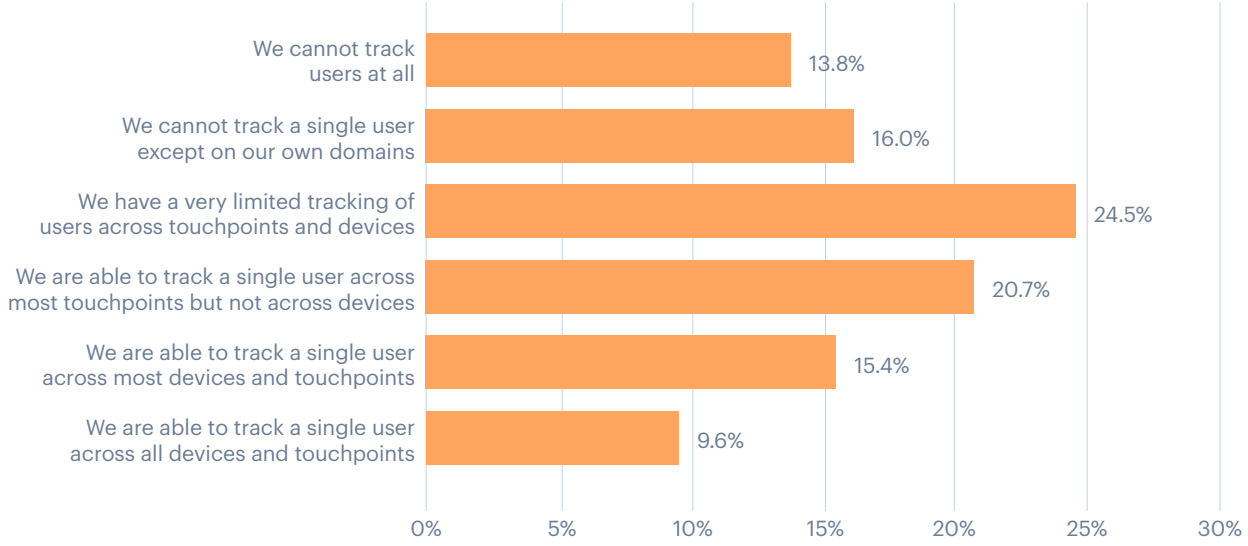


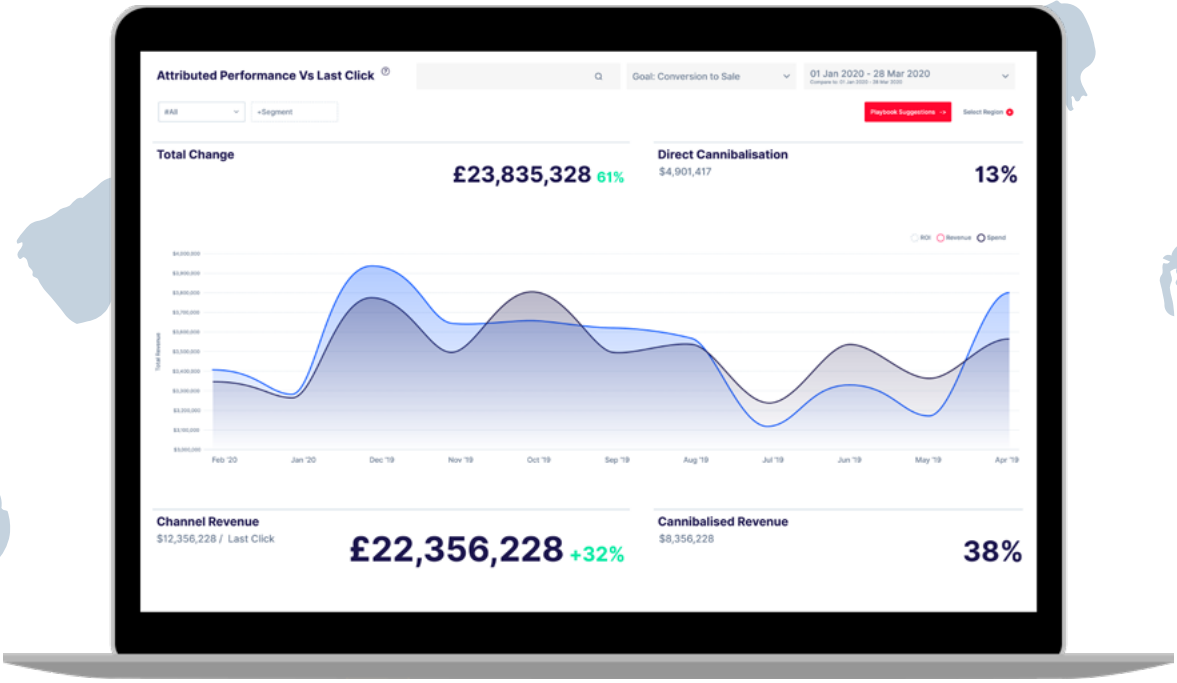
Under First-click or Last-click either the content on your blog or the paid search ad would get 100% of the credit for conversion. The reason being that they are only looking at a very small part of what is, in practice, an extended journey. With a wide range of touchpoints that ALL contribute in some way to conversion – and that need to be accounted for in your attribution analysis.

What you have is a single channel focused view of conversion, when what you really need is a **single view of the individual customer journey across all touchpoints and devices.** However, as EyeForTravel report, the majority of travel marketers are struggling to get the view of this they need with **only 9.6% reporting they are able to track a single user across the devices and touchpoints they need.**

So, there are some very real issues that are holding marketing attribution in the travel sector back. But it is possible to deliver effective attribution in travel – and we provide 5 tips to ensure you can make this happen in the next section.

Do you have a single view of your customers and prospects across devices and touchpoints?





5 tips for choosing the right solution for your needs

So how do you ensure that you select the right attribution solution to meet the needs of the travel sector?

We believe there are 5 key areas of focus:

1. Ensure you can rebuild your underlying data

A common mistake when assessing attribution requirements, is to immediately jump to an analysis of the respective merits of specific attribution models themselves.

However, the central flaw in this approach stems from the focus on the attribution model itself and not the quality of the underlying data being fed into it.

At the heart of the issue are limitations in the types of tools being used to gather data and perform marketing attribution on that data. **95% of all marketing attribution is performed using one of the industry standard tools - either Google Analytics (GA360) or Adobe Analytics.** The problem is that – as we saw in section 2 of this ebook - the data that these tools provide is up to 80% inaccurate for attribution purposes.

Why? They focus on providing information that is happening at the level of the individual browser. But, unfortunately, **browsers are not buyers of holidays, hotel reservations and cruises.** People are. And these tools are simply not capable of 'stitching' together browser sessions to provide an accurate picture of the individuals *behind* the browser.

The answer for travel marketers is to select an attribution solution that has the capability to rebuild your data from the ground up. Using Machine Learning techniques and AI to correctly attribute the impact of each, and every, touchpoint with the customer.

2. Select a solution that meets the needs of a changing travel market

A strong focus for travel marketers right now is to maximize marketing spend in a challenging market. And, at the same time, address new target segments and position for the upturn in the market when it comes.

Key to all of this is continuing to have a presence and engagement in the marketplace – to **reassure, inform and advise customers on travel destinations, restrictions and options** – so that when the upturn happens, they are ready to take full advantage. This process is increasingly taking part across a much wider range of media from travel advisory content on your blog to social media touches on established platforms like Facebook and Instagram. Travel marketers are also increasingly working on emerging platforms like TikTok as they try to reach younger demographics and alternative segments; segments that are looking for information and personalised content on a much wider range of channels – simultaneously.

The attribution challenge associated with this is a marked step up from analysing Last-click data on a combination of PPC and Display Advertising to inform next month's media spend.

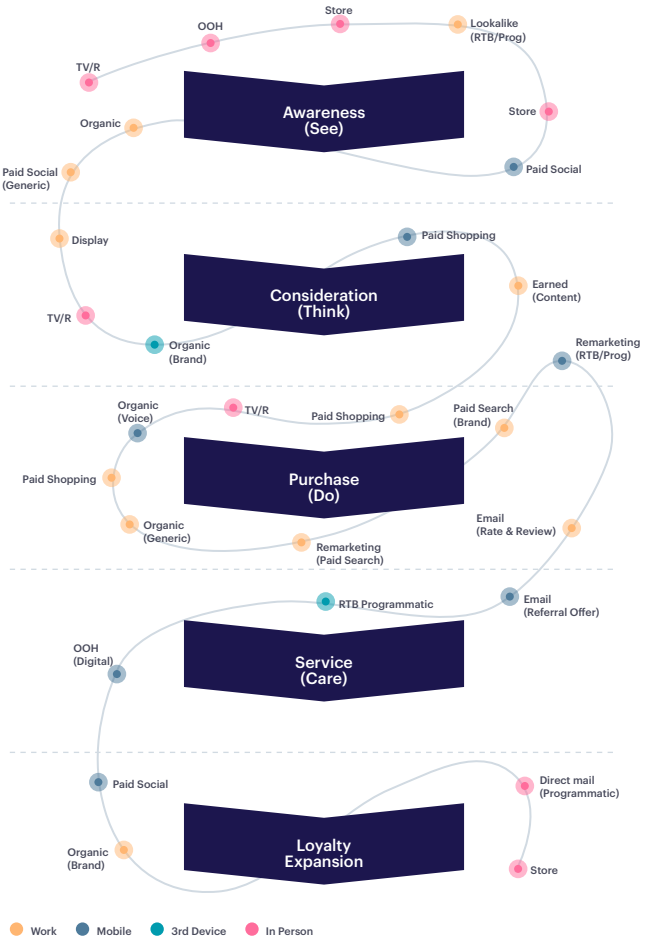
Your chosen attribution solution must be capable of managing the complexity of these new media environments.

3. Make sure you can "see" individual travel journeys on and offline

The key thing is that every interaction along the way, no matter how seemingly insignificant, has value and impact. Your attribution solution **must** be able to clearly identify these individual journeys to effectively drive your ROI.

So, ensure that your attribution solution is capable of monitoring top of funnel content – that is becoming increasingly important in an environment where potential travelers are relying on you as much for travel related advice as your travel services themselves – and include it in your analysis.

This is only really possible if your attribution solution can leverage sophisticated modelling (such as Machine Learning and AI techniques that enable you to join together journeys that were previously unidentifiable) to create a 360-degree customer view that allows you to make informed data-driven marketing decisions.



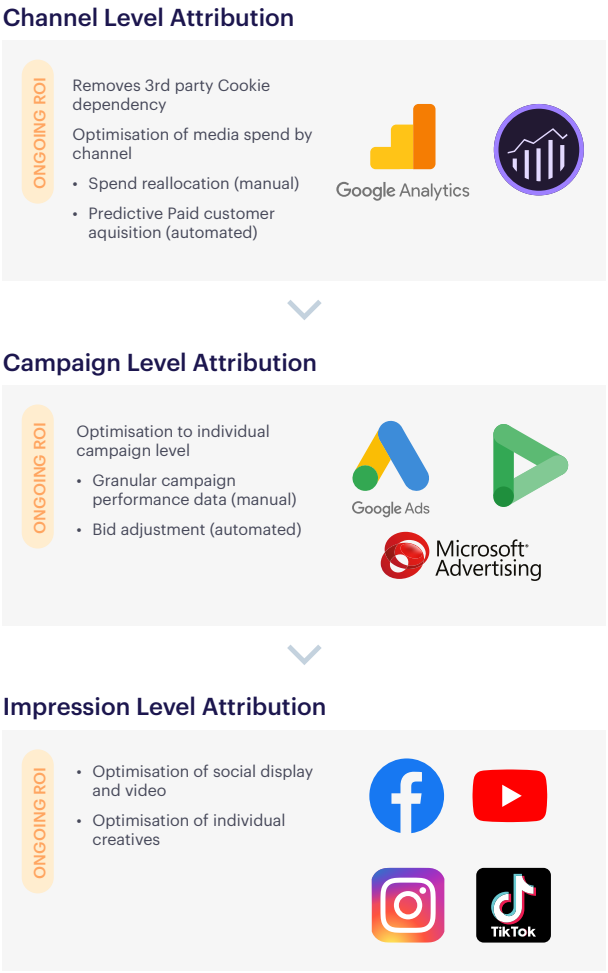
4. Look for deep dive analysis capability that impacts ROI

Only by unravelling the complexity of touchpoints on individual customer journeys - and accurately attributing the correct level of impact to each – can you make the direct link between marketing spend and revenue.

You will need to do this with views up, down and across the customer journey at channel, campaign, creative and individual visit level.

And work at both strategic and tactical levels to improve your marketing programmes from the top down and bottom up, to drive ROI performance improvement across your marketing mix.

So, look closely at what sort of features and capability your attribution solution provides in this respect.



5. Harness the power of predictive analytics to automate and drive conversions

Our own research points to the fact that an incredible **61.5% of marketers admit that investment strategy changes they make based on current attribution insights generally fail to deliver the predicted results.**

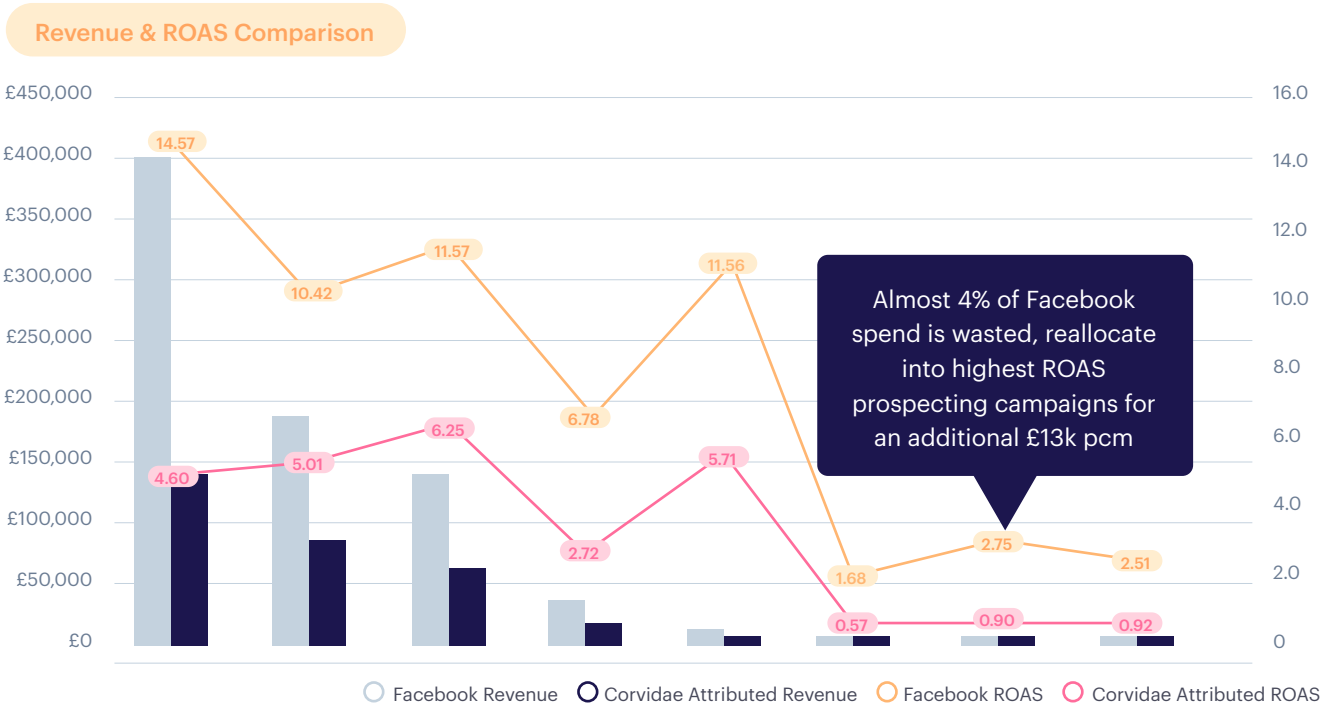
Our advice to travel marketers in this respect is, be aware of shiny dashboards that look great but don't really meet your needs. The reality is that the vast majority of current attribution solutions provide a historical view – effectively a record of where you have been without consideration of where you might want to go next. And, as we have outlined earlier, it is highly likely that this historical view isn't all that accurate anyway.

Which would probably explain the 61.5% research finding above.

What you really need is an attribution solution that enables you to use the full extent of data

- collected from right across the customer journey - to improve the performance of your customer acquisition activity.

One that is also able to harness the power of Machine Learning and AI to accurately predict the probability of conversion and increase ROI by reducing the waste in your campaigns through better targeting, retargeting and significant improvements in CPA and revenue performance. And that can dramatically change the ROI on your campaigns for the better.



And the results are worth considering.

The example above is for a client who used the Corvidae platform to effectively rebuild their existing data and identify that **almost 4% of Facebook spend was effectively being wasted.** They were able to quickly pivot, and reallocate the spend into the highest performing campaigns to **generate an additional £13k per month in revenues** - using practical reporting data to impact the bottom line.

So, delivering effective attribution in the travel sector is a challenge but the combination of the impact of the pandemic, changing customer behaviour and the knock-on commercial and competitive pressures make connecting marketing media impact to revenue and ROI a pre-requisite.

As you evaluate attribution solutions be careful not to underestimate the importance of ensuring your underlying data is accurate before you start the attribution process. And look for one that has the capability to provide you a view right across the customer journey – and to provide highly actionable insight that enables you to allocate spend more effectively and drive real marketing ROI.

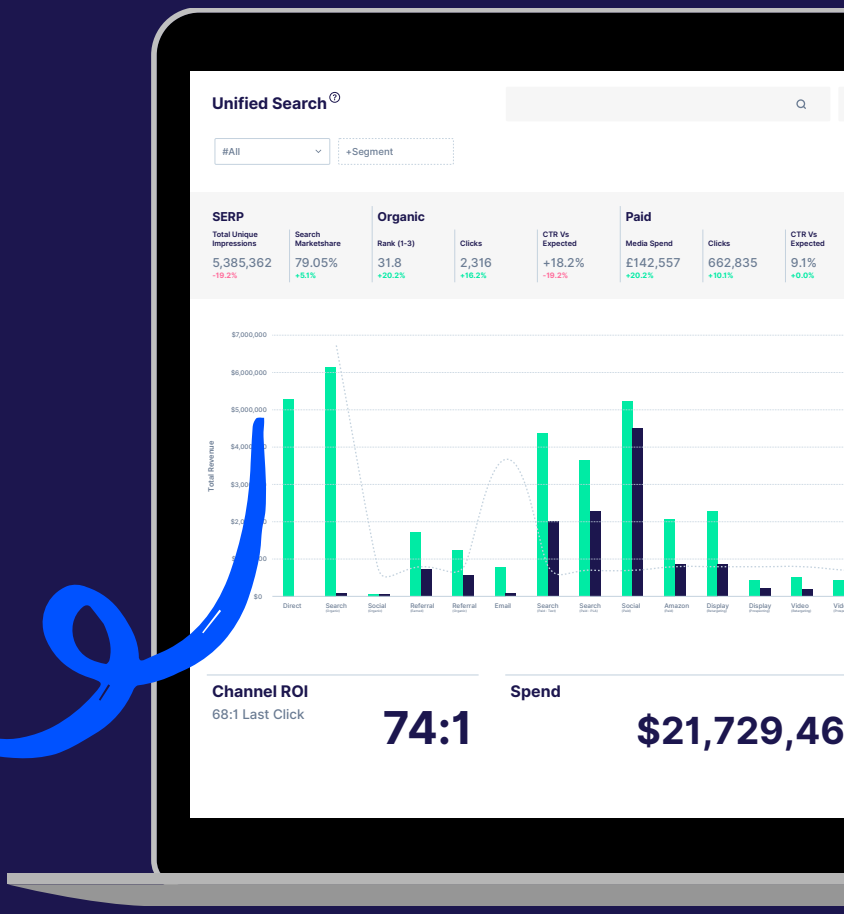
CORVIDAE

Talk to us about Corvidae

Corvidae is QueryClick's SaaS marketing attribution platform and the only attribution solution which completely rebuilds your travel marketing data, reaching beyond Google 360 and Adobe Analytics.

It reveals up to 334% more data for attribution and can providing game changing accuracy and predictive performance for travel brands looking to analyse marketing activity across more complex media mixes, platforms and sophisticated customer journeys.

CONTACT US TO LEARN MORE



"Corvidae reveals up to 334% more data for attribution than market-leading competitors. Providing game changing accuracy and predictive performance."