

Booking.com Is Giving Discounts to Travelers That Are Dreaming of Vacation

|
1 hour ago

Travel brands big and small are seeing a modest uptick in interest, an optimistic sign that the leisure and hospitality industry is on the road to recovery.

Booking.com, one of the world's largest travel metasearch engines, is seeing more activity from what CMO Arjan Dijk called "dreamers," which are travelers searching and planning a vacation but not quite ready to purchase a room.

To reward the activity and hopefully keep travelers on the platform, Booking.com is giving as much as 5% cashback for guests that create a wishlist on the platform's mobile app. The promotion is expected to run for a few more weeks.

"People are starting to dream again, really thinking about what they're going to do this summer," said Dijk. "The main impetus for this campaign was the shift in consumer behavior."

According to Dijk, Booking.com has seen twice the amount of prospective travelers liking properties and adding them to their wishlists, a tab that keeps track of guests' potential stays. Guests that like at least three properties get the cashback reward.

The wishlist has also given Booking.com new data to help guide the brand's marketing strategy. Over half of guests' wishlist destinations were domestic locales, with top destinations among American audiences including Orlando, Fla.; Myrtle

Beach, S.C.; Miami Beach, Fla.; New York; and Las Vegas.

Last year, domestic stays only account for a third of all wishlists. In the United States, domestic destinations rose from 58% to 71%. Americans also preferred hotels 14% more over the last two months than the global average, 54% compared to 40%.

In strategically crafting Booking.com's own recovery timeline, Dijk said that the brand would be careful as to not appear transactional and misreading the national tone. New filters and products could be added to the platform's search engine.

"We're thinking very carefully about adapting our products in a sense that people can filter through things they care about, all the kinds of things that people at this stage care about," said Dijk, mentioning contactless check-in as an example.

Originally, the brand had planned on launching a follow up to its "Resolution Resort" campaign but shelved the idea when Covid-19 hit. That campaign saw Booking.com investing in digital and TV spots and a physical hotel activation in New York where each room was centered around New Year's resolutions (a reading room, a photography studio, a room decked out with kitchenware).

Booking.com is no stranger to experiential activations, rebuilding the Addams Family mansion in Brooklyn last October and a giant sandcastle for National Sandcastle Day. Obviously, these stunts have gotten harder with travel restrictions in place and a lack of demand.

"Clearly, for us, things are challenging," said Dijk. Excluding cancelations, newly booked rooms were down 60% in March and 85% in April, year over year.

When Booking Holdings, which owns Booking.com, Priceline, Kayak and OpenTable, held its Q1 earnings call, the metasearch engine reported a net loss of \$699 million, with nights booked

decreasing 43% over a year ago. Total revenue fell 19% to \$2.3 billion.

During that call, CEO Glenn Fogel said that the brand had taken actions to “substantially reduce our brand marketing” in response to a “diminished travel demand environment.”

“We expect our marketing expense will remain significantly below 2019 levels for the remainder of the year,” he added.

Fogel said on the call that the reason Booking Holdings wasn’t advertising was that the brand didn’t want to put “a message out when nobody is really listening” to reach an audience that’s not interested in traveling. Now that travel is opening up again, there’s more of a reason to advertise and an opportunity to capture a “meaningful” share of the initial recovery demand.

That’s not an efficient use of the money, continued Fogel.

“Certainly, when we think that enough people are ready to travel, then it would be good to start pushing that message out to them. The critical thing is when is that right point, we’ll be measuring very carefully to see when that right time is.”

<https://www.adweek.com/brand-marketing/booking-com-discounts-travelers-dreaming-vacation/>