

# Internet Marketing 101



WHITE STONE  
MARKETING

**Scott Crumpton**  
**CABBI Conference**  
**Santa Rosa, California**  
**January, 2008**

**Ever Wonder  
Why Men Never Stop  
To Ask For Directions  
From Gas Station  
Attendants?**

**Because We Know  
The Quality of the Advice  
You Receive  
DEPENDS on Who You Ask**

A man and a woman are sitting on the ground, leaning against the thick trunks of large trees. The man is on the left, wearing a light blue shirt and a dark vest, looking down thoughtfully. The woman is on the right, wearing a dark sleeveless top, also looking down. The background is a soft-focus outdoor setting with more trees and a bright sky. The entire image has a semi-transparent dark overlay.

# Experience is The Best Teacher

# What This Session Is Not!

1. **Tips on how to save money**
2. **Tips on how to do everything yourself**

# Where's the handouts?

❖ And why's he talking about fishing?

# The Road to Success

## Four steps in the road to success

1. Provide an excellent product/service
2. At an attractive price
3. In a desirable location
4. And promote the heck out of it!

# The 4 P's of Marketing

## “The Marketing Mix”

- ❖ Product - (service)
- ❖ Price
- ❖ Place - (location)
- ❖ Promotion – (marketing/advertising)

# Product

**Build a better mousetrap and the  
world will beat a path to your door.**  
*Ralph Waldo Emerson*

# Quality Amenities

The majority of innkeepers and property owners have done well in **PRODUCT** with:

- ❖ Jacuzzi Suites
- ❖ Internet Access
- ❖ Breakfast
- ❖ Etc.

# Product

Provide what they're searching for...

- ❖ Who is your clientele?
- ❖ What are they looking for?
- ❖ Some generalizations
  - ❖ All Inclusive Packages
  - ❖ Amenities (fireplace, jacuzzi, view, etc.)

# Place

- ❖ **Location, Location, Location**
- ❖ **Soledad, California**
- ❖ **Active vs. Passive Marketing**
- ❖ **Using Active Marketing for the off-season**

# Promotion

- ❖ **What are you promoting?**
  - ❖ **Product**
  - ❖ **Price**
  - ❖ **Place**
- ❖ **Your U.S.P.**  
**(Unique Selling Point)**

# Are YOU part of the package?

- ❖ **Innkeepers I've known and loved - sort of!**
  - ❖ **My First Impression**
  - ❖ **A Narrated Breakfast**
  - ❖ **Post-It Note Hell**

# Promotion

- ❖ **Who should promote you?**
  - ❖ **Who's in your corner?**
  - ❖ **Professional vs. Novice**
  - ❖ **Son-in-law Syndrome**
- ❖ **Being penny-wise and pound foolish**

# A Recipe for Beating the Competition

- ❖ **Create a better quality product**
  - ❖ **Most Innkeepers get this**
- ❖ **Out promote them**
  - ❖ **Very Few Innkeepers get this!**

# There Are Two Types of Innkeepers

1. Those who seek to **SAVE** money
2. Those who seek to **MAKE** money

# A Simple Test

## Which Kind Will You Be?

- ❖ What do you plan to do yourself?
  - ❖ Where do you plan to live?
  - ❖ How many rooms do you intend to have?
  - ❖ How much do you intend to charge?
  - ❖ What's your mindset?
- 
- ❖ Some small inns have innkeepers who defy these generalizations, but not many...

# What'd You Call Me?

## Misconceptions by a Marketer

- ❖ **The Tightwad!**
- ❖ **Hobbyists?**
- ❖ **Professional vs. Lifestyle**
- ❖ **Don't Classify Me!**

# Types of Properties

- ❖ **Bed and Breakfast**
- ❖ **Inn**
- ❖ **Boutique Hotel**
- ❖ **Trends**
  - ❖ **Negative Growth**
    - ❖ **Increase in Quality, Decrease in Quantity**
  - ❖ **Younger (and more technical) Innkeepers**
  - ❖ **How to go out of business in one easy lesson**
- ❖ **Poor Design!**

A man and a woman are sitting on the ground under a large tree, looking at each other. The man is on the left, wearing a light blue shirt and a dark vest. The woman is on the right, wearing a dark tank top. The background is a soft-focus outdoor setting with trees and a building.

**Marketing  
is the  
Art of Spending a Dime  
to  
Make a Dollar**

# Spending a Dime To Make a Dollar

- ❖ Your marketing budget should be at least 10% of your gross annual revenue
- ❖ First year start-up costs raise this to around 25%
- ❖ 90% of this should be spent on the internet

# Promoting a Perishable Product

- ❖ The difference between selling water and watermelons
- ❖ It's all about the competition
  - ❖ You do not create demand, you only meet it
  - ❖ Demand exists, you must reach out and grab the amount you want

# So Where's the Secret Here?

1. Provide an excellent product/service
2. At an attractive price
3. In a desirable location
4. And promote the heck out of it!

A man and a woman are sitting on the ground under a large tree. The man is on the left, wearing a light blue shirt and a dark vest, looking towards the woman. The woman is on the right, wearing a dark top, looking back at the man. The background is a soft-focus outdoor setting with trees and a fence.

# Here Are The Secrets to Promotion

# Marketing is the Art of...?

- ❖ Spend 10% of your Gross Annual Revenue on Marketing
  - ❖ Estimate Gross Revenue the first year
  - ❖ Spend up to 25% the first year
  - ❖ 90%+ of this should be spent on internet marketing
- ❖ Caveat for out of the way properties
- ❖ Active vs. Passive Marketing

# Who's In Your Corner?

- ❖ Hire the best you can find (not the most expensive)
  - ❖ The best ALWAYS resides within your industry
  - ❖ The best vendors are here at CABBI
    - ❖ ...but Company X isn't here (rare exceptions)
  - ❖ Beware of:
    - ❖ Local Favorites
    - ❖ Companies I don't recommend
    - ❖ Advice from non-experts, including innkeepers (Shhh!)
- ❖ Company Types
  - ❖ Full Service vs. Specialists
  - ❖ Large Companies vs. Small

# Flying Solo

- ❖ If you plan to go it alone, I sincerely wish you luck
- ❖ You have a long road ahead of you
- ❖ It's an expensive education
- ❖ Be careful who you listen to

# The Basics of Internet Marketing (DHP)

- ❖ Web Design
- ❖ Web Hosting
- ❖ Web Promotion
  - ❖ SEO (keyword relevance and links)
  - ❖ PPC
  - ❖ Online Directories
  - ❖ Consulting

# More Advanced Topics

- ❖ **Stats and Analytics**
- ❖ **Availability and Online Reservations**

# A Full Corner Makes a Winner

## ❖ You'll Need

- ❖ An internet marketing company
- ❖ Professional photography
- ❖ A top-notch web site design
- ❖ A hosting company AND webmaster
- ❖ Property management software
- ❖ Online availability AND online reservations capability
- ❖ CABBI membership
- ❖ Lodging Guide Memberships
- ❖ Rack Cards

## ❖ You Might Want

- ❖ A PR Firm
- ❖ A copywriter
- ❖ GDS (Global Distribution System) capability
- ❖ A graphic artist



# Naming Names

- ❖ **Talk to Everyone at the Show (too many to list)**
  - ❖ If you need something not found at the show, ask us.
- ❖ **Your Internet Marketing Company Will Talk About:**
  - ❖ Organic Search Engine Placement (Google, Yahoo and Live.com)
  - ❖ Pay Per Click Service (PPC) with Google, Yahoo and Microsoft
  - ❖ Lodging Guides.
  - ❖ Trip Advisor!!! (The 900 Pound Gorilla)
  - ❖ Your Keywords

# \$25,000 into \$250,000

Item	Price
Internet Marketing Company	\$ 6,000.00
Professional Photography	\$ 3,000.00
Web Design	\$ 9,000.00
Memberships	\$ 2,000.00
Print	\$ 1,000.00
Promotion	\$ 3,000.00
Misc	\$ 1,000.00
<b>Total Marketing Budget</b>	<b>\$ 25,000.00</b>

# \$25,000 into \$250,000

## ❖ Assume

- ❖ Average room rate of \$200
- ❖ A 10 room inn
- ❖ 365 days
- ❖ 35% occupancy
- ❖ Equals an Annual Gross Revenue of: \$255,500

Average Rate	\$ 200.00
Rooms	10
Annual Room Nights	365
Occupancy %	35%
<b>Gross ROI</b>	<b>\$ 255,500.00</b>

# Marketing is the Art of Spending a Dime to Make a Dollar

**Within Reason**  
**The More Dimes You “Wisely” Spend**  
**The More Dollars You Will Make**

# Internet Marketing 101



WHITE STONE  
MARKETING

Scott Crumpton  
CABBI Conference  
Santa Rosa, California  
January, 2008