

How Travelocity converted 71 percent more travel buyers.



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Cheryle Pingel
Principal,
Range Online Media

ABOUT GOOGLE ADWORDS

Google AdWords is currently used by thousands of businesses worldwide to gain new customers in a cost-effective way. AdWords uses keywords to precisely target ad delivery to web users seeking information about a particular product or service. The program is based on cost-per-click (CPC) pricing, so advertisers only pay when an ad is clicked. Advertisers can take advantage of an extremely broad distribution network and choose the level of support and spending appropriate for their business.

For more information, go to www.google.com/ads

The first online travel agency launched in 1996, Travelocity® (a Sabre Holdings® company) pioneered the online travel market. Travelocity gives consumers access to hundreds of airlines, thousands of hotels and cruises, car rentals, and last-minute vacation packages. With 40 million members, Travelocity is the sixth largest travel agency in the United States, operating or powering websites in 5 languages on 4 continents. It's also the exclusive travel booking provider for America Online services, including AOL, AOL.com, Netscape, CompuServe, as well as several of the Yahoo! U.S. and Canadian sites.

Travelocity retains a number of marketing firms to handle an array of online and offline campaigns, including the services of Fort Worth-based Range Online Media (www.rangeonlinemedia.com). Range's principals, Cheryle Pingel and Misty Locke, saw a need for Travelocity to boost its online presence through search engine marketing – not previously a high priority for the company – and approached the Travelocity marketing team about doing so in late 2001.

“Hands down, search engine marketing is the most cost-effective direct vehicle in the marketplace,” Pingel said. “Companies wanting to grow their Internet presence are restless with banner ads and other unproven strategies. When a consumer is searching, we want to be sure that our client's site and message are quickly available, effective, and invite response.”

Approach

Range Online began working with Google advertising in early 2002. “We have been big proponents of Google since we started our agency,” says Pingel, “and it was the major part of our strategy for Travelocity.” Range Online quickly developed a keyword list based on products and specials the site actually offered. (Previously, Travelocity's search keywords included “camping,” “B&B,” and “cabins,” none of which accurately reflect the company's key audiences.) Pingel and Locke chose keywords based on popular locations (Florida, Italy), seasonal offerings (summer vacation, spring break), as well as events (honeymoon). “Google AdWords enables us to tie keywords to airlines, to regions, and to cruise or vacation verticals,” Pingel says, “all of which are very effective.”

Results

The first 90 days of Travelocity's ad campaign with Google yielded a dramatic 32 percent increase in conversion. And in the subsequent 3 months, conversion more than doubled again – to an astonishing 71.5 percent. Over the course of 2002, Pingel reports that Travelocity membership registration also grew by 7 million customers. “We were thrilled,” says Pingel, “especially because our client couldn't believe they could see this much improvement in such a short time.”

Locke says that Google AdWords also lowered the cost per booking dramatically. “By targeting keywords and refining them based on results, Google gave us more qualified leads – travelers ready to buy – which lowered Travelocity's costs.”

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Karla Rowland
Senior Media Manager,
Travelocity

“Range definitely opened our eyes to the full power of Google’s resources and capabilities,” said Karla Rowland, Travelocity’s senior media manager. “Search engine marketing with Google will continue to play a major role in our overarching marketing initiatives.”

In monitoring traffic and trends, Locke said, “Our Google team was very proactive. Whenever I became aware of a change we needed to make in keywords or creative, a Google client service rep was on the phone with the same thought.” The account team tracked time zone, day of week, and every other variable, and optimized or minimized as needed. “They really kept a close eye on dollars spent for conversion, to meet our revenue goals for Travelocity,” Locke said.

This year, she notes, Range won an 87 percent increase in its search marketing budget – a vote of confidence by Travelocity for Range Online Media, and for Google search advertising.

