

Case Study

How Silken Hotels Leveraged Machine Learning to Boost Direct Bookings & ADR

The Challenge

Silken Hotels, a Spanish chain with 34 properties, has always kept direct channel growth at their center of their marketing approach. Their focus is on optimizing their marketing efforts to drive profitable direct bookings, while avoiding extensive campaigns. The challenge was to implement strategic discounting: offering discounts selectively to low-intent visitors and avoiding presenting offers to website visitors that were likely to complete their bookings regardless. Their goal was to secure additional bookings while ensuring their campaigns remain efficient and effective.

The Objectives

- Increase direct bookings from low-intent visitors
- Enhance their profit margins by adding new bookings while preserving ADR from high-intent customers
- Save on promotional costs by offering discounts only to those travelers that needed them to be convinced

The Solution

Since partnering with The Hotels Network, Silken Hotels leveraged THN's platform to enhance their direct channel performance. The team launched a new campaign using THN's **Predictive Personalization** to achieve their goals:

1. To target visitors with **low booking intent**, Silken Hotels implemented automated custom messages and offers to encourage them to complete a booking.
2. To ensure **high-intent** visitors saw standard pricing, the machine learning algorithm excluded these visitors from being shown the promotional messages, preserving a high ADR.

By leveraging these tactics, Silken Hotels optimized their marketing efforts, reducing unnecessary promotional costs and driving incremental bookings. This approach enabled them to deliver personalized content to the right audience, ultimately leading to more direct reservations and increased direct revenue.

The Results

The Predictive Personalization campaign delivered impressive results for Silken Hotels:

In just 1 year...

6% of all chain bookings

resulted from direct clicks on the Predictive Personalization messages

5% increase

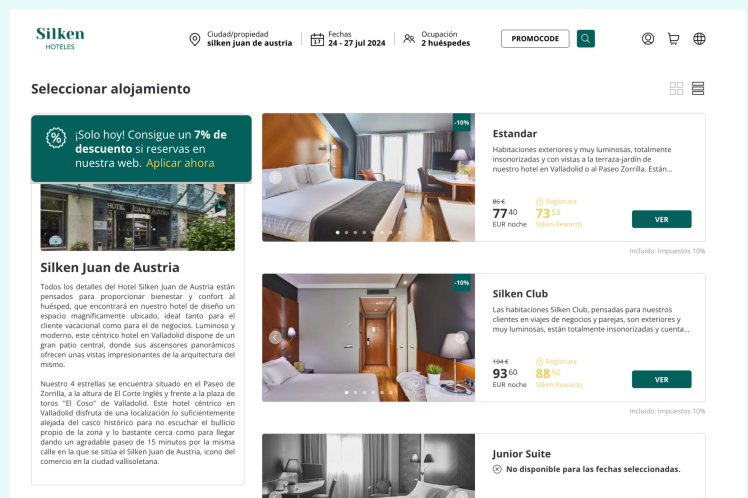
in additional revenue thanks to the campaign

10% of chain bookings

were influenced by the campaign

Reduction of promotional costs

by targeting discounts only to low-intent visitors



Silken
HOTELES

“

Predictive Personalization has proven to be the perfect tool to help us achieve increased direct bookings without increasing our spend along with it. The machine learning algorithms give us the confidence that we're communicating the ideal offer to the correct visitor at the perfect moment in the booking process.

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Itziar Poza

Revenue Management and Global Distribution at Silken Hotels