

Achieving your ideal hotel channel mix:

5 Key steps for every hotel type

Different guests, different booking preferences

In today's fast-moving travel landscape, hotels can no longer rely on a "set it and forget it" approach to their channel mix. Whether independent, branded, franchised, or part of a management company, every hotel must actively manage and optimize all available booking channels.

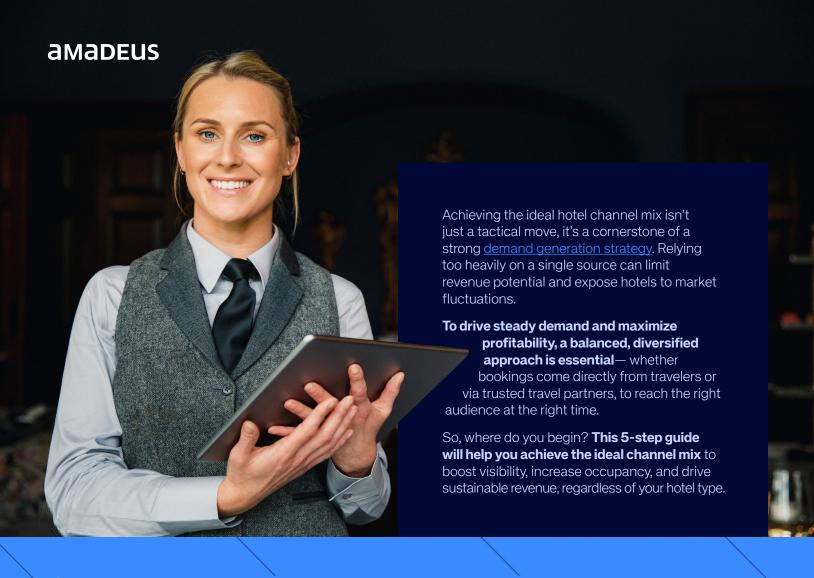
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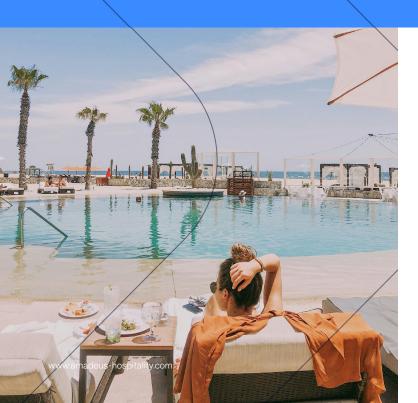
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Step 1: Understand your audience and define your ideal segment mix



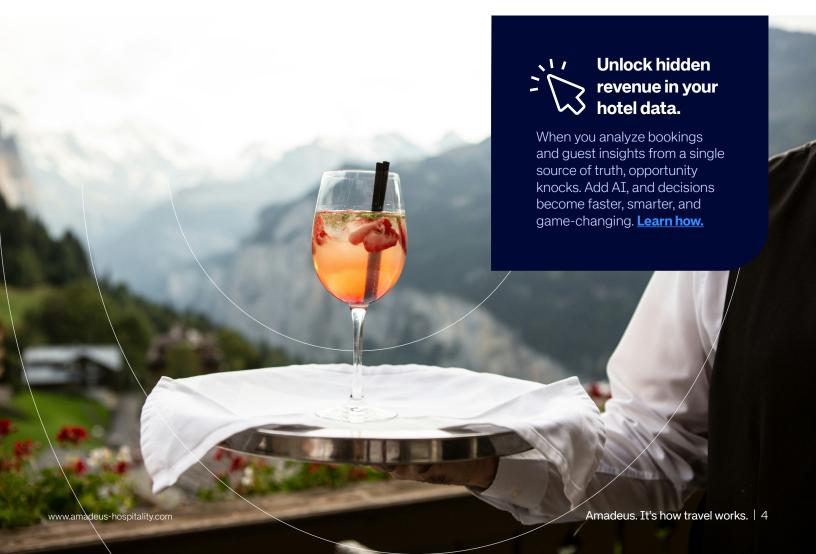
Understanding your audience is the foundation of any successful channel mix strategy. It starts with a clear picture of who your guests are, where they're coming from, and how they expect to book. But it shouldn't stop there. Hoteliers should also consider: whom do we want to attract? Whether you're aiming to tap into a new market segment or increase share within an existing one, it's essential to define your ideal guest profile.

By combining guest data from past bookings, reviews, and other insights with a forward-looking mindset, you can begin to shape a more strategic segment mix. This mix may be set by the general manager, revenue manager, or corporate leadership, but knowing where, how, and when to reach those desired guests is key to unlocking long-term growth.

Key Actions:

- Segment your guests: Use guest demographic data (age, location, purpose of stay, etc.) to identify distinct groups.
 These could include leisure travelers, business professionals, families, solo travelers, and group bookings.
- Track booking behaviors: Look at trends—do most of your leisure travelers book via online travel agencies (OTAs), or do they prefer booking directly through your website for better deals? Are business travelers more likely to book via corporate designated booking tools (online booking tools, travel agencies, etc.) or through any public reservation platform (OTAs, travel agencies, hotel websites, etc)? Are both your leisure and corporate guests booking through travel agencies that use the Global Distribution System (GDS)?
- Survey your guests: Send post-checkout surveys to gather insights on their booking experiences and platform preferences. This can help you refine your mix based on actual customer feedback.
- Analyze demand trends: Use <u>travel intelligence solutions</u> to assess both historical and forward-looking demand patterns: how, when, and through which channels your ideal guests are booking in your market.

Why it matters: Knowing who your ideal guests are and how they book allows you to focus your efforts on the channels that are most likely to generate revenue. It also helps you understand the why behind their booking decisions, so you can better cater to their needs and expectations.



What does it mean for each hotel type?

Independent hotels

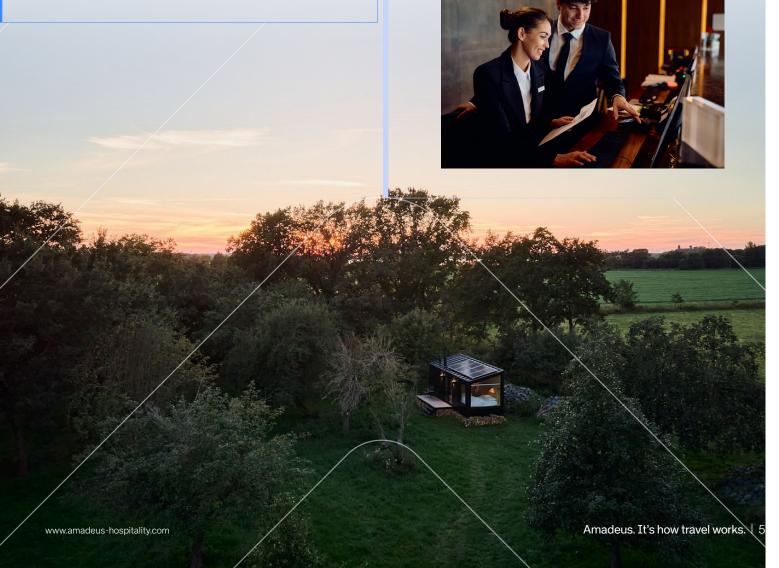
Independent hotels often cater to niche markets or a specific type of guest, whether it's luxury travelers, eco-tourists, or local eventgoers. Understanding who they are and how they get inspired and plan for their trip is key.

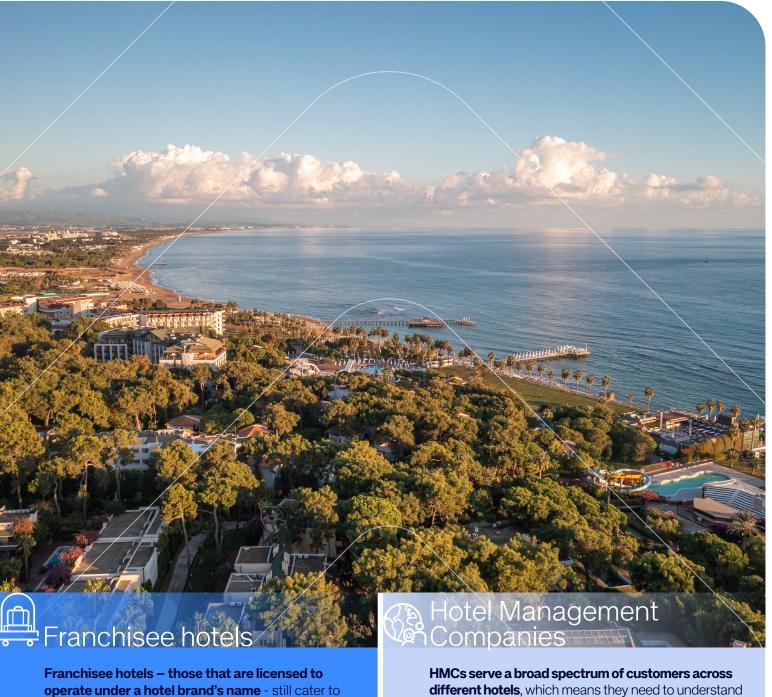
- Focus on direct engagement with past guests through email marketing or loyalty programs.
- Focus on tracking guest reviews across thirdparty platforms.
- Use travel intelligence tools to analyze traveler origin, length of stay, and booking behavior to identify whether your base is more <u>corporate</u>, leisure, or event driven.

Hotel brands

Hotel brands must understand the global and regional customer base that chooses their brand, particularly loyalty members and business travelers who rely on brand consistency.

- Use enterprise-level data made possible by agreements with key channels, booking engines, and CRM tools - to identify patterns across demographics, loyalty tiers, and geographies.
- Share audience personas and booking insights with franchisees and managed properties to guide local execution.





the same general market as independent properties but benefit from brand loyalty and recognition.

- Analyze guest booking data for insights into corporate, leisure, or group market segments.
- Leverage brand-level preferred distribution agreements and loyalty programs to better understand broader customer behavior trends.

the needs of various guest segments at each property.

- Use centralized data systems to gather guest insights across all properties.
- Create guest profiles for each hotel and categorize them by type (e.g., business, leisure, family).
- Leverage intelligence tools to spot underrepresented or emerging segments.

Step 2: Identify key distribution channels

Now that you understand your audience, it's time to identify the right distribution channels for each guest segment. You'll want to diversify your channel mix but focus on the ones that bring in the most profitable and relevant business consistently over time.

Direct channels:

• Direct online bookings (hotel website): Your website should be the cornerstone of your channel mix, offering the best rates and value-added services (free Wi-Fi, breakfast, loyalty points, etc.) for guests who book directly. Focus on SEO, user-friendly design, and intuitive booking engines to drive traffic. Additionally, metasearch platforms like Google Hotel Ads, Trivago, Kayak, and TripAdvisor aggregate multiple booking options, increasing your visibility and redirecting potential guests to your direct site. Leveraging both a strong website and metasearch presence creates a powerful booking strategy that maximizes direct revenue and guest engagement.



 Central Reservation Center: Booking via phone is still preferred by some segments, especially those who value human contact, or those with specific requests. Personal communication can build trust, offer upsell opportunities, and strengthen loyalty.

Discover how Hotel Balneario de La Hermida **boosted bookings by 409%.**

• **Hotel direct bookings**: Reservations made directly at the hotel property without using third-party channels: these include walk-ins, email reservations, on-site group or event bookings, and in-person arrangements made with hotel staff. This approach enables more personalized service, flexibility in negotiating corporate rates or group bookings for steady demand, and the handling of complex requirements (e.g. RFPs), particularly for business groups or event planners.

Indirect channels:

- OTAs (online travel agencies): Platforms like Expedia, Booking.com, and Agoda are powerful tools for attracting guests who may not know about your property. These sites are great for reaching a global audience, especially when you're starting out or targeting international travelers.
- GDS (Global Distribution Systems): Platforms like Sabre, Amadeus, and Travelport are powerful tools for reaching high-value corporate travelers, travel agents, and international markets from a single access point. GDS enables hotels to secure business bookings with high ADR, expand market reach, and increase visibility, all while maintaining full control over their rates. This channel helps drive year-round occupancy with a low cancellation ratio, especially during low-demand periods.
- Wholesalers and bedbanks: Companies like Hotelbeds, WebBeds, and Tourico supply rooms to OTAs, travel agents, and tour operators. They're helpful for bulk bookings and entering new markets, especially when launching or expanding internationally.

Why it matters: A well-structured channel mix helps you reach diverse customer segments effectively. It's not about using every platform but selecting the right ones to maximize revenue potential. Avoid spreading resources too thin on platforms that don't align with your property's unique value proposition. By partnering with the right channels, you can attract the ideal customers at optimal pricing and cost-efficiency.





70% of hoteliers say boosting direct bookings is their top challenge. Discover what industry experts recommend to turn this challenge into your biggest growth opportunity.

What does it mean for each hotel type?

Independent hotels

Without the recognition of a major brand, independent hotels must balance OTA visibility with strong direct channels to avoid high acquisition costs.

- Focus on direct bookings via an optimized website with SEO, mobile-friendliness, valueadded offers and incentives like loyalty rewards. (Find out what worked → Read the case study)
- Partner with OTAs and metasearch engines to reach global audiences and drive traffic to both OTAs and your site.
- Leverage GDS to connect your property to travel agents worldwide and boost your visibility among business travelers and international markets (corporate/leisure).
- Collaborate with local tourism boards to drive traffic to your website through destination marketing.

Key recommendation: Focus on building a strong direct booking strategy while leveraging OTAs, GDS, and local partnerships to attract broader audiences and drive sustainable revenue - always monitoring acquisition costs, as it can affect margins.

Hotel brands

Hotel brands define the core set of preferred channels that align with the brand's commercial strategy, balancing cost of acquisition with reach and profitability:

- Create a centralized booking engine for all franchisees to maintain brand consistency.
- Ensure all properties are listed on OTAs and GDS for maximum reach, especially for business and international travelers.
- Develop corporate and group contracts that apply to multiple properties, ensuring steady demand.
- Guide franchisees on OTAs and bedbank partnerships for bulk bookings and rate integrity practices.

Key recommendation: Standardize distribution strategies across franchisees to maximize brand visibility and maintain operational and pricing efficiency.





Franchisees must use both brand-provided tools and local strategies to optimize performance:

- Optimize your own hotel website for direct bookings, offering exclusive deals and loyalty rewards.
- Invest in social media marketing tailored to local markets and collaborate with influencers.
- · Ensure visibility on OTAs and GDS to capture international and business travelers.
- Negotiate corporate and group contracts to secure larger bookings and steady demand.
- Consider partnerships with wholesalers to increase reach during off-peak times.

Key recommendation: Leverage Hotel brands tools and partnerships while aligning local distribution efforts with brand strategy to maximize both direct and third-party bookings, occupancy, and revenue.

HMCs have a diverse portfolio, and selecting the right channel for each hotel is critical to maximizing revenue.

- Oversee the distribution strategy across multiple properties, ensuring brand consistency.
- Centralize reservation systems for efficient service and performance tracking.
- Manage OTAs, GDS, and metasearch campaigns for all properties under management.
- Negotiate corporate and group contracts for large-scale bookings across properties.
- Collaborate with local tourism boards to enhance regional visibility and promotions.

Key recommendation: Implement a centralized, data-driven distribution strategy across all properties to optimize distribution costs and secure a healthy segment and channel mix.

Step 3: Set your goals

Setting clear, actionable goals is the foundation of an effective channel mix, one that supports your overarching business objectives and drives long-term results. With a strong framework of goals in place, you're better equipped to identify the most effective channels and make data-driven decisions that support both short-term wins and sustainable revenue gains.



Key actions:

- **Determine primary objectives**: What do you want to achieve with your channel mix? Is it growing direct bookings? Increasing brand awareness? Expanding into new markets or targeting certain guest segments?
 - Goal Example 1: Increase direct bookings by 20% in the next 12 months by improving your website and offering perks to loyalty members.
 - Goal Example 2: Boost group sales revenue by 30% through targeted outreach and partnerships with event planners.
- Goal Example 3: Capture a larger share of international travelers by increasing visibility on OTAs and GDS.
- **Set measurable KPIs**: Use key performance indicators (KPIs) like conversion rates, average booking values, or revenue per available room (RevPAR) to track your progress.
- Adjust goals seasonally: Understand how demand shifts seasonally or during peak times. Adapt your goals and channel strategies to capitalize on these changes (e.g., corporate travelers during off-peak seasons, or leisure travelers during holidays).

Why it matters: Goals give your channel mix purpose and direction. Without clear objectives, you may find yourself trying to balance too many things at once, leading to inefficiencies. A focused strategy, however, ensures that each channel is working toward a common purpose.



What does it mean for each hotel type?

Independent hotels

Independent hotels need clear goals because their marketing budgets are often smaller, and they need to use resources efficiently.

- Determine whether increasing your visibility
 among a certain market segment (e.g., international
 tourists) or driving more direct bookings may be
 relevant goals.
- Focus on growth in one or two areas to begin with—such as improving website conversions or increasing occupancy during off-peak times.



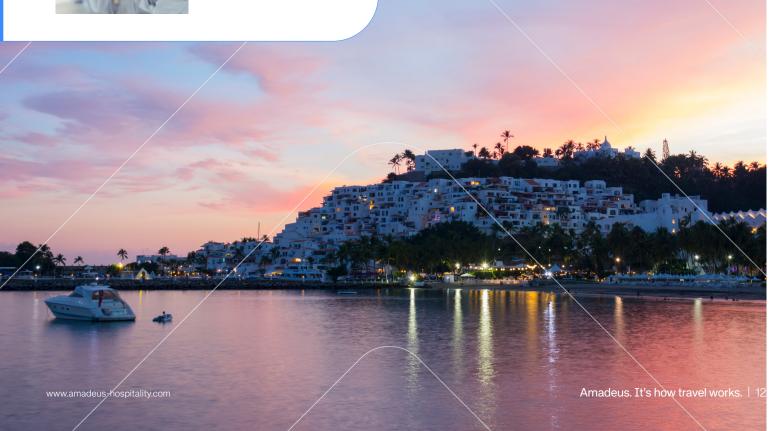
Example: Reduce booking abandonment rate on website by 25% by optimizing mobile booking experience and simplifying the reservation form.



The hotel brand sets brand-wide targets tied to commercial goals, such as increasing direct bookings, driving app adoption, or improving loyalty conversion.

- Translate global KPIs into regional and propertylevel objectives.
- Use performance benchmarking and dashboards to guide compliance and identify support needs.
- **Tailor goals** by region or segment (e.g., leisure vs. business) to reflect market dynamics.

Example: Expand brand presence in emerging markets by increasing bookings from Southeast Asia by 25% year over year.





With the structure and support of a larger brand, franchisee hotels can focus on maximizing the benefits from the brand's global reach and local presence.

- Set goals that enhance brand value at the property level through direct bookings or expanding into a particular market (e.g., corporate travelers).
- · Aim for high visibility on indirect channels that best match their property's offerings.

Example: Improve booking conversion on brand.com for your property by 20% by adding localized landing pages and showcasing propertyspecific amenities.

wide goals and property-specific goals, ensuring that each hotel within the portfolio is aligned with the broader business objectives.

- Set specific goals for each property in the portfolio, such as increasing corporate bookings at one hotel or targeting group sales for another.
- At the company level, consider goals related to **brand visibility** or maximizing overall revenue across all channels.
- Ensure that each property has clear, measurable targets that align with the company's overall strategy.

Example: Increase multi-property global Meetings & Events corporate contract volume by 15% year over year by implementing a centralized RFP response process.

Step 4: Optimize each channel

Optimization is where the magic happens. Once you've selected your channels, you need to ensure they're performing at their best. Channel optimization is a continual process of bringing the right customer, at the right price, through the right partner and channel at the right cost to ensure maximum efficiency and profitability.



Key Actions:

- Maintain competitive pricing: Use dynamic pricing and advanced rate shopping tools to adjust room rates based on demand, competition, and market trends. Always ensure that prices are consistent across channels to avoid customer confusion. Unauthorizing onward distribution may also allow hotels to fully control pricing and maintain rate integrity across the distribution chain.
- Enhance your property's presence: High-quality images, detailed descriptions (including value-added services for more personalized guest experience), and accurate information make a big difference in driving conversions. Ensure your listings are updated across all platforms and keep your property's messaging consistent. Conduct regular audits to identify and fix any content gaps.
- Leverage targeted marketing: Use data to create targeted promotions that appeal to specific guest segments. For example, offer discounts for early bookings or bundle services (like breakfast or late check-out) to attract more guests. Also, tailor campaigns to travel sellers to encourage them to prioritize your hotel over competitors on GDS.
- Monitor guest reviews: Keep an eye on guest feedback across platforms. A strong review score can help increase conversions, so address negative reviews promptly and encourage positive feedback through follow-ups.

Why it matters: Each channel has its own characteristics and audience, so it's important to tailor your approach to maximize each one's potential. Optimizing your presence on OTAs, GDS, and direct channels will ensure you're converting visitors into actual guests, while also enhancing guest satisfaction.



Hoteliers can expect up to 12% more revenue as travelers are willing to pay extra for top features like premium views. <u>Travel Dreams report</u>



+66% of travel sellers state that GDS advertising plays a key role in influencing their buying behavior. Mastering the GDS: A Guide to Effectively Engaging Travel Sellers

What does it mean for each hotel type?

Independent hotels

Independent hotels need to stand out on the **channels they use.** All listings and promotional materials should highlight the uniqueness of the hotel.

- Create a unified experience between your website and booking engine. A seamless journey no new tabs, minimal clicks to checkout, and easy modifications—boosts conversions and encourages ancillary purchases.
- Invest in high-quality photography, descriptive and authentic content, and quest-centric messaging. Direct booking incentives like exclusive deals (free breakfast or late check-out) should be highlighted to encourage guests to prioritize booking directly.
- Ensure that your property's information is constantly up to date if you leverage indirect channels
- Continuously manage your online reputation by responding to reviews.

For a deeper dive into effective marketing approaches, check out these 5 key marketing strategies for a successful independent hotel opening.





Optimization happens at the enterprise level

through brand systems, but brand hotels must ensure consistency while enabling some local agility.

- **Equip hotels** with brand-approved content templates, pricing tools, and digital assets.
- Use centralized platforms, including CRM, CRS, and marketing systems, to drive unified campaigns that align with the brand's voice and seasonal strategy.
- **Regularly monitor compliance** with content standards, SEO best practices, and promotional rules to maximize visibility and bookings.





the larger brand.

- Ensure that your property stands out on OTAs and GDS by using attractive photos, competitive and consistent pricing, and detailed, brand-aligned descriptions.
- Use promotional strategies tailored to your audience to turn one-time visitors into loyal guests.
- **Optimize your direct channel** by highlighting exclusive perks and offers, ensuring they align with brand guidelines while appealing to your key seaments.
- Keep your website and promotional materials **updated** to reflect the latest brand standards and offers, ensuring a consistent guest experience.

With multiple hotels, it's essential for HMCs to manage channels efficiently and maintain consistency across all properties while catering to the unique needs of each hotel.

- Centralized tools like channel managers, rate shoppers, and PMS can help optimize pricing and availability across multiple properties.
- Tailor marketing materials and property listings to reflect each hotel's unique selling points while adhering to corporate branding guidelines.
- Ensure consistency in the guest experience, especially in the digital space (e.g., on OTAs, websites).



Step 5: Monitor and adjust your mix

Once your channel mix is implemented, the final step is to continuously monitor performance and adjust your strategy. The hospitality industry is ever-changing, and the ideal channel mix will evolve over time to maximize long-term impact.

Key Actions:

- Regular performance reviews: Track performance metrics for each channel on a monthly or quarterly basis using digital analytics tools, channel managers, or property management systems (PMS). Do not forget to tap into travel intelligence solutions; they help you compare your channel performance against your hotel's fair share and uncover growth opportunities.
- Adapt to market trends: Stay alert to industry trends. Are new OTAs emerging that target your key demographic? Is a specific channel underperforming? Respond quickly to make necessary adjustments.
- **Test and experiment**: Try new strategies or promotional offers to see what resonates with your guests. Test different pricing models or booking incentives to find what works best.
- Maintain flexibility: Stay adaptable. Changes in traveler behavior or the introduction of new channels may require a shift in your strategy. Flexibility will help you remain competitive and maximize your revenue potential.

Why it matters: The hotel market is dynamic, and guest preferences and behaviors evolve. By continuously monitoring and adjusting your mix, you ensure that your hotel remains competitive, profitable, and relevant in a constantly changing landscape.



Harness forward-looking insights to fine-tune your marketing, elevate guest experiences, and keep your hotel in sync with tomorrow's trends.

What does it mean for each hotel type?



Independent hotels need to stay nimble, adjusting their channel strategies as market conditions shift and guest behaviors change.

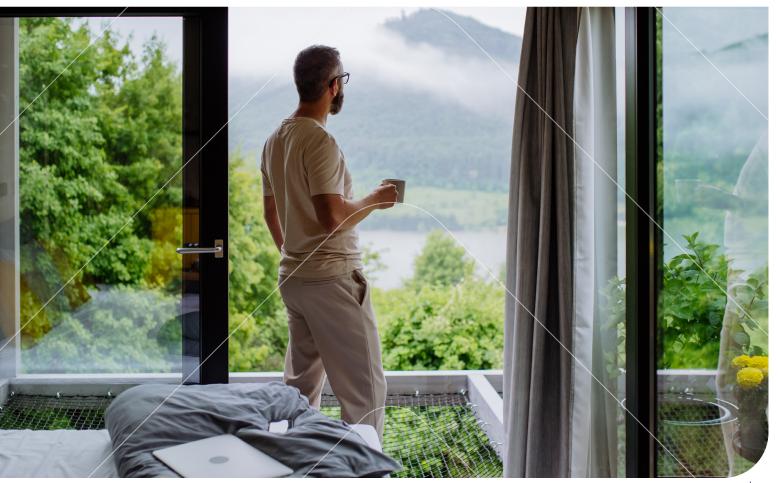


 Use digital analytics tools or a channel manager to monitor which platforms are delivering the best ROI. If an OTA is underperforming or a new booking channel emerges that aligns with your target audience, be ready to adjust your mix accordingly.



Hotel brands must oversee portfolio-wide performance, spot trends and taking corrective action across thousands of listings and channels.

- Use centralized reporting platforms to track booking performance by channel, region, and segment.
- Launch A/B tests, marketing pilots, or OTA negotiations based on emerging trends.
- Share best practices across properties and regions
- Continuously update distribution guidelines to reflect changing market conditions.



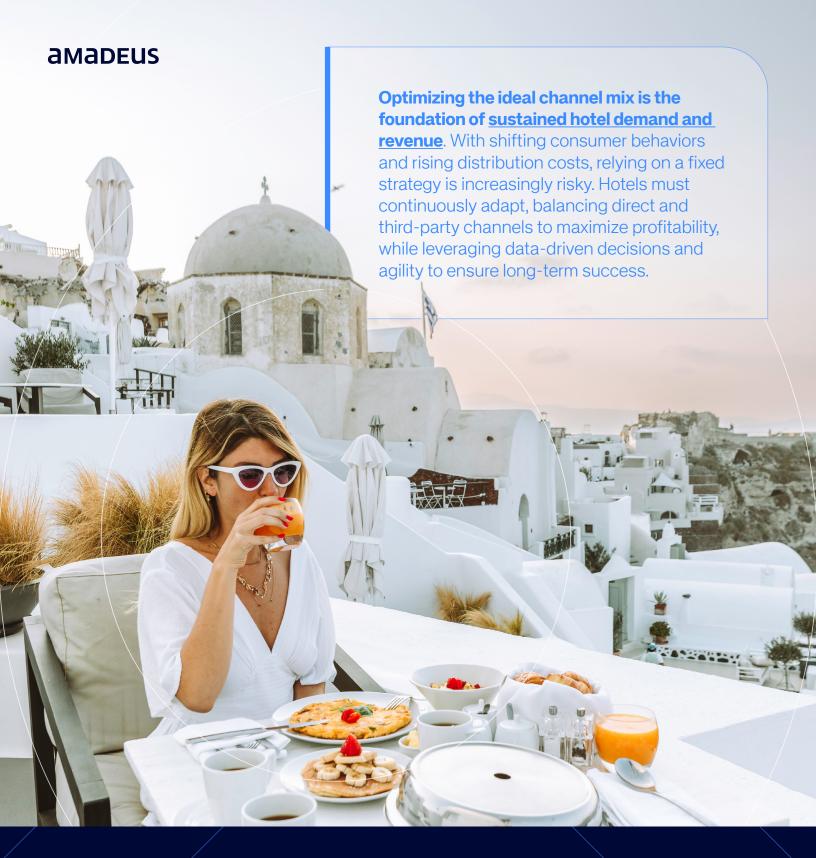


Franchisee hotels should monitor performance against both the parent brand's objectives and their own goals.

- Use centralized brand tools to track performance but also pay close attention to local metrics.
- Leverage CRS data to identify which channels drive the most profitable bookings and adjust your local strategy accordingly.
- Adjust your channel strategy based on seasonal trends and guest preferences.
- Stay agile by testing new marketing strategies or platforms, especially those that provide additional visibility in the local market.

HMCs must constantly monitor performance across a diverse set of properties to ensure the channel mix is optimized for each one.

- Use dashboards to monitor key performance indicators (KPIs) for each hotel. Track the performance of each channel (e.g., OTAs, GDS, direct bookings) and compare results across hotels.
- Adjust strategies based on market conditions, seasonal trends, and performance data to ensure all hotels in the portfolio are operating efficiently and profitably.



Looking to master the ideal channel mix as part of a smarter demand generation strategy? Explore more proactive, data-driven strategies in the <u>Hospitality Demand Generation Playbook</u> to lead with insight and impact.

For further information, visit

Amadeus-hospitality.com/amadeus-demand-generation or speak to an Amadeus representative today.

