

A photograph of a modern, minimalist interior space. In the foreground, a person with short dark hair is seated on a brown leather sofa, looking towards the right. In the background, another person is seated at a low table, working on a laptop. The room features a large, circular, illuminated ceiling light fixture and several floor lamps with white shades. The walls are made of light-colored stone or concrete blocks.

Planning Your 2025 Marketing Budget for the Opportunities Ahead

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Making the Most of Your Marketing Budget for the Coming Year

Trying to put together a marketing strategy without a budget can be challenging. Creating brand awareness and driving direct bookings without a clear roadmap makes it difficult to plan long-term, set goals and stay on track financially. Successful hospitality marketing can't be done on a whim.

This is the time to consider what marketing strategies make sense for your hotel and put together a 2025 budget that will help ensure your hotel's long-term success.

When all is said and done, a marketing budget is only as good as your marketing plan. To reposition your hotel for the year ahead and boost your bookings, you need a diverse marketing mix. To help you plan your budget, we've assembled a guide of marketing tactics and strategies you need to know.

Let's dive in.

3 Things to Know When Creating Your Marketing Budget

Creating a marketing budget and choosing how to allocate your funds isn't as simple as plugging numbers into a spreadsheet. The best marketing budgets are built strategically, taking into account your goals for the year and then allocating your budget to marketing tactics that will help you get there.

There is no such thing as a cookie-cutter budget. The right spending breakdown will vary based on your hotel type and brand, location, audience and more. Before determining how to build your budget and where to spend marketing dollars, you should answer three questions.

WHAT ARE YOUR HOTEL'S 2025 GOALS?

Every hospitality marketer's ultimate goal is to increase bookings, but it's important to have a clear focus on your overall marketing initiatives for the year ahead. Sure, more bookings is the end goal. But what tactics will help your hotel get there in 2025? Ultimately, your marketing budget should align with your goals, whatever they might be.

- **Need to drive more direct bookings?** You may want to invest in metasearch and other proven advertising methods that cut down on commission-based tactics.
- **Looking for increased organic traffic?** Creating a blog and focusing on on-site and technical SEO can improve your hotel's search engine rankings.

- **Want to improve your brand awareness?** Display ads and social media management can help showcase your hotel's amenities.

WHAT ARE YOUR CURRENT OPERATING COSTS?

Before you start allocating your marketing budget, it's important to have a clear picture of what you have to spend. To begin putting your budget together, first determine costs that are locked in, including:

- Marketing staff costs
- Software and website costs
- Outsourced work costs

When you've determined those costs, it allows you to not only better allocate the remaining budget to fit your strategy, but it also gives you insight into what marketing work can be completed in-house and what work might be best done in collaboration with a strategic marketing partner.

WHO IS YOUR IDEAL AUDIENCE?

Your marketing mix will depend on a number of factors, but no strategy or budget should be put in place without determining who your ideal guest is. Depending if your hotel caters to business guests, the leisure traveler, or a combination will affect the marketing tactics you use to reach your goals.

Website Design

How old is your hotel website? If the answer is 3+ years, you might want to consider a redesign. Even if your website is brand new, it isn't a bad idea to allocate some of your marketing budget to ensure it stays fresh or to add new functionality that will keep you relevant. Your website is your No. 1 salesperson. It's the first impression you make on a guest—even before they step foot inside your hotel. What experience is your current website offering guests?

HOW IT FITS IN YOUR BUDGET

Website design and development is not an easy process. Technical issues, accessibility compliance, and creating the ideal user experience takes experience. A strategic hospitality agency can ensure your website is technically sound and built to succeed in the mobile world.

WHY IT MATTERS

83% of U.S. adults prefer to book their trips online, and an estimated 700 million people made online bookings in 2024. More than ever before, the entire customer journey—from research to booking—is happening without human interaction. That is especially true on mobile, a place marketers should prioritize. Many hotels benefit from more than just a redesign: Vanity pages — experiences beyond the core brand website, are increasingly a tool used for buzzy, experience-centric marketing sites. Used judiciously, they are capable of supplementing legacy brands or boosting new revenue streams, like bespoke weddings or adventure travel. According to StratosJets, 70% of all customers do their research on a mobile device.

PRICE RANGE

\$15,000-\$25,000



Guest Experience Design

Hotel websites typically look beautiful and inviting, designed to sell an experience. These priorities, while important, often overlook the primary objective of generating revenue. Guest Experience (GX) design specifically gives customers what they need to make a purchasing decision, when they need it. This is done by bringing the rates, inventory and availability from your booking engine and displaying directly within your website. This means that potential guests get quicker answers to their questions and transition seamlessly to booking.

HOW IT FITS IN YOUR BUDGET

GX is a highly recommended investment in your primary sales channel: your website. By increasing the number of booking conversions from website visitors, your gains in direct revenue from these optimizations typically recover this investment in a matter of months. A GX solution

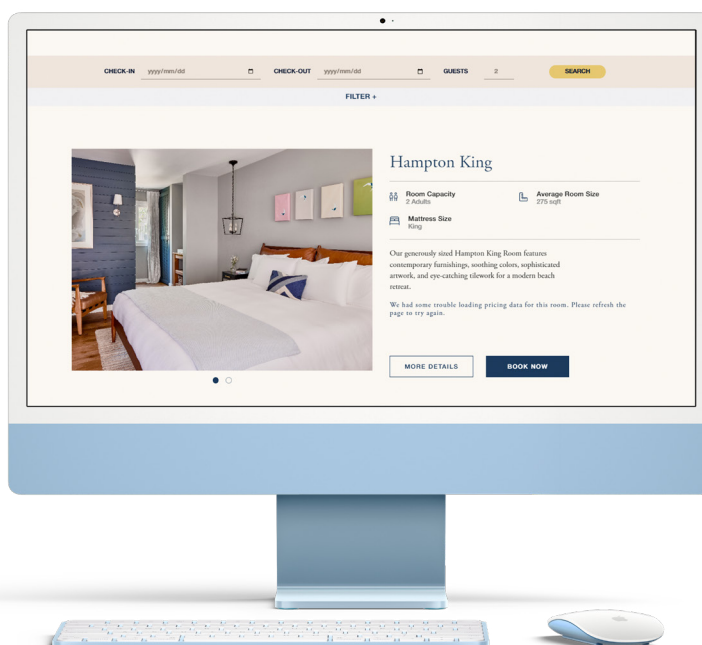
requires technical work and expertise, be sure to look for a marketing agency or a web development shop that can define the goals and that has the expertise required to build this type of solution.

WHY IT MATTERS

80% of your website traffic leaves without booking. The typical experience involves a series of steps which land in the booking engine. Then, the visitor may realize that what they want isn't available, or is out of their budget! GX helps visitors looking for hotels like yours take decisive action, and it enhances their experience in the process with fewer steps to booking, resulting in higher conversion rates and major revenue upsides for hotels.

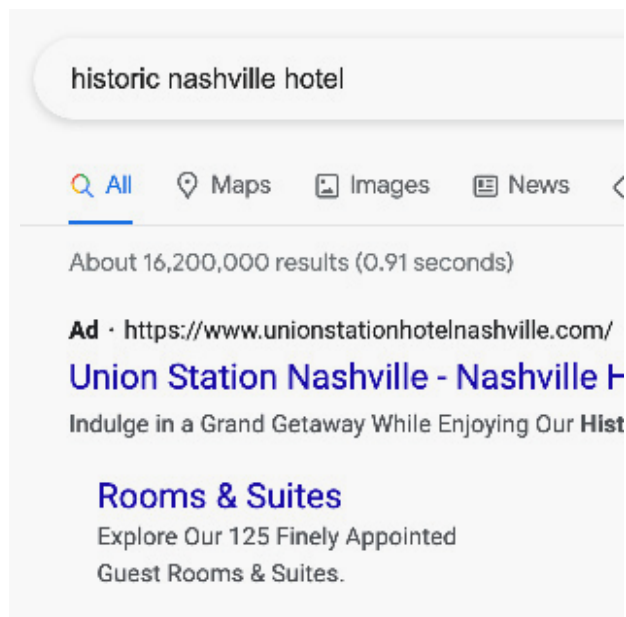
PRICE RANGE

\$20,000 - \$50,000 depending upon project scope.



Pay Per Click Advertising

Hotels earn significant revenue through search traffic. It's critical to capture the results page — and protect against competitors. Driving bookings to your hotel website is all about real estate, particularly at the top of Google's search engine results page (SERP). Pay-per-click (PPC) advertising can create an immediate presence in search engine results for the keywords you choose, such as your brand name or a local destination. This is a strategic approach to ensure you're top of page and top of mind when prospective travelers go searching.



HOW IT FITS IN YOUR BUDGET

Many larger hotel brands use their own paid digital advertising platform to manage PPC budgets. Others carve a slice out of their marketing budgets based on cost-per-result. This helps align on the high-opportunity keywords that lead to revenue, and scale when necessary. To optimize keywords, audiences, and other aspects of search, many use a marketing agency for PPC advertising.

WHY IT MATTERS

Google, which controls 92% of the search engine market, processes 8.5 billion searches each day. According to data, 27.6% of clicks on Google are on the first result (15.7% are on the second). With PPC advertising, you can command the top of search engine results for strategic keywords and drive more potential guests to your website instead of a third-party booking platform or a competitor.

PRICE RANGE

Advertising spend \$500 - \$6,000+ per month, Service fees \$200 - 900+ per month

Google Performance Max

Performance Max is a new goal-based campaign type that allows businesses to access all of their Google Ads inventory from a single campaign. Hotel owners specifically can leverage Performance Max for Travel Goals, a sub-category of Performance Max that allows the campaign to be tied to a hotel.

Performance Max is designed to complement your keyword-based Search campaigns to help you find more converting customers across all of Google's channels, including YouTube, Display, Search, Discover, Gmail, and Maps.

Performance Max helps you drive performance based on your specified goals, such as increasing website traffic, generating leads, or driving bookings. It delivers more conversions and value by optimizing performance in real-time and across Google's channels using Smart Bidding.

Performance Max combines Google's AI technologies across bidding, budget optimization, audiences, creatives, attribution, and more. These technologies are all empowered by your specific advertising objective, for example, if you have a CPA or ROAS target, and the creative assets, audience signals, and optional data feeds you provide.

HOW TO BUDGET FOR PERFORMANCE MAX

The optimal budget for your campaign will depend on your specific goals, budget, and competition.

If you are a small or medium-sized hotel, you may want to start with a lower budget and gradually increase it as you see results. You can also use Performance Max's budget optimization feature to help you get the most out of your budget.

TIPS FOR SUCCESS WITH PERFORMANCE MAX

Here are a few tips to help you get the most out of Performance Max:

- **Set clear goals and objectives.** What do you want to achieve with your Performance Max campaign? Once you know your goals, you can optimize your campaign settings accordingly.
- **Provide high-quality creative assets.** Your creative assets are essential for driving conversions with Performance Max. Make sure your images, videos, and text are high-quality and relevant to your target audience.
- **Use Audience Signals,** which are unique to Performance Max campaigns and allows you to help guide Google's AI on who your ideal target audience is.
- **Track your results.** It is important to track the results of your Performance Max campaign so you can see what is working and what is not. This will help you optimize your campaign settings and improve your results over time.

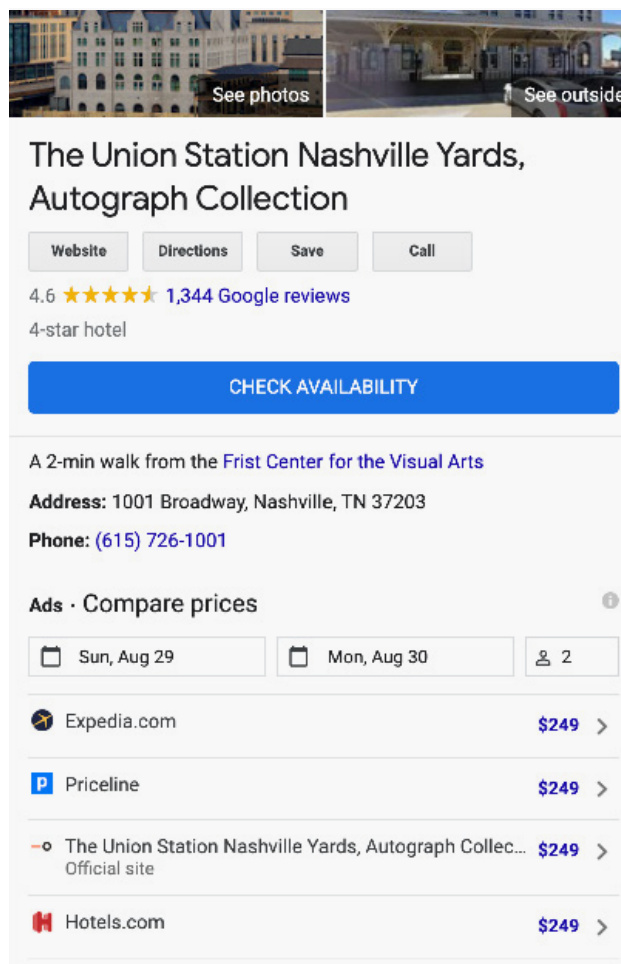
Performance Max is a powerful new campaign type that can help hotel owners reach more converting customers across all of Google's channels. If you are looking for a way to improve your hotel's online performance, Performance Max is a great option to consider.

PRICE RANGE

Advertising spend \$500+ per month, Service fees \$200+ per month

Metasearch Marketing

Metasearch sites such as TripAdvisor, Google Hotel Ads, and Kayak are convenient ways for guests to search and compare the availability and pricing for multiple hotels at once. While there is some complexity to executing a metasearch strategy, when done right it can have a drastic impact on direct bookings. People love convenience and the ease of researching and booking on metasearch sites has helped the marketing channel take off in recent years.



The screenshot displays a Google search result for 'The Union Station Nashville Yards, Autograph Collection'. At the top, there are two photo thumbnails with labels 'See photos' and 'See outside'. Below the photos, the hotel name is prominently displayed. Action buttons for 'Website', 'Directions', 'Save', and 'Call' are provided. The hotel has a 4.6-star rating from 1,344 Google reviews and is classified as a 4-star hotel. A large blue button labeled 'CHECK AVAILABILITY' is present. Below this, location details are listed: 'A 2-min walk from the Frist Center for the Visual Arts', 'Address: 1001 Broadway, Nashville, TN 37203', and 'Phone: (615) 726-1001'. A section titled 'Ads · Compare prices' includes a date selector for 'Sun, Aug 29' to 'Mon, Aug 30' for 2 people. A table lists prices from various providers:

Provider	Price
Expedia.com	\$249
Priceline	\$249
The Union Station Nashville Yards, Autograph Collec... Official site	\$249
Hotels.com	\$249

HOW IT FITS IN YOUR BUDGET

To take advantage of metasearch, you or your organization should be prepared to invest time and effort in tailoring listing details, keywords, and bid strategies toward your target customers. Some marketing agencies are now skilled in using these tools and can manage them on your behalf.

WHY IT MATTERS

Google accounts for 67% of all metasearch spending. Metasearch ads pull rate and inventory information into one place and receive prominent placement on Google. They work especially well for direct bookings and typically have commission rates between 10-15%, lower than OTAs. During periods of exceptionally high search activity, metasearch can outperform many other channels, generating ROAS of 10x or higher.

PRICE RANGE

Advertising spend \$300 - \$2,000+ per month, Service fees \$200 - 500+ per month

OTA Advertising

Online Travel Agencies (OTAs) sparked the online booking trend when they launched in the early 2000s. Even with the rise of metasearch, OTAs are still a dominant player in the field. OTAs such as Booking.com, Expedia and Priceline.com allow hotels to have listings that include photos, hotel information and features, room rates and availability, and reviews. Because of their prominence, OTAs are an effective part of the marketing mix, even if they typically command commission rates ranging between 15-25%.

HOW IT FITS IN YOUR BUDGET

As with PPC, your hotel can leverage a marketing agency to manage OTA campaigns, applying the same principles of audience targeting and bid optimization. Agencies can also produce custom reports that contextualize OTAs alongside other channels.

WHY IT MATTERS

The two largest OTAs, Booking.com and Expedia, spent roughly \$5 billion each on marketing costs last year, a large chunk of which goes to Google for advertising. Hotels might be competing with OTAs for online attention, but they are also a worthwhile partner. OTAs accounted for 24% of gross bookings in the U.S. in 2021, up from a 20% share in 2020.

PRICE RANGE

Advertising spend \$200 - \$600+ per month, Service fees \$200 - 300+ per month

The screenshot shows the Booking.com interface. At the top, the navigation bar includes the Booking.com logo, currency (USD), location (USA), and links for 'List your property', 'Register', and 'Sign in'. Below this is a menu with icons for Stays, Flights, Flight + Hotel, Car rentals, Cruises, Attractions, and Airport taxis. The search bar is highlighted with a yellow border and contains the following information: 'Yarmouth' (with a location pin icon), 'Mon, Sep 23 — Thu, Sep 26' (with a calendar icon), '2 adults · 0 children · 1 room' (with a person icon), and a 'Search' button. Below the search bar, the breadcrumb trail reads: 'Home > United States of America > Massachusetts > Yarmouth > Search results'. The main content area shows 'Yarmouth: 33 properties found' with a 'Show on map' button and a 'Sort by: Our top picks' dropdown. A filter section on the left is titled 'Filter by:' and includes 'Your budget (per night)' with a range of '\$90 - \$500+'. The featured property is 'Chapter House', which has a 'Very Good 8.3' rating based on 257 reviews. It is located '0.7 miles from downtown' and '1.2 miles from beach'. A 'Getaway Deal' badge is visible on the property listing.

Onsite SEO

Alongside technical SEO, your hotel website's onsite SEO is critical. When search engines crawl your website, they focus on the page titles, meta descriptions, headings and keywords. Search engine optimization is all about driving traffic to your website, and an SEO expert can ensure your pages are utilizing high-volume keywords and on-site best practices to improve your ranking across search engines.

HOW IT FITS IN YOUR BUDGET

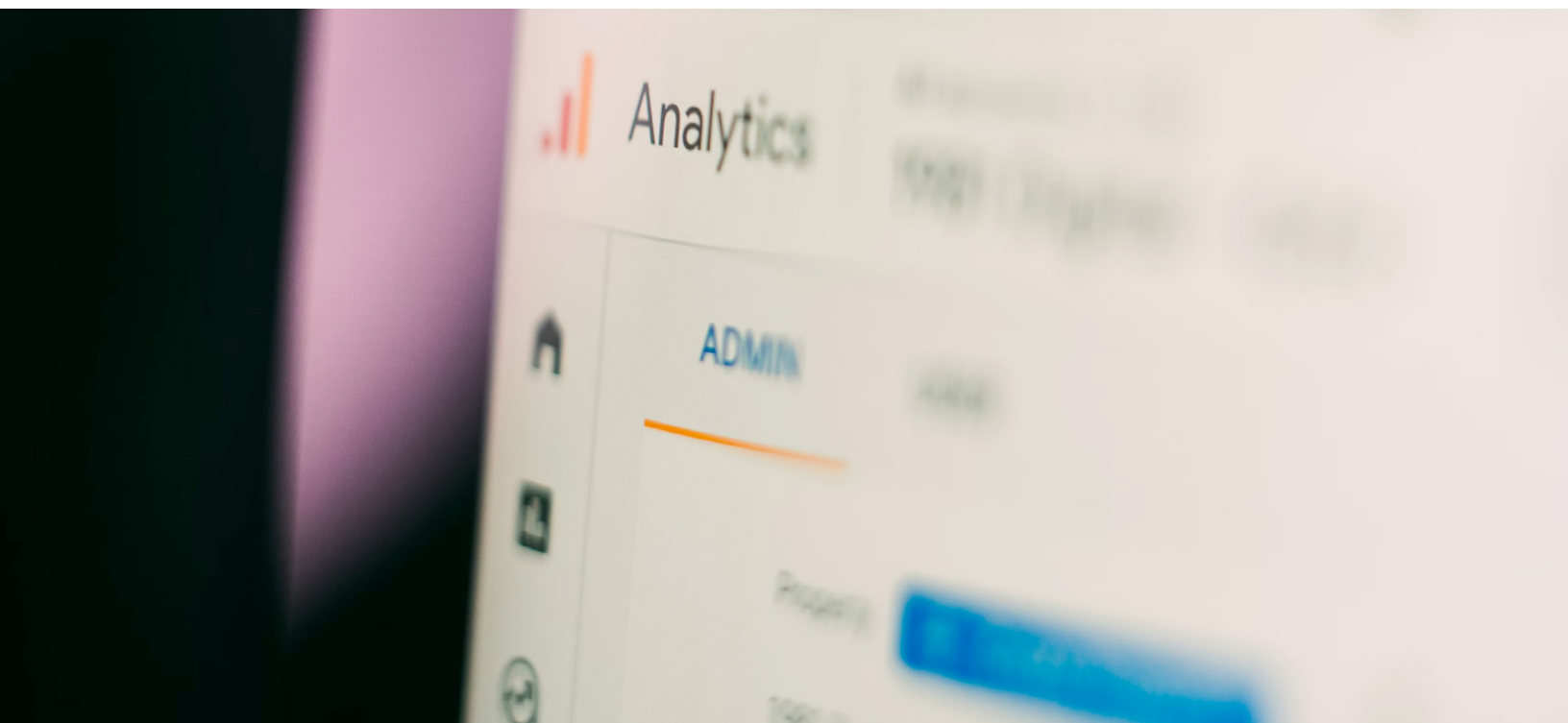
A hospitality marketing agency can help ensure your hotel has a strong on- and off-site SEO strategy. From technical issues to content and link-building in high-opportunity keywords, any agency worth working with should be able to generate and measure site traffic improvements period-over-period.

WHY IT MATTERS

Traffic on Google drops 95% from page one to page two and less than 1% of search engine users click a result on the second page. Ignoring PPC ads and featured snippets, users click the top organic result 27.6% of the time. Again, search is all about real estate and optimizing your website for SEO can help push your website higher in the results and drive more traffic.

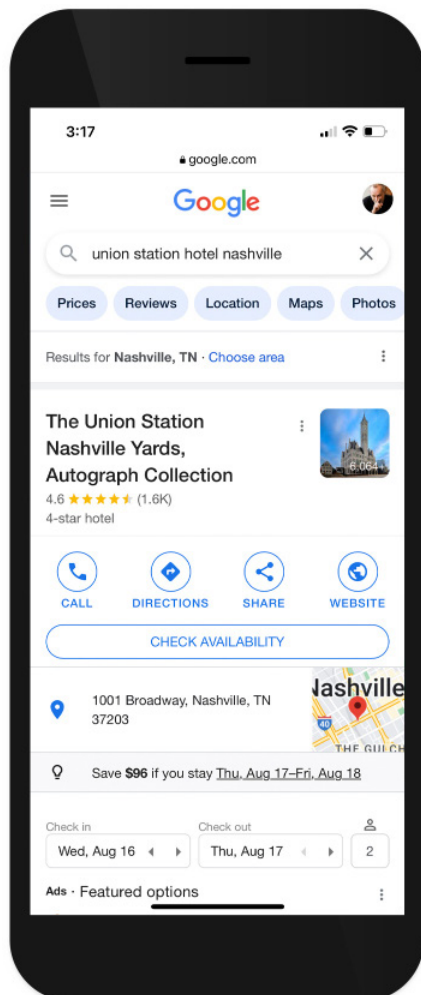
PRICE RANGE

\$2,000 - \$15,000 annually, depending if one-time or ongoing



Local SEO

This is a broken record by now but ... organic traffic is all about real estate, real estate, real estate. Many of the marketing tactics serve the purpose of claiming that prime location on the top half of Google and other search engines. Google My Business is a key component of that. Having an optimized Google My Business panel is the No. 1 way to improve your local SEO ranking. A local SEO plan can help ensure you have a review monitoring strategy and allows you to showcase your hotel's story and amenities.



HOW IT FITS IN YOUR BUDGET

All hotels, from the largest resorts to the smallest boutique destinations, should be utilizing Google My Business. It's free, straightforward, and effective. An agency can assist with optimization and review management — a helpful plus for busy operators.

WHY IT MATTERS

Reviews are a primary decision factor for travelers and claiming your Google My Business listing allows your hotel to stay on top of them. More importantly, when your hotel has a Google My Business panel, it gives your property prime location right next to your PPC and metasearch ads and organic search results. The more opportunities, the better the chance to drive bookings.

PRICE RANGE

\$2,500 annually

Technical SEO

So often, marketers think of Search Engine Optimization (SEO) only as a keyword tool for Google, Bing and other search engines. But it's so much more. In fact, technical SEO is just as important as keywords. Technical SEO refers to optimizing your hotel website for search engine crawlers. While this includes several factors, especially important are page speed, accessibility, sitemap indexing, and user experience.

HOW IT FITS IN YOUR BUDGET

There are a number of online resources that can help you see how your website is performing from a technical SEO perspective. You may be able to fix some of the issues yourself, but a website partner may be required to assist depending on the errors you uncover.

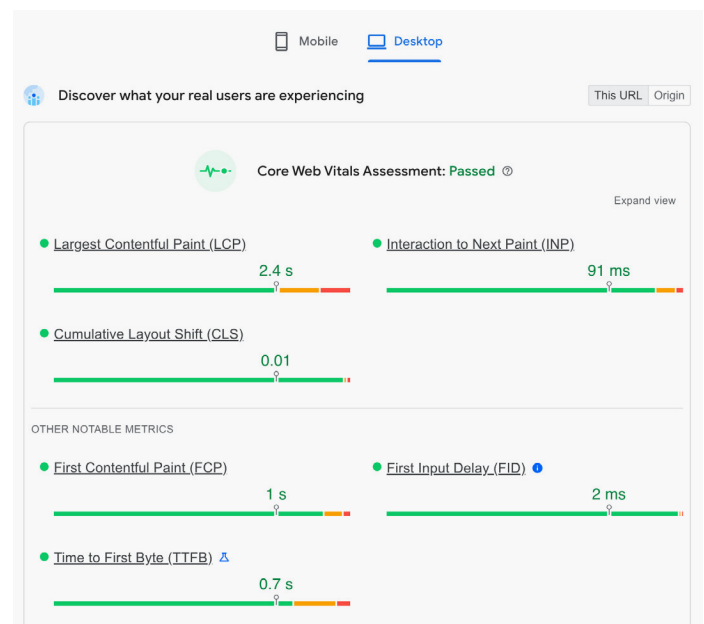
WHY IT MATTERS

Google now largely determines your hotel website's page rankings based on mobile-first indexing, most specifically page speed and page experience. How fast does your hotel website load? You might be surprised by what could be holding your scores back.

Page loading time, metadata, sitemap size, and more can all impact your technical SEO and how search engines view your hotel's website.

PRICE RANGE

\$2,000 - \$6,000 annually, depending if one-time or ongoing



SEO Content Creation

Ranking for your branded or local keywords is critical, but you shouldn't lose focus of long-tail keywords. Long-tail keywords are generally phrases made up of three to five keywords that tend to have lower search volume but attract more high-quality traffic. With a blog or other resources, your hotel website is able to target these niche keywords such as 'Hotels near Fenway Park' or 'What Hotels in Chicago Allow Dogs' with content about things to do in your city, places to eat, or family friendly attractions nearby.

HOW IT FITS IN YOUR BUDGET

Content creation can be done in-house with the proper strategy. Hoteliers can use keyword research to see what terms might make for a good blog article and effectively drive traffic. A marketing agency can help develop the

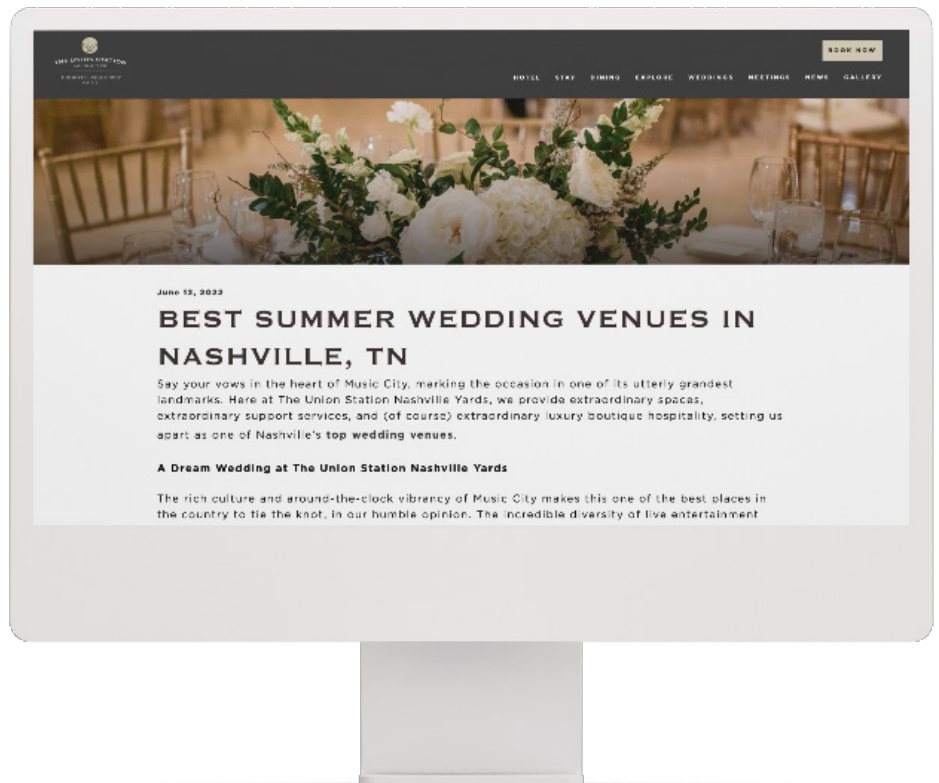
proper tools and put together a strategy for topics and keywords as well as provide an SEO focused writer.

WHY IT MATTERS

Believe it or not, the majority of online searches are actually specific and unpopular in terms of search volume. An analysis of 306 million keywords showed that 91.8% of all search queries are long-tail keywords. With a content strategy, you can not only provide travelers with engaging information but also help your hotel website show up on those more niche search phrases.

PRICE RANGE

\$2,500 - \$5,500 annually



Email Marketing

Email marketing is a powerful and cost-effective marketing tool when used right. One of the biggest advantages of a direct booking (outside of eliminating commissions) is the ability to cultivate a lifelong relationship with the guest. You have their information, giving you the ability to engage them with personalized and loyalty-driven marketing content.

HOW IT FITS IN YOUR BUDGET

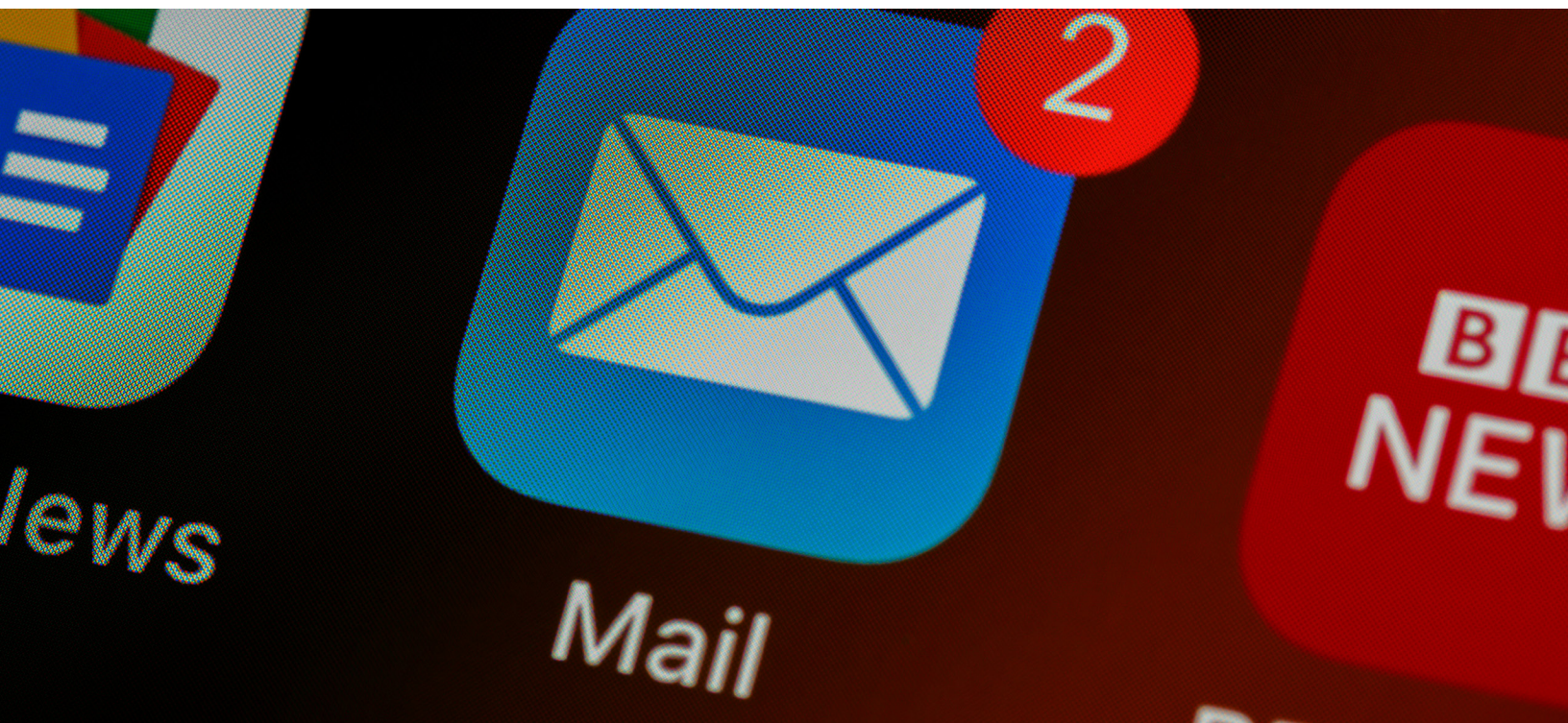
You probably understand how to send an email! It's another thing entirely to automate, segment, and optimize them. Agencies help hotels develop email marketing strategies that target customer segments, take advantage of your data, and keep your biggest fans engaged. When done right, your CRM should provide insight into your email data, allowing you to segment lists and build customized email campaigns. If your hotel needs help connecting your data, developing strategic campaigns or designing templates, a marketing agency can offer resources and experience.

WHY IT MATTERS

The average email open rate for the travel industry is 20%, which allows hospitality marketers a strong opportunity to reach their audience with updates and offers. In addition, marketing platforms are slowly moving away from tracking individuals for marketing. This makes your first-party data exceptionally valuable for reaching customers both in their browsers and their inboxes. Remember: these individuals receive dozens of emails each day, so drafting a marketing email and hitting send isn't sufficient. To make email marketing work, you need a strategy that makes your subject lines and emails stand out in an increasingly crowded inbox filled with junk.

PRICE RANGE

\$2,000 for template design, \$500 - \$700 per deployment



Social Media Management

In today's landscape, it's important for hotels to listen, engage, and use social media to their best advantage. Social media channels such as Facebook, Instagram, LinkedIn, and TikTok among others can help your hotel reach different audiences and demographics. Want to reach a Gen Z traveler? Instagram can drive engagement. Looking for a business traveler? They spend a lot of time on LinkedIn.

HOW IT FITS IN YOUR BUDGET

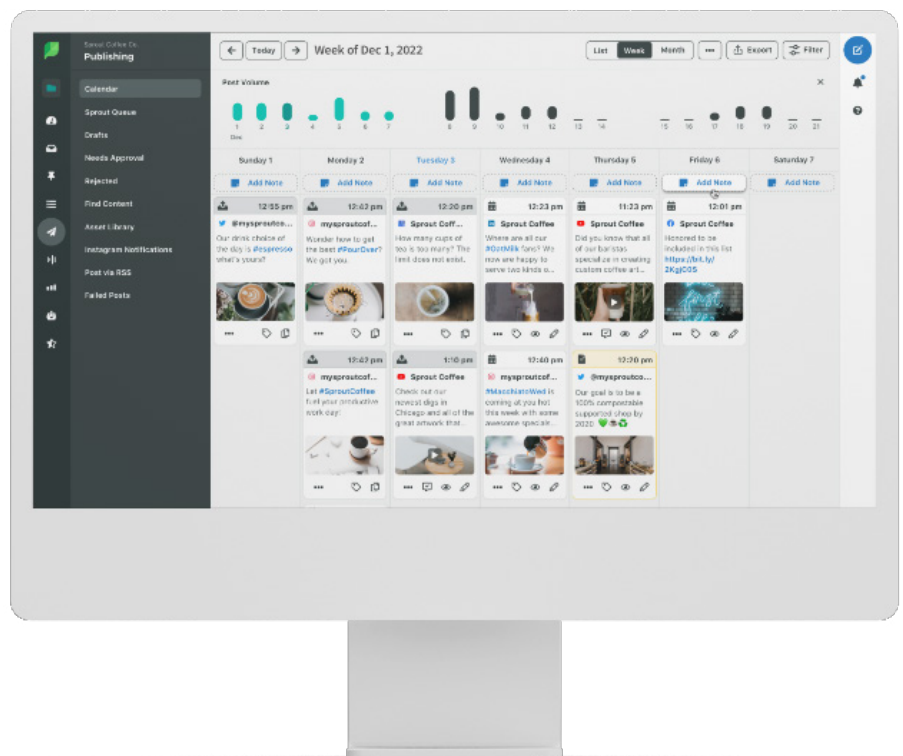
Hospitality marketers use a variety of tools like Hootsuite to manage hotel social media channels in a cost-effective way. They can also enhance the assets you have, creating cohesive plans that deploy branded assets and messages to maximum effect, often in combination with paid ads. This reinforces your positioning and helps you stand above the rest.

WHY IT MATTERS

1 in 3 travelers turn to social media for travel inspiration. Marketing is all about reaching your audience where they are, and Facebook, Instagram, LinkedIn and other social media networks can help you showcase your property across different segments, from younger generations to businesspeople.

PRICE RANGE

\$9,000 - \$40,000 annually, depending on channels and frequency



Social Media Advertising

Reaching younger audiences is a great way to drive direct bookings that might be missed on other advertising channels. While social media advertising on Facebook, Instagram and other platforms doesn't command the status that more popular channels like OTA, metasearch and PPC do, it should be strongly considered depending on your ideal audience and the size of your budget.

HOW IT FITS IN YOUR BUDGET

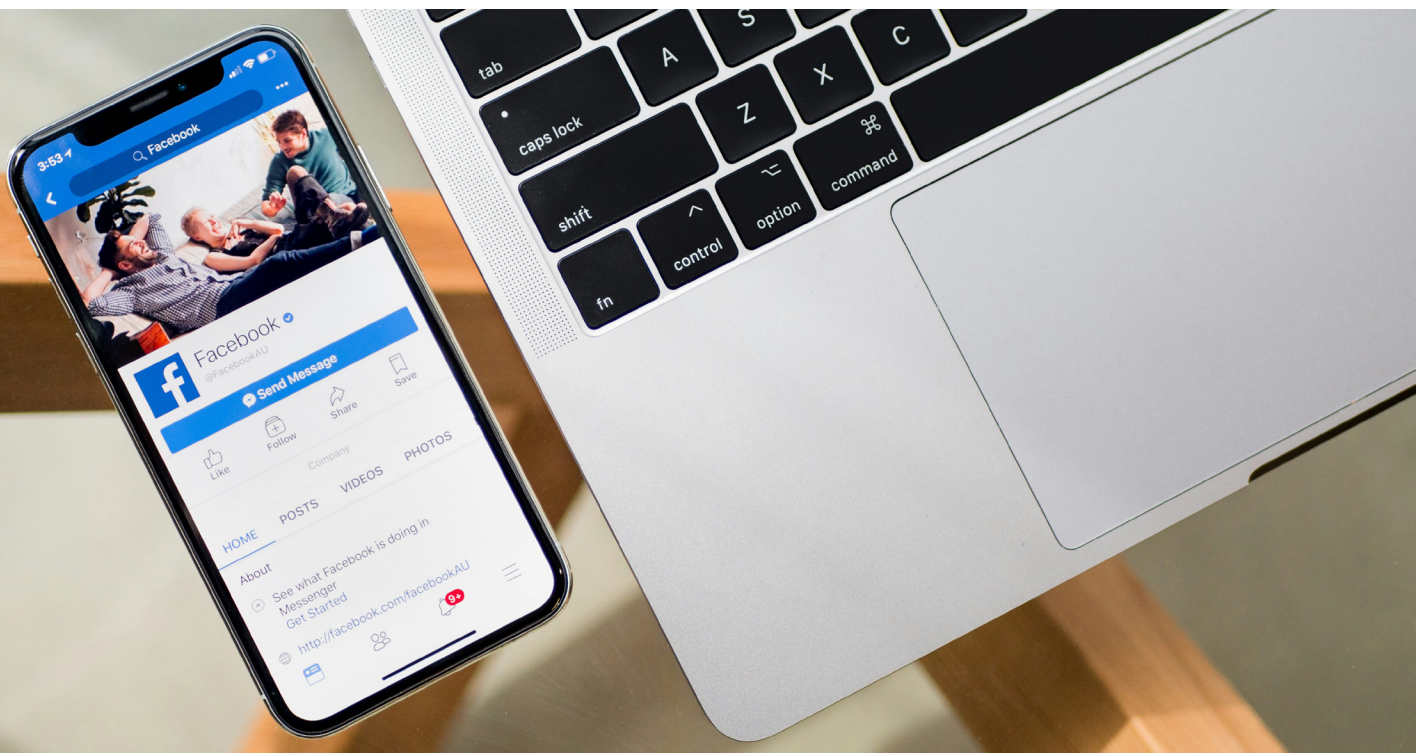
If your hotel has ad spend, social media can be an effective strategy. Partnering with a marketing agency ensures that your hotel is equipped with a strategy and execution that reaches your target customers, with the technology and integrations that enable on-the-spot bookings. In addition, this feeds the machine learning algorithms that help identify your next likely booking.

WHY IT MATTERS

Many travelers discover destinations or have their next trip inspired by posts and photos they see on social media. Social media can allow your hotel to target specific locations, age groups and interests to effectively reach your desired target.

PRICE RANGE

Advertising spend \$200 - \$600+ per month, Service fees \$200 - 300+ per month



Display Advertising

PPC, OTA and metasearch advertising tactics draw attention in the hospitality industry, but display advertising can still play an important role. Display advertising serves two primary purposes for hotels: Brand awareness and retargeting travelers who have visited your website. The strategy helps your hotel diversify its marketing mix and works in tandem with other advertising tactics.

HOW IT FITS IN YOUR BUDGET

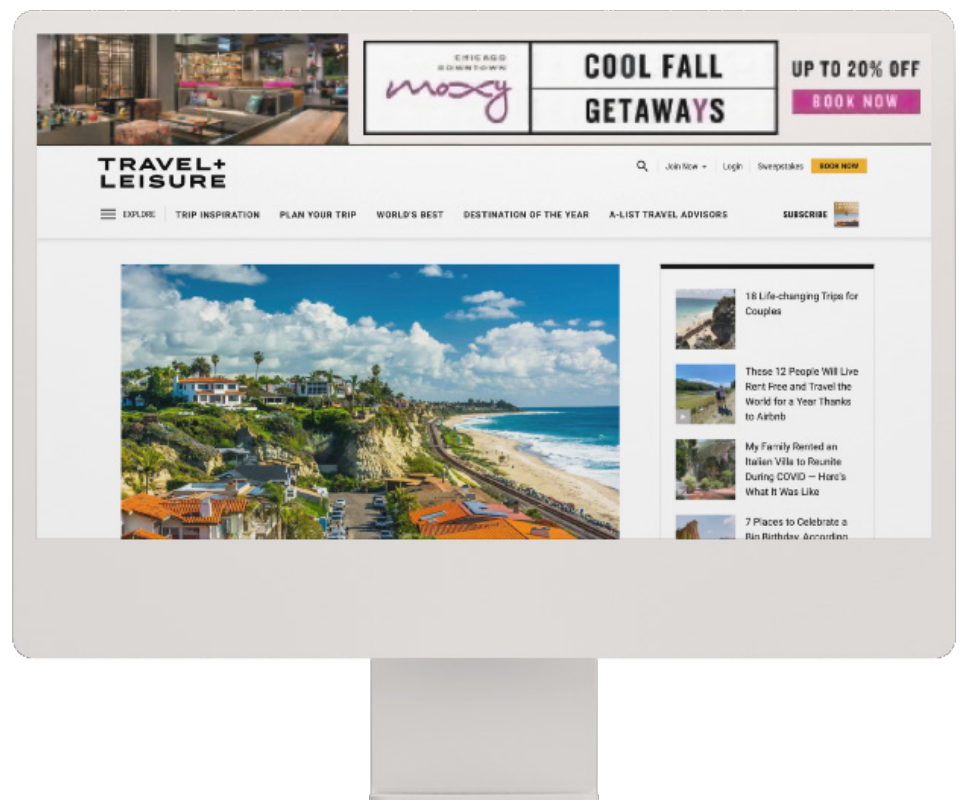
If your ad budget allows, display advertising can be an effective way to keep your hotel top-of-mind. Google Ads allows for easier entry into display advertising, but you may want to work with a partner to design graphics that convert more effectively and build out a campaign with strategic targeting and technical setup.

WHY IT MATTERS

There is some data that shows display advertising gaining quickly on search ads in the world of mobile devices and mobile apps. Nothing is more important to a hotel than allowing a guest a glimpse at your hotel and display ads offer the ability to showcase your hotel's brand and personality.

PRICE RANGE

Advertising spend \$200 - \$600+ per month, Service fees \$200 - 300+ per month



Booking Abandonment

You have invested significant time, effort and money into attracting potential guests to visit your hotel website. But what if they come directly to your site and stop mid-way through booking their stay? That's someone who is more promising than any cold lead that never made it this far.

A booking abandonment campaign that reaches these potential customers can convert them into booked guests more than 20 percent of the time, especially if it's within the first 30 minutes.

HOW IT FITS IN YOUR BUDGET

An abandonment campaign delivers substantial ROI without additional staff. Technology on your website collects important information such as email addresses, phone numbers, pages viewed, dates entered and

so forth. The system can then send them a series of personalized emails, SMS texts and push and pop-up reminders encouraging them to come back.

WHY IT MATTERS

According to SaleCycle, travel has the second-highest abandonment rate at 82%, second only to airlines (87.9%). Studies show that \$4.6 trillion in purchases is abandoned across all online shopping but that \$260 billion of that is recoverable with the help of abandonment campaigns.

PRICE RANGE

\$2,500 - \$6,000 annually



Strategic Hospitality Marketing

With more than 20 years of hospitality marketing experience, O'Rourke uses a comprehensive and strategic approach to help both independent and branded hotels take their digital marketing to the next level. We create an online presence for your brand that captures guests from their initial online engagement with you and seamlessly transitions them to your real-world experience.



To discuss your business challenges and see how we can help, please contact:

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