

The Thief

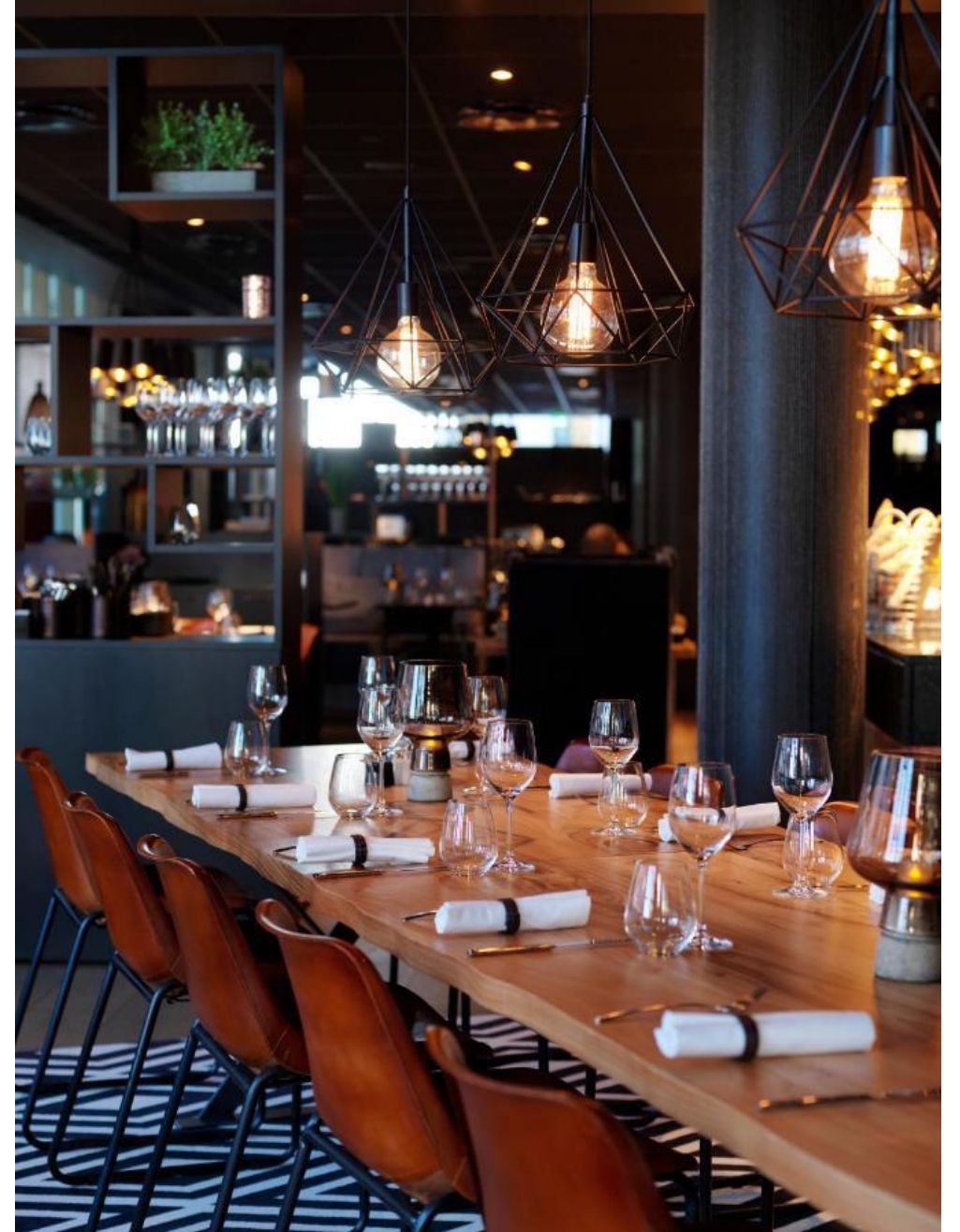
Boosting direct reservations through Predictive Personalization

About THE THIEF

Member of Nordic Hotels & Resorts, a collection of luxury lifestyle independent hotels in the Nordics, **THE THIEF** is a modern hideaway located in the middle of downtown Oslo.

Providing a unique sanctuary for guests, the retreat features artwork from leading international artists, hand-picked designer furniture, global Nordic cuisine, a luxurious spa and cosmopolitan bars.

Dedicated to delivering a **unique experience to travelers**, the team at THE THIEF is well aware of the importance of connecting with guests from the moment they arrive on their website.

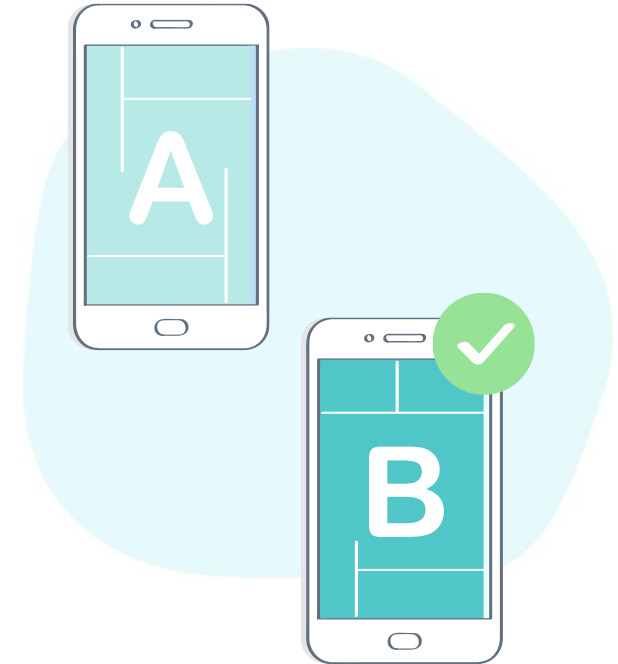


The Collaboration

As a brand that prides itself on delivering a singular stay, THE THIEF wanted to introduce this experience from the very first point of contact with travelers: the **hotel's website**. This meant providing a unique and engaging online experience that effectively communicated the brand's values to potential guests.

Since March 2020, THE THIEF has been working with The Hotels Network (THN) to personalize the website experience to engage with visitors and ultimately **boost direct reservations**.

As this collaboration proved to be extremely successful, in January 2023 the brand decided to explore new opportunities to drive incremental bookings at a minimal cost of acquisition. The THN team recommended that THE THIEF explore using an innovation technique called **Predictive Personalization**. The brand therefore conducted an A/B test to validate the power and cost-effectiveness of incorporating this technology on their website.



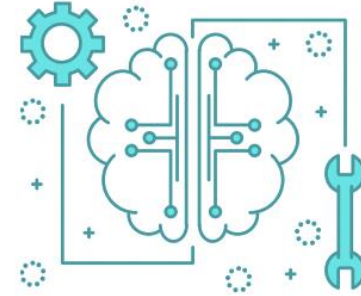
How does Predictive Personalization work?

The concept of leveraging technology to optimize the user experience and increase hotel revenue simultaneously is what we call **Predictive Personalization**. This unique product follows a two-step process comprised of a predictive algorithm and website campaigns managed by THN's experts.

1. First, an **algorithm using machine learning** assigns a value score to each user in real time, based on their likelihood of completing a reservation.
2. It then **personalizes the user experience** by automatically delivering the most suitable offers and content depending on this value score.

With Predictive Personalization, hotels can easily adapt their commercial strategy on the fly, creating **value-targeted campaigns** and increasing direct bookings while reducing promotional costs.

1



2



A/B Test for low-intent users

As THE THIEF was already a THN client, activating Predictive Personalization was even faster and simpler than usual: it only involved setting the **value score** for low-intent users. The number of visitors that fell into this score was not static, as it changed constantly based on traffic behavior.

In terms of the actual campaign running on the hotel website, THN's Campaign Manager took care of everything, from creating the **Smart Note** message to fit the identity of the brand, to controlling the campaign performance.

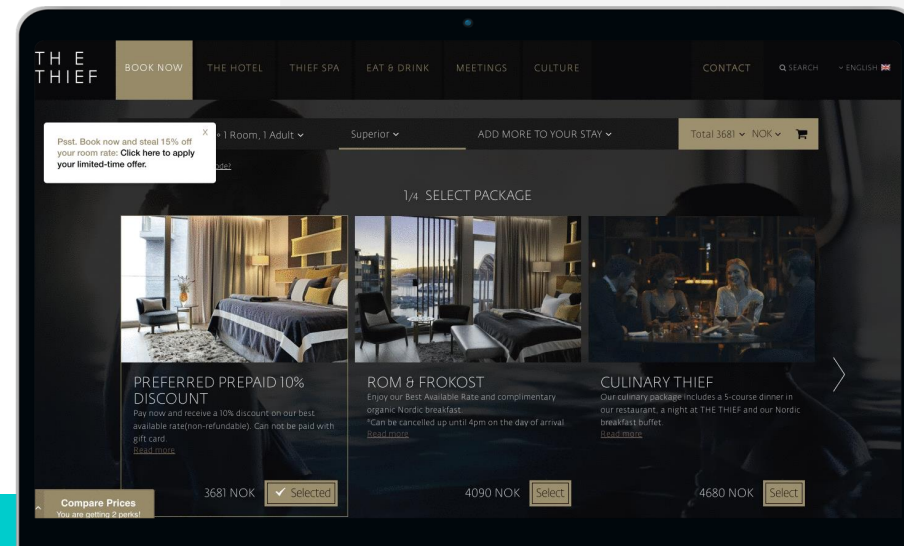
To measure the effectiveness of the campaign, an A/B test was set up, splitting low-intent users into two groups. **Group A** was shown the exclusive offer while it remained hidden for **Group B**. 90% of the traffic was allocated to Group A and 10% to Group B. Users with a mid or high-intent to book were excluded.

Psst. Book now and steal 15% off your room rate: [Click here to apply your limited-time offer.](#)

The Smart Note displayed a 15% off secret sale to encourage low-intent users to book.

It was only shown to users with a 0 to 40% probability of completing a reservation.

By using a **one-click promo code** technique, THE THIEF was able to ensure the discount could only be applied to that specific booking and not be shared with any other user.



The Results

After running the low-intent campaign for one month (Jan 29th to Mar 3rd) the results showed that by using Predictive Personalization, THE THIEF increased conversion rates, bookings and revenue, despite being in a low-demand period due to seasonality.

- With this hyper-targeted 15% off discount, they were able to **generate additional reservations** from users who most likely would not have booked otherwise.
- What's more, they made **savings on the promotional costs** they would have incurred had they shown this offer to all users, regardless of their booking intent.

26.000€

Savings in promotional spend

The algorithm identified those visitors with a high likelihood to book. As these users don't need an extra incentive to book, the discount wasn't offered to them, creating savings in promotional spend.

30.545€

Revenue from low-intent users

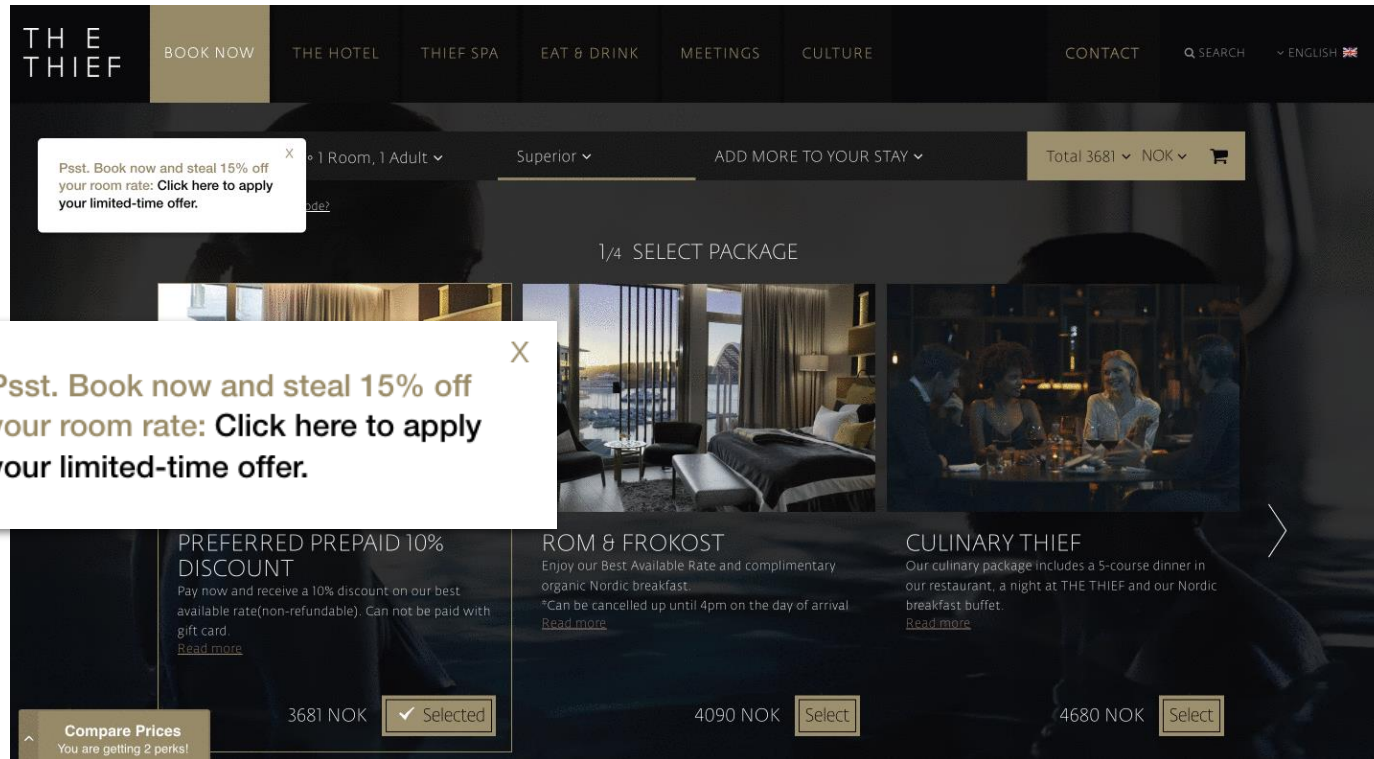
This was the value of the bookings completed using the promo code by users who had a low likelihood of booking.

+40

Bookings influenced

This was the number of visitors who came back after seeing the offer and completed a booking using the promo code.





24.79%

Conversion uplift

There was a 24.79% uplift in conversion rate for low-intent users seeing the offer (Group A) versus the control group with no offer (Group B).

Only 30% of users that saw the campaign used the promo code when making a booking. In other words, 70% of the low-intent bookings were influenced by the campaign but booked using the public rates – meaning the promotional cost of the 15% discount was not incurred even though they were influenced by the campaign.

About The Hotels Network

The Hotels Network is an innovative technology company working with over 19,000 hotels around the globe. The company offers clients a full-stack growth platform to power their direct channel. By leveraging a series of integrated tools and analytics, hotel brands can attract, engage and convert guests throughout the user journey.

In addition to price comparison, reviews summary and personalization options, THN's Predictive Personalization product harnesses machine learning techniques to predict user behavior and personalize both the message and the offer for each user. The company's latest innovation, BenchDirect, is the first benchmarking product for the direct channel, providing hotels with never-before-seen competitive data.

[Contact us](#) today to find out more.

THN is proud to have been recognized for the company's product innovations, rapid growth, and unique workplace culture, most recently winning the [Best Direct Booking Tool for 2023](#) in the prestigious HotelTechAwards.





www.thehotelsnetwork.com

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