

Searching for Lodging: An Analysis of Selected Pismo Beach
Hotels' Search Engine Marketing Practices

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ABSTRACT

SEARCHING FOR LODGING: AN ANALYSIS OF SELECTED PISMO BEACH HOTELS' SEARCH ENGINE MARKETING PRACTICES

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Search engines connect users to websites and became a distribution channel for many products. In the case of hotels, it is essential that the hotel's website appears among the top results when potential customers search for lodging in a certain area. The purpose of this study was to examine search engine marketing best practices and performance among non-national hotels in Pismo Beach, California. The researcher performed popular keyword searches to evaluate performance and examine strategies of the top performing hotels. The analysis discovered that the top hotels shared website design characteristics, the majority of search engine optimization is performed by a third party, and the results page is dominated by non-hotel websites. Poorly performing hotels should consider outsourcing website design, looking at industry trends, and allocating resources to search engine marketing.

Keywords: search engine, search engine marketing, search engine optimization, hotel marketing, Pismo beach hotels

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Chapter 1

INTRODUCTION AND REVIEW OF LITERATURE

Background of Study

The rise of the Internet has reformatted the channels by which tourism destination marketers reach their targeted consumers. Fifty-eight percent of travel planning begins with a Google search, which translates into around 22 billion hotel searches on a monthly basis (Evercore, 2014). The pursuit of information in planning and purchasing has given search engines a pivotal role in the travel planning process, though the power is not completely in the hands of the search engines. Businesses utilize two search engine marketing (SEM) techniques in an attempt to appear in front of the consumer at the top of the search results: search engine optimization (SEO) and paid listings. Search engine results are comprised of both paid and non-paid (organic) results. Being at the top is critical, as travel searchers spend an average of 5.7 seconds on the search engine result page (SERP) before clicking (Paraskevas, Katsogridakis, Law, & Buhalis, 2011).

Hotels' websites meet heavy competition in order to be visible in the search engine domain. Small, independent hotels and national chain hotels all compete on the same playing field. Larger hotels with a well developed web presence and extensive resources may be able to allocate more time and money into SEM than the smaller hotels. Not only do hotels compete against other hotels' websites, but also compete against intermediaries, infomediaries, Meta search websites and more. Regardless of the competition type, it is imperative that hotels appear on the front page in order to be relevant. The purpose of this

study was to examine search engine marketing best practices and performance among non-national hotels in Pismo Beach, California.

Review of Literature

Research for this review of literature was conducted at Robert E. Kennedy Library on the campus of California Polytechnic State University, San Luis Obispo. In addition to books and other resources, the following online databases were utilized: Academic Search Elite, Hospitality and Tourism Complete, Business Source Premier, Google Scholar, and Proquest.

The rise of the Internet has altered the way that business is conducted. In 2014, there were 2.8 billion Internet users (Internet World Stats, 2014). As a result, the business landscape has shifted from brick and mortar businesses with traditional marketing tactics to virtual channels with dynamic online marketing strategies. The boom of the Internet and the exponential creation of web pages created the need for a search and retrieval tool: the search engine. Over time, search engines have become the cornerstone of the Internet by connecting the user with the desired website. The interaction occurs on the search engine results page (SERP), which displays the most relevant results to the searcher (Google, 2014; Henzinger, 2007). Eye-tracking research has concluded that search engine users generally do not view more than one page of results and focus mainly on the first two results (Granka, Joachims, & Gay, 2004; Paraskevas, Katsogridakis, Law, & Buhalis, 2011). Thus, search engines are highly competitive spaces in which websites compete for visibility. This led to search engine marketing (SEM), which Search Engine Watch

(2014) defines as “the process of building and marketing a site with the goal of improving its position in search engine results.”

Pan, Xiang, Law, and Fesenmaier (2010) identify the three key parties in tourism search engine marketing: the travel searcher, the online tourism domain (i.e., tourism websites), and the search engine. Pan et al. continues, stating “that the three components constitute a system in which they influence each other simultaneously in both directions” (p. 370). The user searches a query in the search engine, while the online tourism domain competes to be the most relevant to both the user and the search engine, and in the meantime the search engine continuously updates to provide the best user experience and the cycle continues. The online tourism domain is composed of tourism organizations’ websites, online travel agencies (OTAs; e.g., Priceline & Expedia), Meta search information sites (e.g., Kayak), social media sites, and various infomediaries (e.g., travel blogs, city guides, etc.) (Xiang & Law, 2012). Within the SERPs, it is easy for hotel websites to get bumped down in rank because of the sheer number of others vying for the position. Ninety-four percent of all U.S. travelers used a search engine for any purpose in a year, and 68% used one specifically to plan for a trip (Rheem, 2012). Two search engine giants dominate the search market: Google with 69% and Bing with 26.6% (Zeckman, 2014). Yahoo! Search was a contender until it partnered with Bing, which now operates the search engine on the Yahoo! domain (Sullivan, 2009).

Before tourism organizations can engage in search engine marketing, they must first understand the search engine. Paraskevas et al. (2011) breaks down search engines into four distinct parts: “a web crawler... an indexing program, the retrieval program and the...results page” (p. 200). Prior to any actual searches, search engines send web

crawlers across the Internet to scan trillions of websites daily and create an index of all website data (Google, 2014; Henzinger, 2007). Search engines create a unique, dynamic algorithm with hundreds of variables to determine which websites will be the most relevant to the searcher (Google; Henzinger). Once a user enters a search query, the search engine retrieves web pages from the index according to the algorithm and displays them on the search engine results page (SERP) in order of relevance.

The SERPs are comprised of two types of results: paid listings and organic listings (Google, 2014). For hotel-related searches, the Google Hotel Finder appears in with graphics across the top and in-text listings (Google Support, 2014). Organic listings are the results that are the most relevant indexed websites to the search query, as determined by the search engine's algorithm. Paid listings allow advertisers to bid for and purchase a designated, labeled location on the SERP. Originally, some search engines such as Baidu in China, and Yahoo! allowed advertisers to appear in the organic results, but this deceptive practice was ultimately eliminated (Sullivan, 2012). Google Hotel Finder makes Google itself an intermediary by using the room pricing and availability information that hotels feed to other OTAs (Google Support, 2014). This service is an effort by Google to level the playing field and involve as many hotel websites on the SERP as possible.

Google AdWords is the paid SEM service offered by the top search engine. Both are priced by a Pay-Per-Click (PPC) format; this pricing model charges companies only when the search engine user actually clicks on the advertisement and is referred to the designated landing page (Tse, 2003). AdWords users are able to place bids on strategic keywords in order to drive more traffic to the organization's website. Google levels the

playing field for advertisers so that those with the largest budgets will not always come out on top. To provide the best results both search engines take the following into account when ranking competing advertisers: 1) keyword quality, which involves matching the search query and the content landing page, matching the search query and the ad copy; 2) performance metrics of the website, which is based off the user behavior history within the website; and 3) the keyword maximum bid amount (AdWords, 2014). Ultimately, the quality of the website heavily dictates how often the website will appear in the SERP, whether organically or through paid listings. When companies appear in the paid listings section, the ad appears with 3 lines of text: a title limited to 25 characters, and two informational lines limited to 35 characters each (AdWords). This must catch the searcher's attention and, once clicked, direct them to an appropriate landing page.

The organic listing section is comprised of the title of the website followed by a 160-character or less description of the landing page. Search engine optimization (SEO) is the techniques and strategies involved in organically acquiring top placement on SERPs (Webopedia, 2014). Pan et al. (2010) explains that SEO is inherently a dynamic science because of the enigmatic and constantly changing search engine algorithms. Nielsen and Loranger (2006) state that users "almost never read beyond the first page, so SEO should be one of the most important elements in your Internet strategy." Search engines tend to keep their algorithms below the radar to avoid spam and abuse of the system. Google updates their algorithm constantly to provide the most relevant results for their users and to prevent companies from abusing aspects of the algorithm to gain an unfair advantage over the competition (Pan et al.; Paraskevas et al., 2011). For example, it was commonly advised to heavily link other websites to the organizations websites (inbound links)

because search engines viewed this as a signal for a strong, credible website. As organizations realized this, some used paid tactics to essentially buy links to their websites. In response, Google changed their algorithm to hold inbound links under more scrutiny to prevent abuse of the algorithm (Dennis, 2013).

Generally speaking, the basics that go into an SEO strategy stem from a well constructed website which includes: HTML backend code that feeds information to the search engine web crawlers, how crawler friendly the site is, the text and keywords on the site, how often the site is updated, how users interact with the website, and the list goes on (Murphy & Kielgast, 2008). The solution is to design a website that is both technically sound for the search engine and aesthetically pleasing for the user. Fishkin (2014), co-founder of Moz SEO consulting, states that it begins with ensuring that the information on the site is written in HTML code for the search engine crawler because search engines do not have the capability to process and index other languages; if there is content is not written in HTML, then the website needs to provide an HTML description of the content. Fishkin continues on to highlight two important HTML pieces: Meta Robots and the Meta Description. Meta Robots guide the search engine crawler through the site, instructing what should or should not be indexed (Google Webmaster, 2007). Meta Descriptions are used primarily as the text snippet shown on the SERP; therefore a well-written Meta Description would describe the website in 160 characters or less with the use of a top keyword (Fishkin).

Knowledge and insight into the consumer is key in hotel SEM. Pan et al. (2010) defines two unchanging rules in search engine marketing: the need to understand the travelers and the need to understand the way travelers express their needs in queries. The

majority of travel searchers use search terms that involve the city name plus “hotel” or city name plus brand (Xiang & Law, 2012). Targeting these popular terms is known as head targeting, but should be complemented by tail marketing, or targeting the less popular terms used by niche markets (Pan et al.). Fishkin (2014) recommends that these popular terms be written into both the titles and content of the website, though not excessively as this will decrease the search relevancy. For paid listings, it is recommended to bid on the most popular keywords or keywords specific to the company in order to appear on the SERP, either in conjunction with the organic listings or standing alone (Xiang & Law).

Since user behavior on the website plays a role in both paid listings and SEO, it is imperative to track user activity on the website. Website analytics can be obtained from services (e.g., Google Analytics, Amazon CloudFront) to compile visitor behavior information and demographics (Google Analytics, n.d.). These data are designed as an insight tool for companies to make necessary adjustments.

While paid listings through AdWords may seem like an easy route to the top of the SERP, searchers view it with a grain of salt. Searchers are more wary of and less likely to click on a paid listing than an organic result (Jansen & Resnick, 2005). Though, 33% of travel searchers do not take note of whether the links are paid or organic (Rheem, 2012). Rheem continues on to argue that “while website managers would love to gain traffic through the organic search results, there is no denying the effectiveness of purchasing keywords” (p. 10). In 2011, Google entered its own channel into the SERP called Google Hotels. Similar to OTAs, Google Hotels aggregate the hotel data including price, booking

options, and media into the SERP interface. As of Fall 2014, Google was in the process of shifting this service into a pay-for-rank pricing model (Ward, 2014).

Pete and Lanz (2014) discovered in their study that “website maintenance seemed to be of the utmost importance to hotels and ... was quoted to range from \$8000 a month up to \$1.8M a year” (p. 3). While these numbers may be feasible for large, national companies, the small-scale hotels have to compete on the same field. In fact, many small to medium sized hotels do not have the necessary knowledge about SEM, let alone the financial resources to become visible on SERPs (Murphy & Kielgast, 2008).

Search engine marketing (SEM) presents hotels with an opportunity to reach their customers first. This can be accomplished through paid or organic listings, which requires time, money and knowledge of SEM. To successfully launch an SEM strategy, hotels must understand the nature of the search engines and the travel searchers.

Purpose of the Study

The purpose of this study was to examine search engine marketing best practices and performance among non-national hotels in Pismo Beach, California.

Research Questions

This study attempted to answer the following research questions:

1. What is the composition of the search engine result pages (SERPs) and how do smaller hotels compare with national chain hotels?
2. What search engine optimization (SEO) and paid search engine marketing (SEM) practices are the most effective for hotels in this location?

3. How many hotels perform SEM in-house or outsource to a third-party?

Chapter 2

METHODS

The purpose of this study was to examine search engine marketing best practices and performance among non-national hotels in Pismo Beach, California. This chapter includes the following sections: description of context, description of instrument, and description of procedures.

Description of Context

A best practices analysis of search engine marketing in select Pismo Beach, CA hotels was conducted. There are 30 hotels within the city limits of Pismo Beach (TripAdvisor, 2014), as the city hosts around 2 million visitors per year (Klemz, 2013). Tourism plays a crucial role in the economy, benefitting the lodging businesses and the City of Pismo Beach, with summer as the high-demand season. According to the Pismo Beach budget report, the Transient Occupancy Tax (TOT) accounts for 26% of the city's revenue (City of Pismo Beach, 2013). Pismo Beach is a part of San Luis Obispo County, which contains 170 total lodging businesses (San Luis Obispo Chamber of Commerce, 2011). The number of hotels in the city and surrounding area presents a highly competitive landscape.

Description of Instrument

The instrument used in this study was a systematic comparison based on performance (see Appendix A). The instrument was designed to record search engine

visibility for top search queries, record the variables of the results, and compare practices with performance to determine best practices. The researcher determined the variables from the Review of Literature. Additionally, the researcher contacted the highest performing companies to record personnel and company information.

A pilot test was conducted on its neighboring city: San Luis Obispo, CA. On October 29, 2014, the researcher conducted the pilot test and information was recorded. Following the test, the researcher added criteria to examine and removed all personal identification from the search engine to eliminate any potential error. In addition, the researcher changed the data recording from three SERPs to one. The researcher also opted not to record Google Hotel Finder results because every hotel website appeared.

Description of Procedures

A best practices analysis of search engine marketing in hotels was conducted in Pismo Beach, CA. The instrument used was a systematic comparison sheet created by the researcher. The comparison sheet was measured with both quantitative and qualitative data. The research began October 30, 2014 and concluded on November 12, 2014.

The researcher determined the top five search keywords using Google Trends and AdWords KeyWord Planner selected the keywords with the highest search volume over the past 12 months. The researcher then removed all cookies, cache, and personal information from the web browser. Beginning at Google.com, the researcher performed a search of a selected keyword. The researcher recorded the order, result type (i.e., paid or organic) and informational snippet of each listing on the first page of results. The non-national hotel websites that appeared on the first page were opened in separate tabs and

the determined criteria were examined. Room rates for the low season were for December 1, and July 1 for the peak season. Additionally, the HTML page source was opened up in a separate tab and examined to view Meta tags and other relevant information.

Chapter 3

PRESENTATION OF THE RESULTS

The purpose of this study was to examine search engine marketing best practices and performance among non-national hotels in Pismo Beach, California. A best practices approach was utilized to examine the search engine marketing characteristics of the top performing hotels. This chapter includes the following sections: Search engine result performance, overview of selected hotels, website construction, paid listings, and organic listings.

Search Engine Result Performance

The researcher searched the five most popular keywords used when searching for hotels in Pismo Beach. The five determined search queries resulted in 41 paid listings, 50 organic results and 12 Google Hotels text listings, in addition to the scrollable Google Hotels display listings. Online travel agencies, infomediaries, and Meta search information websites made up 71% of the paid listings and 62% of the organic listings. Conversely, hotels' websites were listed 29% of the time in paid listings and 38% in the organic listings. Of the hotel listings, large national chain hotels (i.e., Choice, Hilton, Intercontinental, Hyatt) acquired 58% of the paid and 26% of the organic listings. The remaining hotel listings were for the following hotels: SeaCrest OceanFront Hotel, Sandcastle Inn, Cottage Inn by the Sea, Pismo Beach Hotel, Cliffs Resort, Dolphin Bay Resort, and Kon Tiki Inn.

Overview of Selected Hotels

There are 30 hotels in Pismo Beach ranging from budget options to luxury resorts, and only 7 of these were seen on the first page of the search engine results. The hotels analyzed were the Sandcastle Inn, Cottage Inn by the Sea, SeaCrest OceanFront Hotel, Pismo Beach Hotel, Cliffs Resort, Dolphin Bay Resort, and Kon Tiki Inn.

The Sandcastle Inn is a 75-room hotel owned and operated by Pacifica Hotels, who owns a string of coastal lodgings between San Francisco and San Diego. This oceanfront hotel offers rooms and suites with oceanfront patios and beach access with rooms starting at \$118 during the off-season and \$309 during the peak season of summer. Google considers this hotel a two star resort.

Pacifica Hotels also owns and operates the Cottage Inn by the Sea in Pismo Beach. It is an 80-room inn reminiscent of the English countryside but overlooking the Pacific Ocean. Google labels it a three star resort with rooms beginning at \$101 during the area's off-season and \$199 during the high season.

The SeaCrest OceanFront Hotel, is a 158-room independent resort that first opened its doors in 1952. It is a three star resort that features rooms, suites, and a spa on the oceanfront property. Rooms begin at \$119 in the wintertime and rise to \$249 during the summer season.

The Pismo Beach Hotel is a cozy 30-room hotel located in downtown Pismo Beach. Though it is now located on the beach, the hotel is a historic site with full amenities. Google does not rate it on the five-star scale, but prices run around \$129 year round.

The Cliffs Resort is a 160-room hotel with beach access and spa services. On top of this, the resort offers 10,000 square feet of meeting/convention space. The type of rooms

range from singles to suites and begin at \$144 in the off-season and \$235 in the peak season. Google classifies the Cliffs Resort as a three star hotel.

The Dolphin Bay Resort & Spa is a four star resort that has 61 rooms designed to fill the needs of home comfort with added luxuries. The room prices begin around \$345 during the low season and \$405 for the high season.

The final hotel analyzed was the Kon Tiki Inn, which Google rates as a four star hotel. There are 49 rooms with ocean view balconies, though no listed pricing online. The Kon Tiki Inn does not accept online reservations, but accepts reservations by phone call only.

Website Construction

The construction and layout of the hotels' websites are the foundation for search engine visibility. The SeaCrest OceanFront hotel's website was designed by a third-party developer, TravelClick, which specializes in hotelier online media across the globe. This includes the reservations software, website maintenance and updating, and search engine optimization. The website is also Google Analytics-enabled for visitor tracking and site usage. The website home page featured a slideshow background of the property, which took up the majority of the browser window. The website had navigation options available without scrolling.

Both websites for the Sandcastle Inn and the Cottage Inn by the Sea are identical in format, as both are hosted as subpages on the Pacifica Hotels domain. Pacifica Hotels developed their website in-house and used Amazon CloudFront for design and website

analytics. Similar to SeaCrest, the hotel pages feature a large slideshow of the property with navigation accessible without scrolling.

Pismo Beach Hotel's website was created and operated by MyERes (My E-Res). This company operates the reservation system, as well as website providing search engine optimization services. The HTML Meta tags present an easy path for the search engine crawlers with a specific path for the "googlebot" to follow. As is the pattern, the home page features a slideshow of the grounds with the navigation toolbar easily accessible. The home page contains a lot of text information with further scrolling.

The website for the Cliffs Resort was designed by a third party, SLO Digital Designs. This marketing agency controls the content, media, upkeep and search engine optimization. The website also contains Google Analytics tags for visitor tracking and site usage. Slideshows and pictures collages covered the home page without any navigation options until the bottom of the page, which took a few scrolls to reach.

Dolphin Bay Resort and Spa's website was created in house and was last fully updated in 2012. The website is Google Analytics-enabled, and features pictures of its property on the front page. In addition to easily accessible navigation, the Dolphin Bay site offers quick information through descriptive texts and access to descriptions of its various services.

The Kon Tiki Inn's website was created by OpenBook, which is a travel technology company that specializes in destination marketing products. The site is Google Analytics-enabled, and the HTML meta tags present a path for the web crawlers to follow. A slideshow featuring Kon Tiki's products centers the home page with easy access to

navigation and informational text. There was no option to book online, but merely a number to call for reservations.

Organic Listings

Appearing in the organic section of the SERP means that the search engine views it as the most relevant page to the user's search. The following hotels appeared in the organic results section: SeaCrest OceanFront Hotel, Sandcastle Inn, Cottage Inn by the Sea, Pismo Beach Hotel, and the Cliffs Resort

The SeaCrest OceanFront hotel appeared on four of the five organic search results appearing in the fifth or sixth position. The title of the listing was "Hotel in Pismo Beach | SeaCrest OceanFront Hotel | Pismo Beach, CA," which matched the most popular search queries. The accompanying text snippet pulled from a relevant paragraph within the website and not from the HTML Meta description, while the Meta description simply reads "Enjoy the beautiful SeaCrest OceanFront hotel in Pismo Beach, CA." Clicking on the listing directed the researcher to the home page of the hotel.

The Sandcastle Inn also appeared on four of the five organic search results ranked either ninth or tenth on the page. The title read "Pismo Beach Hotel | Sandcastle Inn | Pacifica Hotels." The opening sentence of the first paragraph on the page matched the Meta description verbatim, but the first one and a half sentences of the paragraph on the home page were used in the text snippet. The main link directed the researcher to the sub page on Pacifica Hotels' site dedicated to the Sandcastle Inn.

Cottage Inn by the Sea appeared on one search result page in the fifth position. As another Pacifica hotel, it was titled in a similar format: "Pismo Beach Inn | Cottage Inn |

Pacifica Hotels.” The Meta description and the first sentence on the home page were identical, though in this case, the snippet only displayed the first sentence. In addition to the text snippet, the listing featured extensions at the bottom guiding users to the photo gallery, hotel special offers, our rooms and location pages. Similar to the Sandcastle Inn, the link landed on the Cottage Inn by the Sea’s subpage on Pacifica’s website.

The Pismo Beach hotel held the first position on two of the search result pages. The title of the listing given by the HTML Meta title was “Pismo Beach Hotel Downtown Pier Pismo Beach California CA Hotels Motels Accommodations in Pismo Beach,” though it was cut off after the word California. The Meta description did not read clearly, therefore the snippet was pulled from text information on the landing page. The landing page of the listing was the home page of the Pismo Beach Hotel.

The Cliffs Resort appeared ninth in the organic listings on one search result with “The Cliffs Resort: Pismo Beach Hotels” as the title. The text snippet matched the HTML Meta description, though the landing page did not feature a substantial amount of text. Upon clicking, the landing page opened to the home page of the Cliffs Resort website.

Paid Listings

The paid listings appear on the SERP because the hotel was paying to appear on the page and bid on select keywords. The Cliffs Resort, Sandcastle Inn, Cottage Inn by the Sea, and Dolphin Bay Resort appeared in paid listings for the selected search queries.

The Cliffs Resort and Sandcastle Inn appeared in two of five result pages as paid search results. The Kon Tiki Inn, Dolphin Bay Resort, and Cottage Inn by the Sea each featured one paid listing in one of the five result pages. Sandcastle Inn ad copy stated

“Pismo Beach Hotel, Direct Beach Access, From \$139/Night, Book Now!” and appeared in positions one and three. Also on the same two result pages, the Cliffs Resort paid listing appeared fifth and seventh and read “Gorgeous, Full-Service & Oceanfront Lowest online rate guarantee.”

The Cottage Inn paid listing appeared second on one result page. The ad copy read: “A Pismo Beach Inn, From \$109/Night Inspired by the English Countryside.” On the same result page, the Kon Tiki Inn ad appeared third and stated “Great Location on the CA Coast. Reserve Your Stay Today!” On a separate search result page, the Dolphin Bay Resort ad appeared with the ad copy “Book your Room at the Dolphin Bay Oceanside & Spacious Rooms” as the second paid listing.

Chapter 4

DISCUSSION AND CONCLUSIONS

Well-designed search engine marketing (SEM) strategies assist in accomplishing the crucial goal to be visible on the search engine result page (SERP). This concluding chapter will include the following: a summary of the study, a discussion of the findings, limitations, conclusions based on research questions, implications of the findings, and recommendations for future research.

Summary

As the Internet grew, search engines became a necessity to compile information into a searchable retrieval system, and they now serve as hotel distribution systems. In order to remain relevant on search engines, hotels need to be visible on the first search engine result page. On the SERP, hotels can appear organically, in a paid listing, or on Google's Hotel Finder. Hotels appear organically because their website construction must cater to both the search engines and the users. Appearance of paid listings has to do with the hotels' keyword bid, performance metrics of the website, and relevancy of the landing page. The hotels must understand their users' searching habits and behavior in order to best optimize. In a struggle to be visible, hotel websites' must appear by paid listings or organic results to thrive.

In the Fall of 2014, a comparative analysis was conducted on selected Pismo Beach hotels: SeaCrest OceanFront Hotel, Sandcastle Inn, Cottage Inn by the Sea, Pismo Beach Hotel, Cliffs Resort, Dolphin Bay Resort, and Kon Tiki Inn. The researcher determined the most popular five keywords searching for lodging in Pismo Beach and recorded the

search engine results for each. The instrument used was a systematic comparison based on the performance.

Results from the study showed that the seven hotels appeared in the five search queries. It showed that the SeaCrest OceanFront Hotel and the Sandcastle Inn appeared most frequently in the results. Most of the hotels examined shared similar features in website construction and design. The majority of hotels outsourced their website construction and search engine marketing to third-party companies.

Discussion

The search engine results page (SERP) consisted of a mix of intermediaries, infomediaries, Meta search websites, and hotel websites. The non-national hotel websites were overwhelmed by the competition in both paid and organic listings. It is understandable to see that the national chain hotels make up over half of the paid hotel listings because of the significantly larger marketing budget and web presence. The non-national paid listings appeared with relevant ad copy, showing that they are both knowledgeable in the area and willing to pay for placement. In the organic results, the hotel websites appeared slightly more often, though still in the minority to the various intermediaries and infomediaries. The fact that non-national hotels appeared more often than the national hotels can be attributed to the tailored website design specific to Pismo Beach, rather than a single location in a national chain. Other non-national hotels should consider allocating more resources to SEM, similar to the other hotels, to be visible on the popular keyword searches.

The selected hotels' websites showed the user a similar aesthetic approach. The highest performing hotels featured background image(s) of the property as the centerpiece of the website. The strong SERP performance of these websites could reflect the aesthetic strength of this particular design. These relevant pictures capture the attention of the user and improve the performance metrics of the website. The uniformity of the website constructions amongst the top performing are examples of industry trends to enhance user experience and search engine optimization (SEO). Even with the similar designs, the format inherently allows the websites' to differentiate with their own media content. In addition to the visual aspect, each of the top organic result websites' had at least a paragraph of descriptive text with laced relevant keywords. The majority of the text snippets from the SERP were derived from this paragraph, which most likely influenced the search engine rank. On the HTML backend, the highest performing websites were crawler friendly and implemented everything in HTML code per Fishkin's (2014) recommendations. It is recommended that other hotels examine the design of the highest-ranking websites and consider emulating their strategies.

As the selected hotels varied in marketing strategies and budgets, the hotels' websites were mixed with in-house production and outsourcing. Of the organic results, only two of the results landed on websites that were created and maintained in-house: the Sandcastle Inn and Cottage Inn by the Sea, which are both operated by Pacifica Hotels. The rest of the hotels on SERPs were designed by specialty design companies (e.g., SLO Digital Designs) or hotel booking companies (e.g., Travelclick). Pacifica Hotels could be the outlier because they are a larger company with a larger budget; therefore they are able to allocate more valuable resources for their own employees to create an in-house design.

For the remainder of the Pismo Beach hotels, paying another specialized company to build and maintain search engine marketing is more effective than hiring professional employees. This matches up with the findings of Murphy and Kielgast (2008) who interviewed small to medium sized hotels and discovered that the majority of them used third-party specialty organizations. In order to best implement an SEM strategy, hotels should examine their resources to determine whether outsourcing or creating the website in-house can produce the best results. This will vary from website to website and there is no single correct solution.

This study was influenced by several limitations. The researcher was unable to access the website analytics and Google AdWords accounts. Without access to these, the researcher cannot evaluate the effectiveness of certain SEM measures to infer which specific strategies worked. In addition, the specifics of the hotels including marketing budgets, salaries, and more were unavailable. Since the researcher analyzed the practices of the top performing hotels, the data may not reflect the rest of the landscape. The data collection was limited to a short period of time and with a limited number of keywords. Despite the listed limitations, the study provided useful and relevant information to the subject.

The search engine landscape of hotels in Pismo Beach is competitive. Certain hotels' strategies and designs proved successful, while the majority of hotels did not appear on the first SERPs. These hotels could take steps to improve their SEM strategies by looking at the strategies of the successful hotels on the search engines.

Conclusions

Based on the findings of this study, the following conclusions are drawn:

1. The majority of the first page of results is made up of intermediaries, infomediaries and Meta search websites, leaving much room for improvement for hotel websites.
2. Hotel website construction is uniform across the board: slideshow covering the majority of the homepage with descriptive text paragraphs that include top keywords, and similar HTML Meta description formats.
3. The majority of the top non-national hotels' websites were designed by a third party, rather than in house.

Recommendations

Based on the conclusions of this study, the following recommendations are made:

1. Research top keywords used in searching hotels in the area and make an effort, either with SEO or paid listings to appear on the first page.
2. Hotels not appearing in the first page of SERPs should consider altering their website design to one similar to those top performing websites.
3. Non-national hotel websites should examine their resources carefully to determine whether outsourcing website design and SEO is the best option.
4. Keep content relevant and keep up-to-date about SEM best practices and research.
5. Future research should evaluate the new bidding system in the Google Hotel Finder and how that alters the SERP.

6. Future research should examine the hotel search engine landscape in similar destination towns to compare and contrast.

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APPENDIXES

Appendix A

Instrument

Instrument

Hotel	
Paid/Organic	
Rank	
Text Snippet/Ad Copy	
Number of Appearances	
Description of HTML	
Description of Landing Page	
Outsourced?	

Other Notes: