Experiences for passionate travelers.
Hostelworld transforms the hostel experience with digital marketing from Adobe Experience Cloud.

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Otto Rosenberger, CMO, Hostelworld Group

**SOLUTION**
Adobe Experience Cloud, including: Adobe Advertising Cloud Search, Adobe Campaign within Adobe Marketing Cloud, and Adobe Analytics within Adobe Analytics Cloud

**RESULTS**
- 500% Higher **ENGAGEMENT** across websites and social
- 20% Reduction in **COST** per booking
- 1 BILLION emails per year with high click-through rates
- Increased marketing productivity with **AUTOMATION**
Fueling a passion for travel

Everyone loves going on vacation, but for some, travel is not just a brief diversion—it’s a passion and a lifestyle. These travelers aren’t always looking for beautiful hotels and memorable souvenirs. They want to have adventures, visit new locations, touch foreign cultures, create memories through amazing experiences, learn more about the world, and just as importantly, learn about themselves.

Hostels typically cater to young travelers looking for safe, comfortable, and affordable accommodations as they explore the world. With its solid understanding of what these travelers want, Hostelworld Group has grown into a market-leading booking platform focusing on worldwide hostel offerings through its website and apps in 19 languages.

Unlike hotels, hostels generally appeal to a younger, mobile generation. About 90% of hostel customers are under 35 years old, and while traditional hotels receive about 30% to 40% of their bookings online, approximately 70% of hostel bookings are made online. Hostel customers are also less likely to be influenced by traditional print, radio, or television advertising. They consume information differently, so marketers need to approach them differently.

“Hostels may have an image of being very basic and low-tech, but many now offer amenities rivaling any hotel. We developed our Hostelworld app to help connect people to hostels in the digital age,” says Otto Rosenberger, CMO at Hostelworld Group. “Through the app, we can be part of our customers’ journeys every step of the way, whether they are looking to book accommodations, find fun activities, or connect with fellow travelers.”

To optimize each customer’s digital journey with personalized experiences, Hostelworld needed two things: insight into customer behavior through in-depth data and tools to efficiently act on that intelligence. Needing to balance high functionality and automation with agile and easy-to-understand tools, Hostelworld turned to integrated Adobe Experience Cloud solutions. After starting with Adobe Analytics in Adobe Analytics Cloud, the company expanded into Adobe Advertising Cloud for search optimization and Adobe Marketing Cloud with Adobe Campaign for cross-channel campaign management.

“Adobe is a market leader known for innovation, quality, and stability, but it’s also incredibly agile and helped us to quickly implement solutions,” says Rosenberger. “Adobe’s excellent service was one of the key differentiators that made us feel comfortable standardizing our digital marketing on Adobe Experience Cloud.”
A digital launch pad

Hostelworld’s young, tech savvy audience expects digital experiences that are convenient, fast, and provide a personal touch. Using Adobe Analytics, the company gains detailed insight into how customers use its websites and apps. Through real-time metrics, Hostelworld’s marketing team can learn where customers are coming from and where they’re traveling to, what types of information they’re looking at, and how they’re moving through the marketing funnel.

Looking at sources of traffic helps Hostelworld’s marketers determine which advertising campaigns are proving most effective, or even suggest new areas where advertising could reach a hostel-friendly audience. Marketers can also test variations of ads, copy, or booking funnels across apps and mobile and desktop sites to discover how they can optimize travelers’ digital journeys.

"Adobe Analytics is the foundation of our digital marketing strategy," says Rosenberger. "It helps us learn more about our customers so that we can build more personalization to encourage greater community interaction. In the past two years, we’ve seen a 500% increase in engagement across our digital channels, including social media."

The analytics data from Adobe Analytics also allows marketers to increase the efficiency of Adobe Advertising Cloud Search. Using advanced algorithms, Advertising Cloud Search automatically places bids on search terms to achieve better returns on investment. While Advertising Cloud Search algorithms have helped to reduce the bookings costs by 20%, the use of automation also dramatically improves productivity for marketers, who can now spend more time optimizing the search strategy and creating more exciting content for customers.

Personalizing customer journeys

Data from Adobe Analytics also integrates smoothly with Adobe Campaign to help Hostelworld reach its young audience across a variety of digital channels. Using customer behavior data in Analytics, Campaign builds out detailed audience segments, which Hostelworld uses to tailor communications and reach people through the website, email, or the mobile app with the right message at the right time.

If a traveler decides to book a hostel in Barcelona for instance, Campaign can deliver banners, on the website or through the mobile app, featuring recommendations for exciting activities in the area. When the traveler reaches Barcelona, the mobile app uses push notifications to highlight points of interest such as nearby restaurants or hikes. Such personalization helps the traveler enjoy a richer vacation.

One of the biggest changes marketers have seen is through email campaigns. Before Campaign, Hostelworld struggled to send out 300 emails. Now, its marketers deliver more than 1 billion emails per year to customers worldwide at different points in their journeys.
“Even though we’re sending out so many more emails, we’re seeing lower unsubscribe rates and higher click-through rates,” says Rosenberger. “The difference is that we’re using segmentation to target customers with only the deals and information that they’ll find interesting. By improving the customer journey through personalization, and remarketing in real time, we’re helping to retain customers with 61% of bookings coming from repeat Hostelworld customers.”

Hostelworld plans to continue expanding its use of Adobe Experience Cloud to improve insight and personalization through integrated Adobe tools. “The numbers speak for themselves. Adobe has had a tremendous impact on our digital marketing strategy,” says Rosenberger. "We'll never stop improving the customer journey, and Adobe will continue to help us find our way.”