A Trip in CRO: The journey of Hostelworld

Getting to know the millennial traveller





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Hostelworld is the largest global online hostel-booking platform and the champion of the hostelling industry. They operate with an agile approach to business, cultivating a test and learn environment that enables learnings and improvements. A great example of this is their approach to optimizing their websites.

The collaboration between Hostelworld and Online Dialogue started after Bart Schutz spoke at the 2015 Hostelworld Conference in Dublin. The question asked of Online Dialogue was 'how do you quickly and effectively set up a conversion optimization programme?' This programme would eventually lead to a rise in revenue, better on-site conversion and a driven CRO team, but best of all: a better understanding of the Hostelworld customer.

After working together for almost two years, both sides have learned a lot. We have been able to create a complete Behavioral Intelligence Graph of the Hostelworld customer. Providing us with more insights into the decisions of the customers, and thus more input for further optimization and innovation, both on and offline. But how do you get there? Here's what the Hostelworld journey looks like.

Stop #1: Setting up the optimization

programme

The collaboration between Online Dialogue and Hostelworld started with an "optimization pilot". The main goal of the pilot was to improve the conversion ratio, growing the competitive advantage and emphasizing the leading position of Hostelworld in the Hostel travel market. With a specially designed CRO scan we were able to assess the skill level of the Hostelworld team in Evidence Based working and experimenting. The results of this scan formed the basis of the entire optimization programme.



Stop #2: Hostelworld takes the lead

After getting to know Hostelworld and setting up the CRO programme, the testing started. In the beginning, both Hostelworld and Online Dialogue, were designing and executing A/B tests. Soon Hostelworld took the lead in testing, allowing Online Dialogue to take on the role of coach and helping with the ideation, work process, insights and innovation.

Today, Online Dialogue only serves an educational role, leaving Hostelworld in charge and responsible for executing and optimizing the entire CRO programme.

Stop #3: From Transactional to Transformational

This first so called 'transactional phase' (run as many tests as possible) provided us with many learnings, but in order to reach the desired competitive advantage and revenue improvements we needed more than just the general insights that the hundreds of experiments produced. So Online Dialogue educated Hostelworld on Consumer Psychology and test ideation in order to transform the existing earnings into learnings. By combining the earnings with additional data sources like scientific papers, UX-research, previous learnings and customer feedback we are now able to get a more in depth understanding of the behavior of the Hostelworld customer.



Stop #4: Meet the Hostelworld Customer

With the information we gained, by growing from the Transactional to the Transformational phase, Online Dialogue was able to create a tailor made 'Behavioral Intelligence Graph'. In this framework all behavioral drivers and influencers of the Hostelworld customer have been plotted for each separate 'behavioral step' a customer makes prior to a conversion. What motivates a customer to book a bed at a certain hostel? Why does the customer choose a specific hostel? Why did he or she book their stay with Hostelworld?

Stop #5: From Booking to Checkout

All findings of prior and future A/B tests form the input for this Behavioral Intelligence Graph. This way, the framework keeps evolving and growing towards a solid behavioral model, explaining what stimulates the customer to use Hostelworld. The valuable insights that result from this can in turn serve as input for new and better test hypotheses, marketing purposes, technological development, product innovations and strategic business decision making. However, they also offer information about the travel market itself: How do hostels offer their services and how do the visitors experience their stay? These insights will allow Hostelworld to optimize the on-site experience and the variety of hostels offered.

Themes		Validate			
Extrinsic motivation	×	×	×	×	~
Intrinsic motivation	~	✓	~	 Image: A second s	 Image: A second s
Fluency	×	✓	1	×	~
Visceral elements	~	✓	~	 	~
Context	✓	✓	~	×	~
Social	1	✓	1	~	~

After a long journey, both Online Dialogue and Hostelworld are very satisfied with the collaboration and the results. Together we hope to continuously improve the Hostelworld customer experience.

Also interested in working on optimizing your CRO with Online Dialogue? Do you believe in Evidence Based Growth? Get in touch!



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