ORA AI™
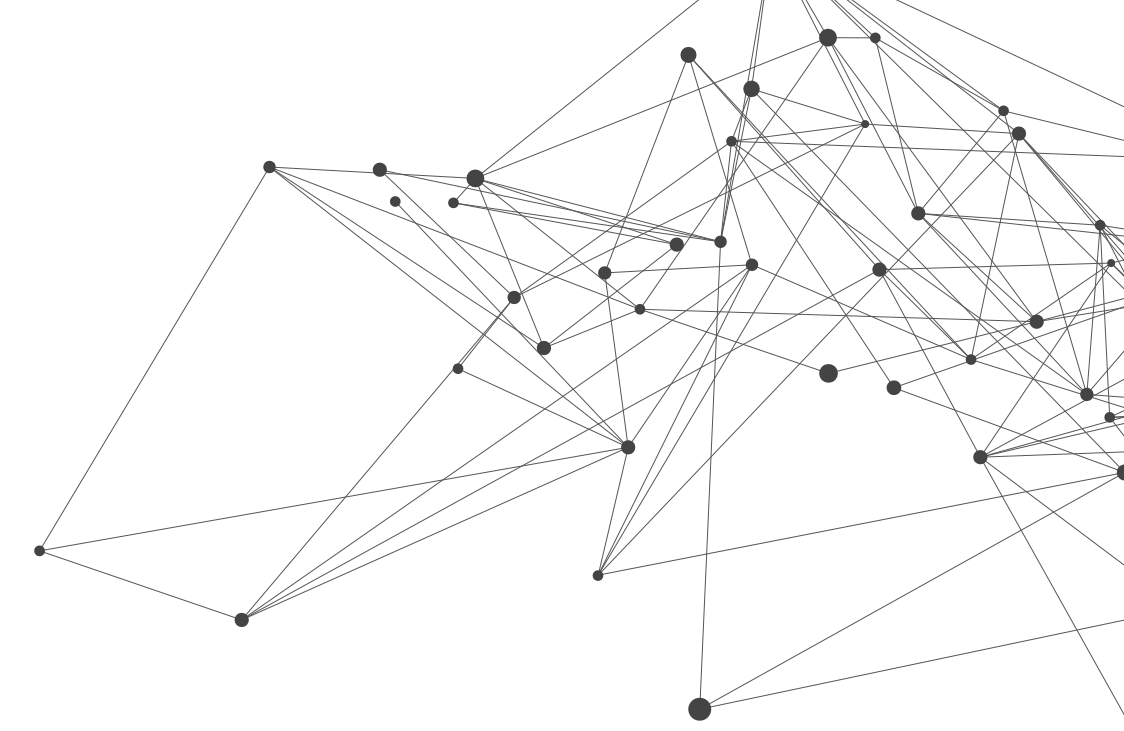
Performance Report on
Selected Implementations
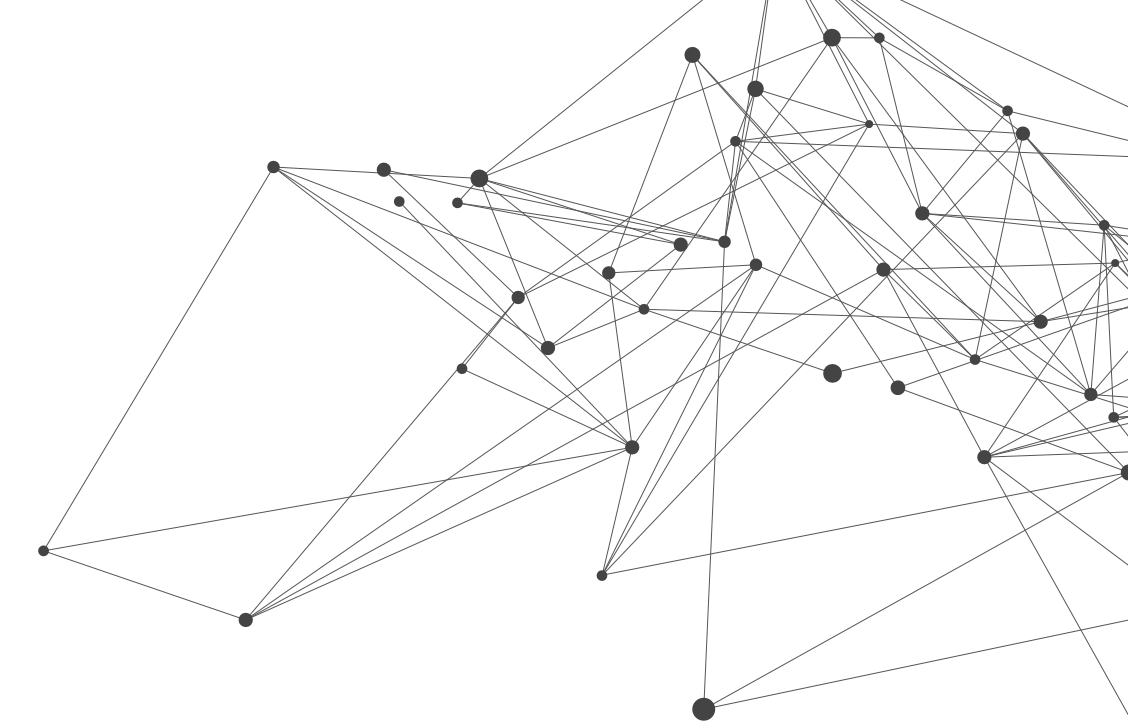
Austrian Hotel A

Background Information

Country of origin – Austria

- Austrian Hotel A is a 4-star, mid-size (140 rooms) property in Stubaital, Austria (which is located in the Alps near Innsbruck)
- Adwords campaigns are being managed by an Austrian digital agency ABC
  - Agency works on a fixed fee basis with the hotel

Period for which results are given – 3 months (24.10.2018 - 31.01.2019).

ORA AI (RoomSage) managed both branded and non-branded campaigns

Benchmark periods – **16.07.2018 – 23.10.2018** (for brand campaigns) and **20.12.2018 – 08.02.2019** (for non-brand campaigns)

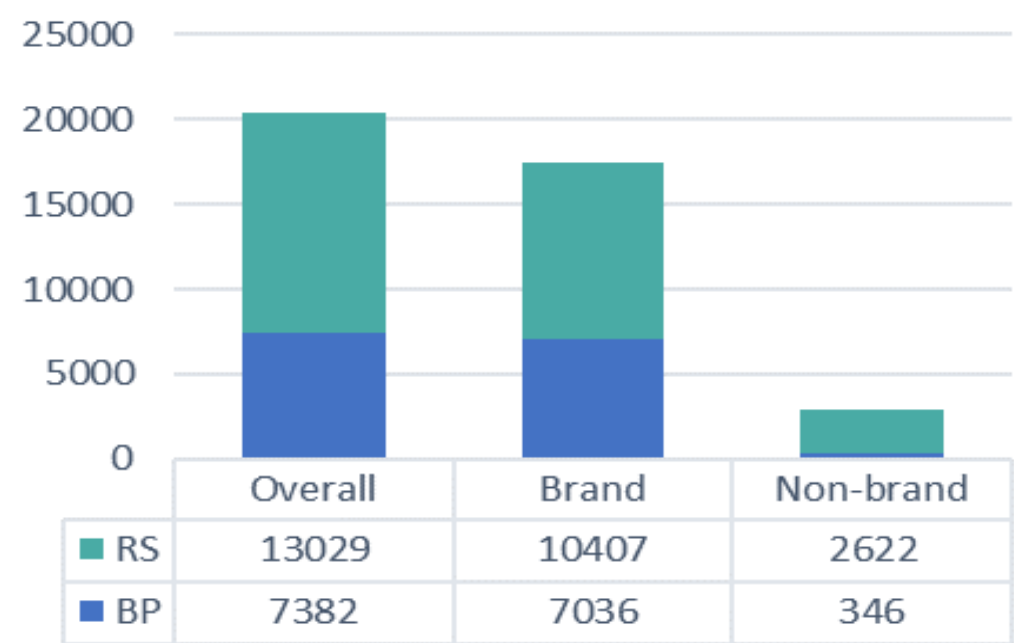Austrian Hotel A   ORA AI

Summary of Financial Results

- Compared to the benchmark Period, ORA AI (RoomSage) delivered higher "profits" (difference between hotel revenues and Adwords expenses). Likewise, RoomSage achieved significantly higher ROI
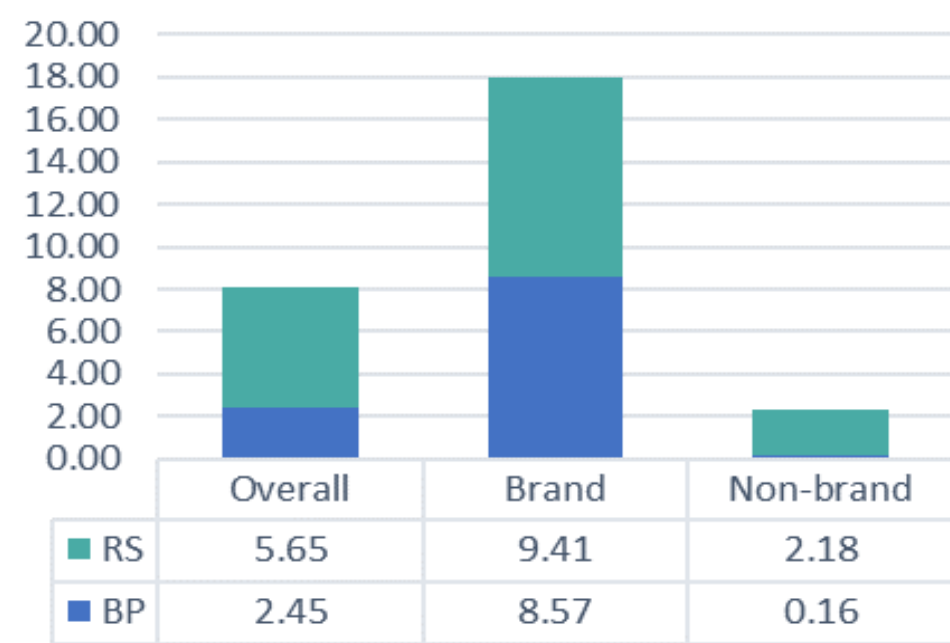
- The branded campaign achieved historically high "profits" under RoomSage management of bids (although ROI, although tending up, was below historical highs).
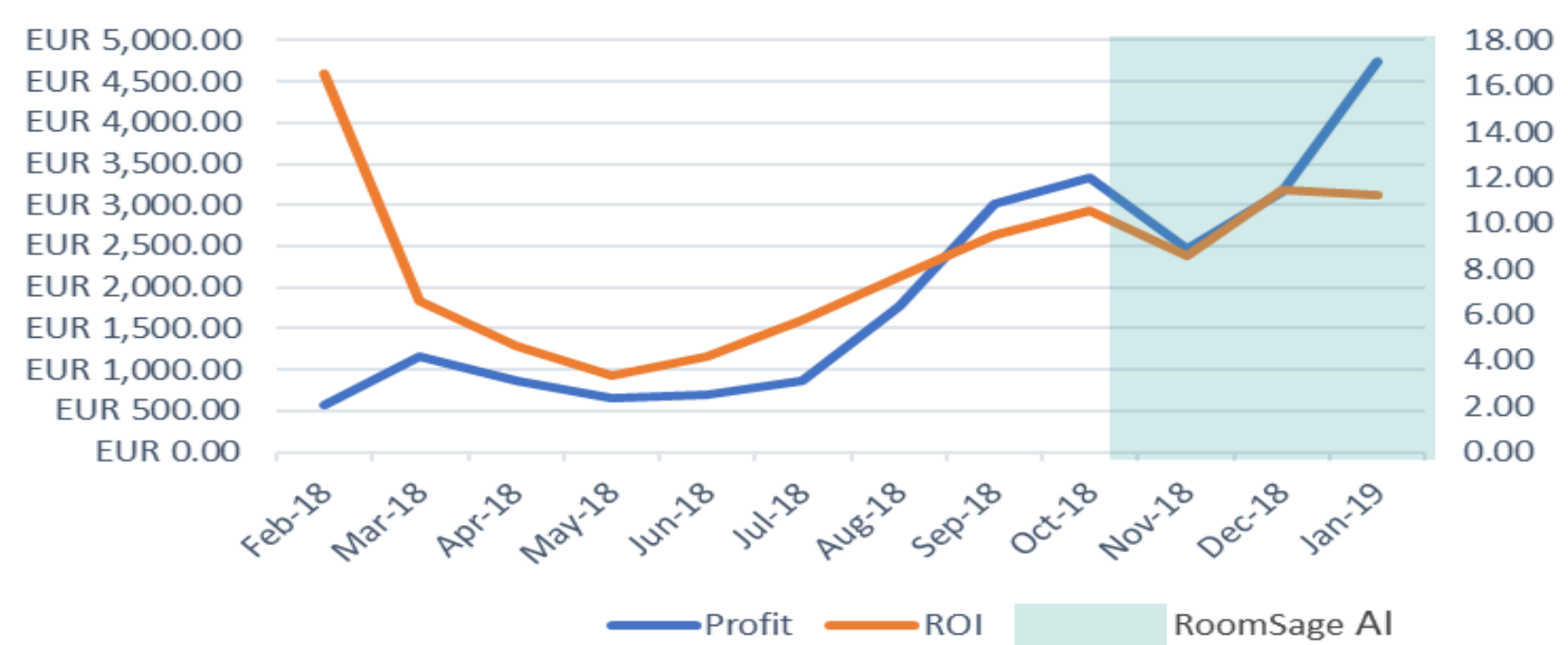

Campaign profit [EUR]

	Overall	Brand	Non-brand
RS	13029	10407	2622
BP	7382	7036	346

ROI

	Overall	Brand	Non-brand
RS	5.65	9.41	2.18
BP	2.45	8.57	0.16

Brand profit and ROI 2018.02-2019.01

Profit — ROI — RoomSage AI

Austrian Hotel A

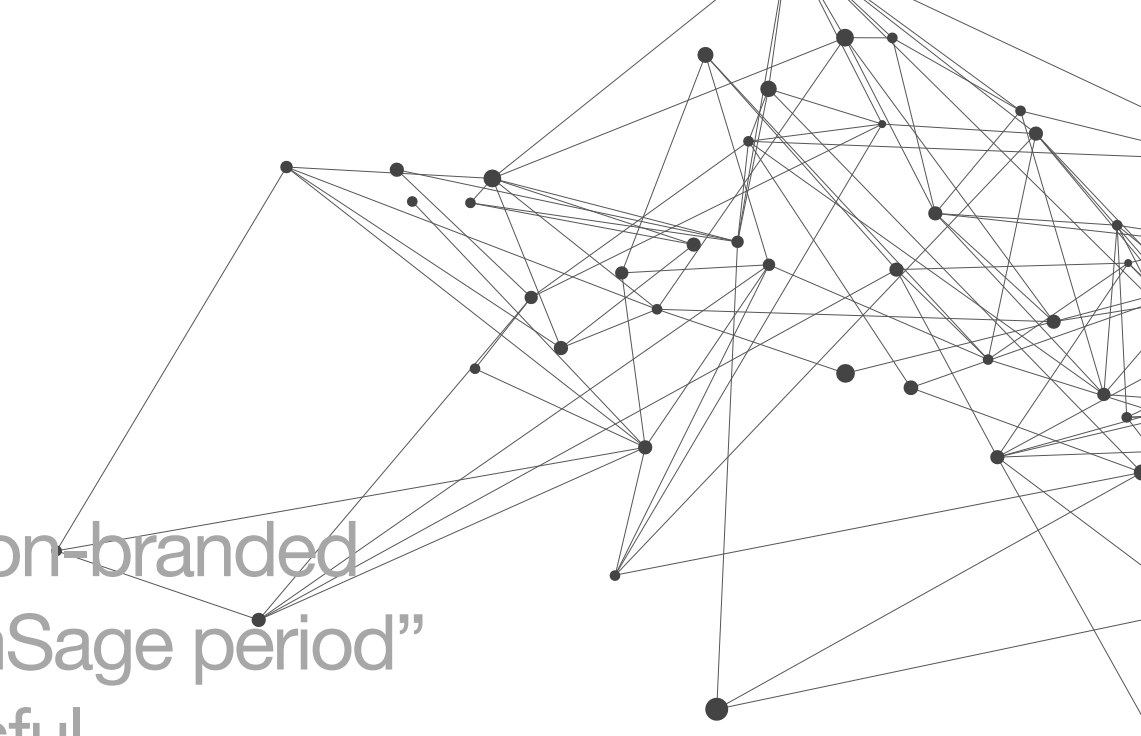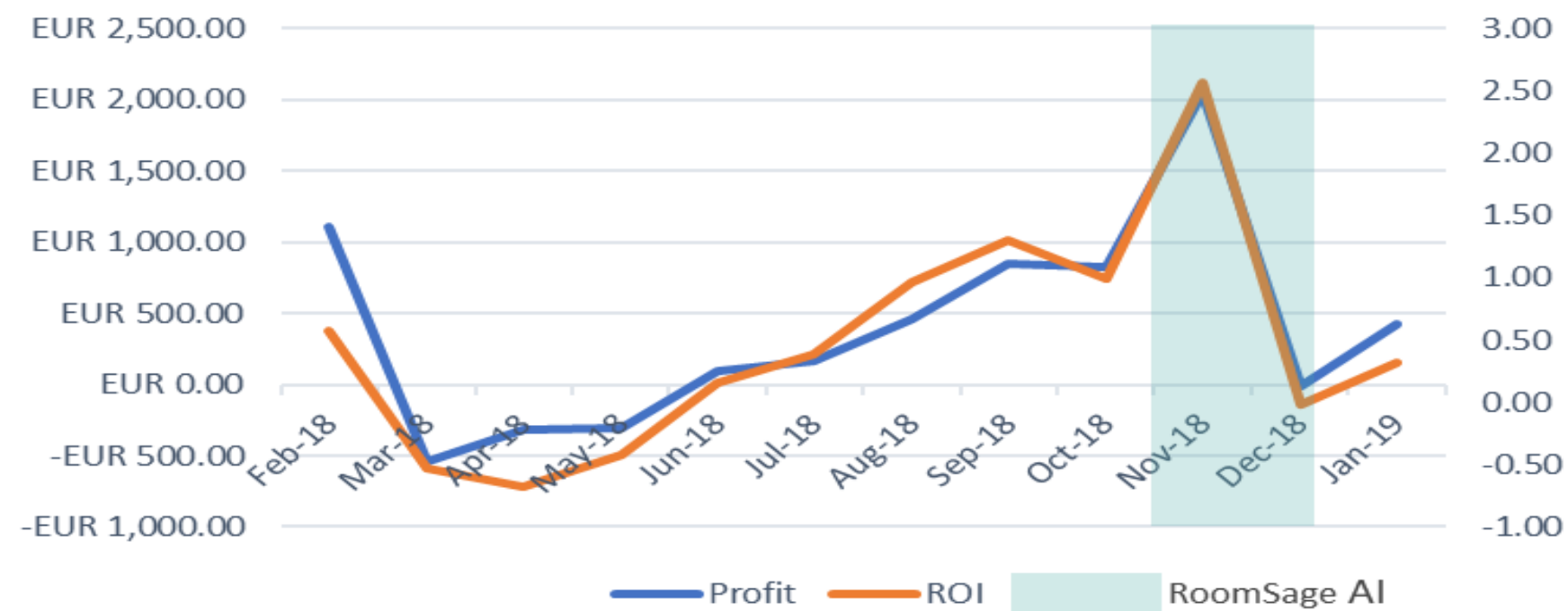ORA AI

Summary of Financial Results (cont'd)

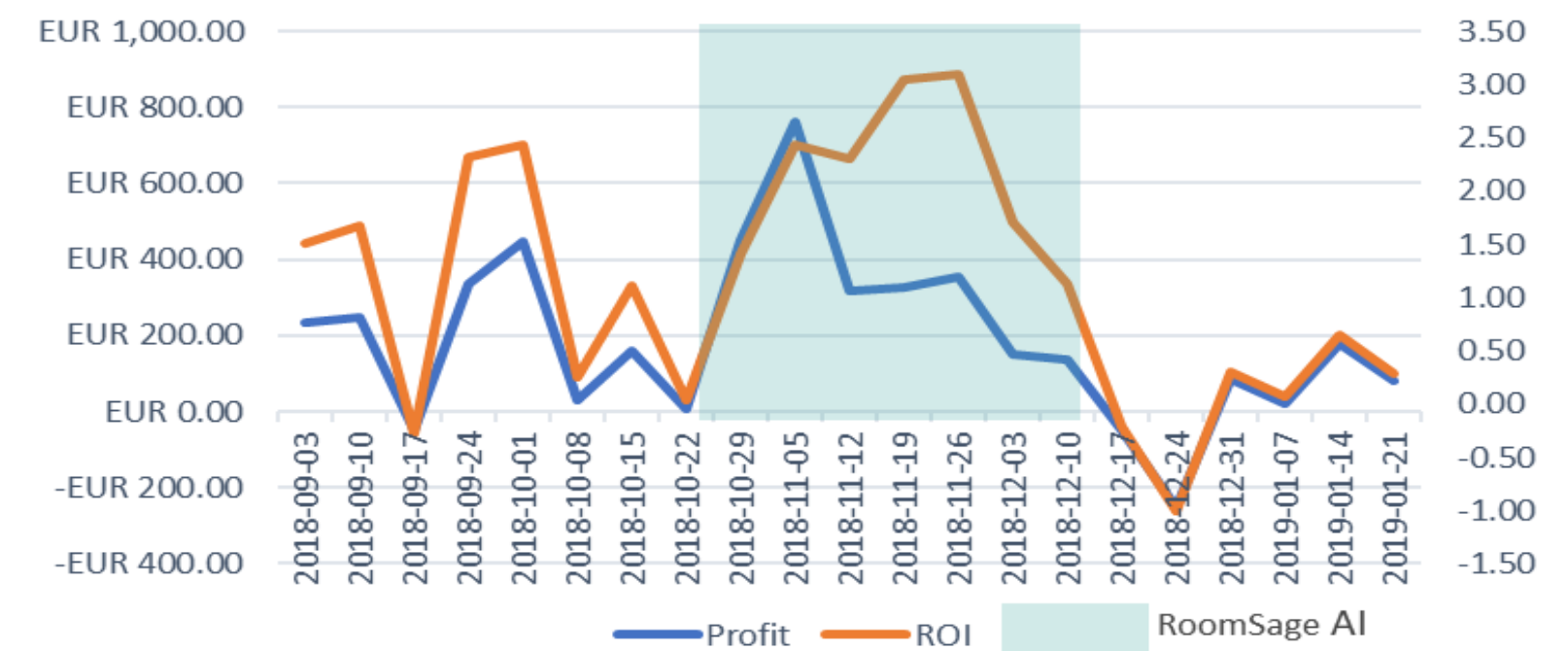- For non-branded campaign, historical highs nave been achieved for both "profits" and ROI (followed by a dip[3]) …

- … but even for those non-branded campaigns, the "RoomSage period" appeared very successful

**Non-brand profit and ROI 2018.02-2019.01**

Weekly chart for non-brand profit and ROI 2018.09-2019.01

[3] The dip was actually caused by switching off ORA AI on December 19th. Until then, when RoomSage AI was still managing non-brand campaigns, ROI was at the level of 1.40 – still well above historical best results. This very good result was then decreased due to less successful bid management by a human expert (which generated high costs and very little revenue).

Austrian Hotel A   ORA AI

ORA AI (RoomSage) outperformed (vs. the Benchmark Period) on key non-financial campaign performance metrics
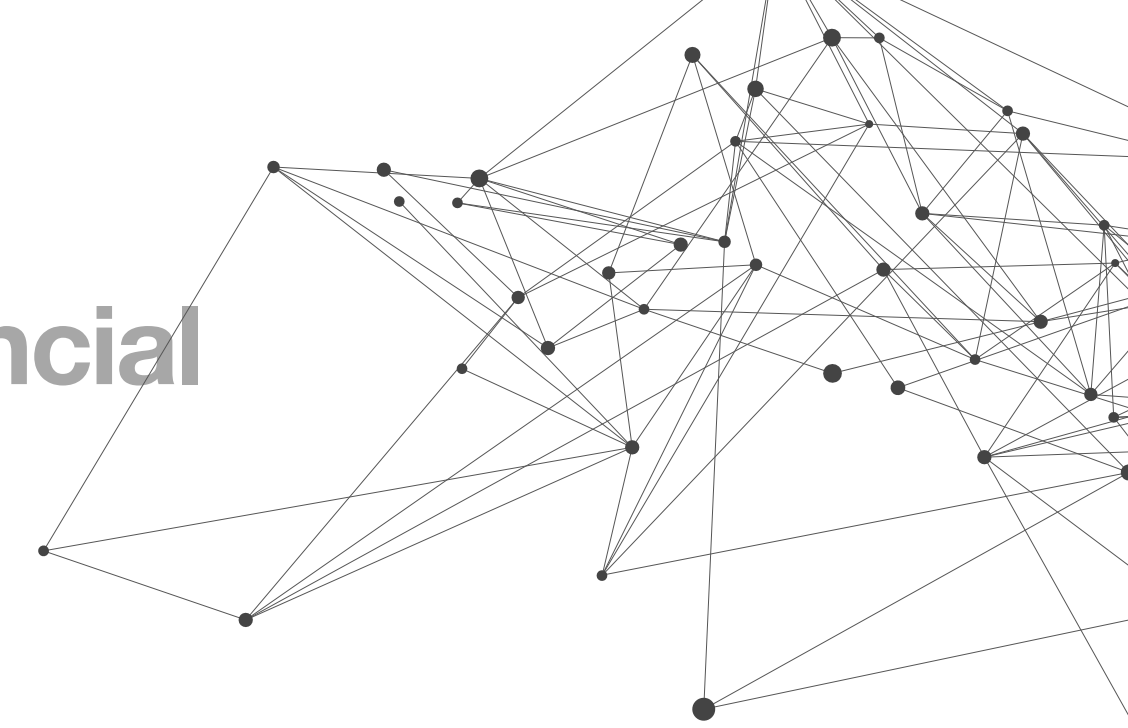
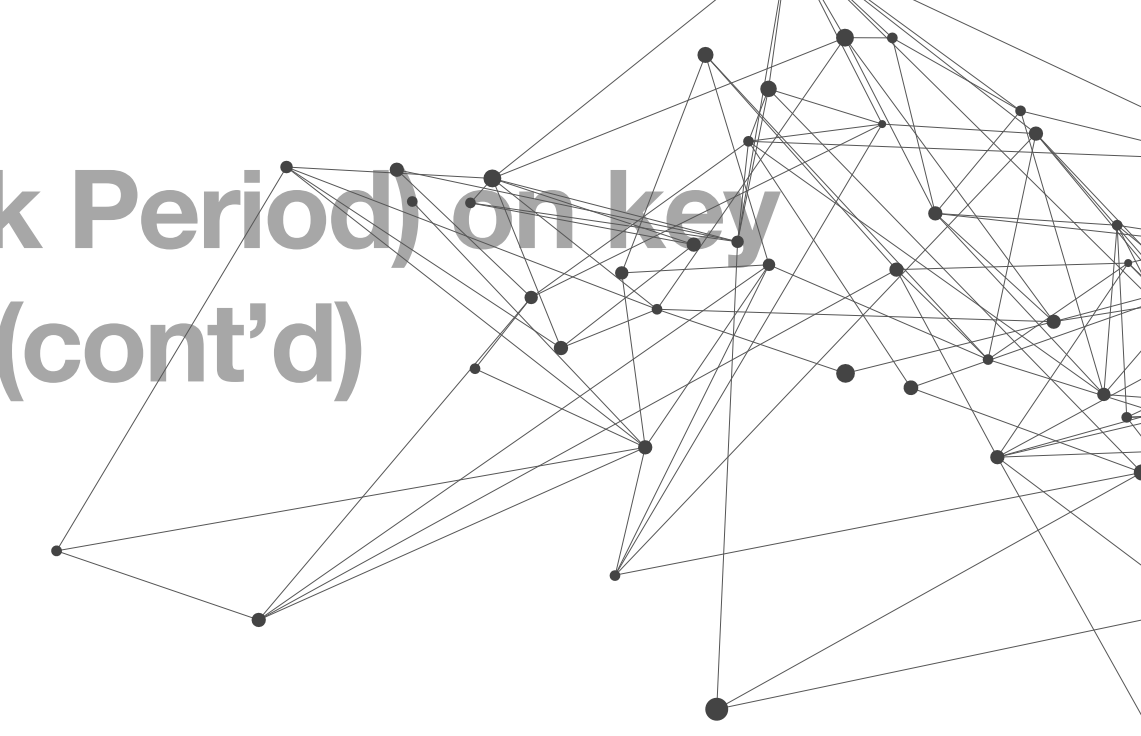## Non - financial Campaign Performance Metrics
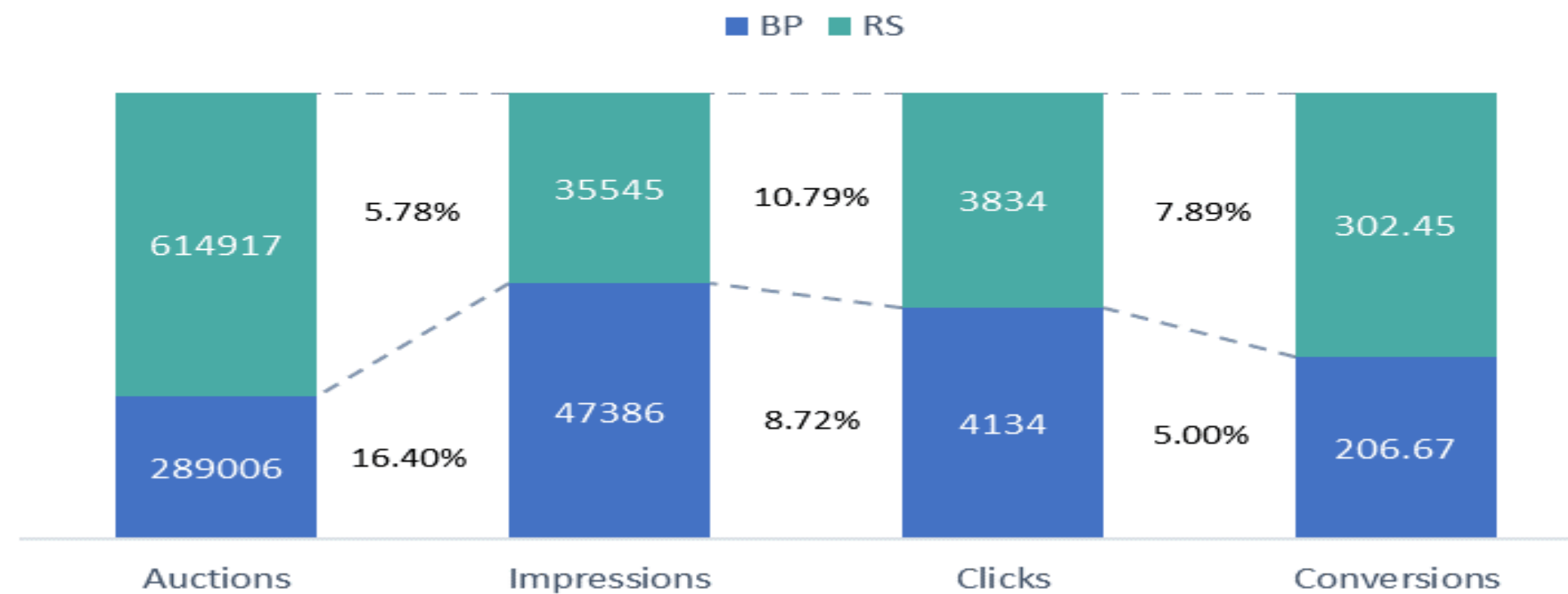
While auctions and impressions declined, clicks and conversions went up

Austrian Hotel A

ORA AI

ORA AI (RoomSage) outperformed (vs. The Benchmark Period) on key non-financial campaign performance metrics (cont'd)

- On ad positioning ORA AI's performance was mixed ...

	ORA AI	BP
Overal brand position	3.29	2.72
Branded campaign positioning	1.11	1.55
Non-branded positioning	3.65	2.85

... while on CPC ORA's performance was overall better (especially on non-branded, when it was obviously economizing[4])

	ORA AI	BP
Average CPC overall	0,63 €	0,70 €
Average CPC - branded campaign	0,45 €	0,40 €
Average CPC - non-branded	0,86 €	1,04 €

[4] On branded campaigns, ORA AI was fighting to improve ad position

Austrian Hotel A

ORA AI

ORA AI (RoomSage) performed well on keyword conversion
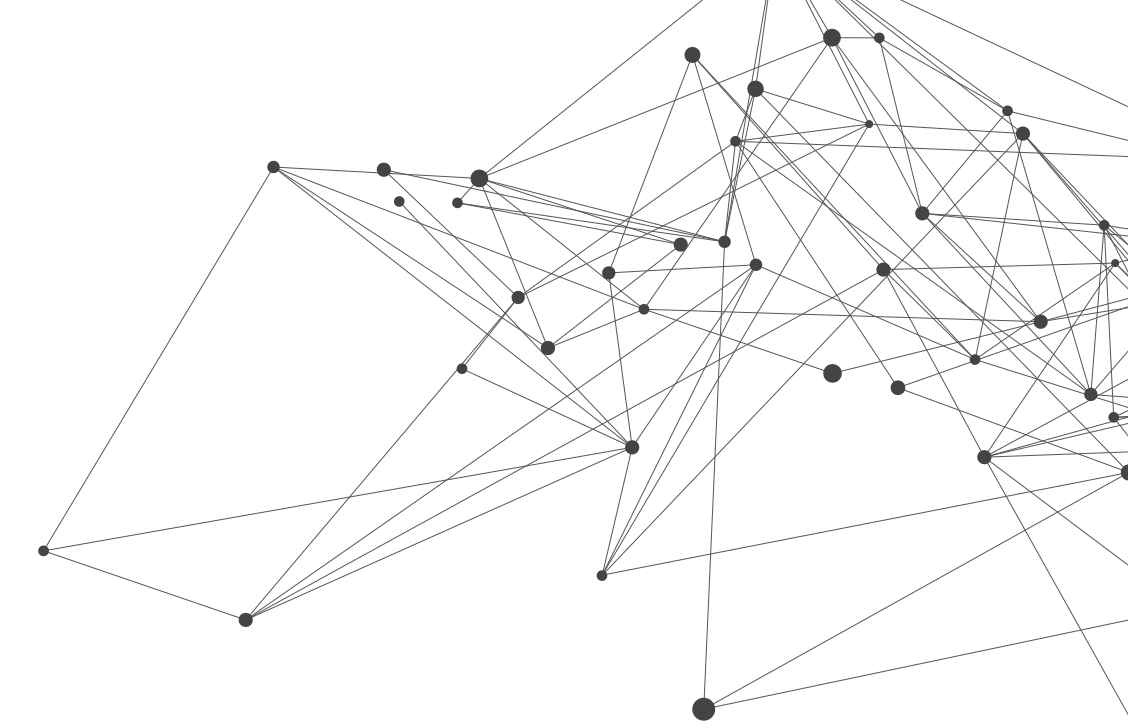
Total conversion value for highest revenue keywords

Keyword	BP	RS
+neustift +sporthotel	1643.59	1246.00
+sporthotel +neustift	1163.59	1269.00
sporthotel neustift	436.00	1338.71
hotels stubai	214.00	526.00
hotel stubaital	390.00	173.00
+autriche +spa +hôtel	503.00	0.00
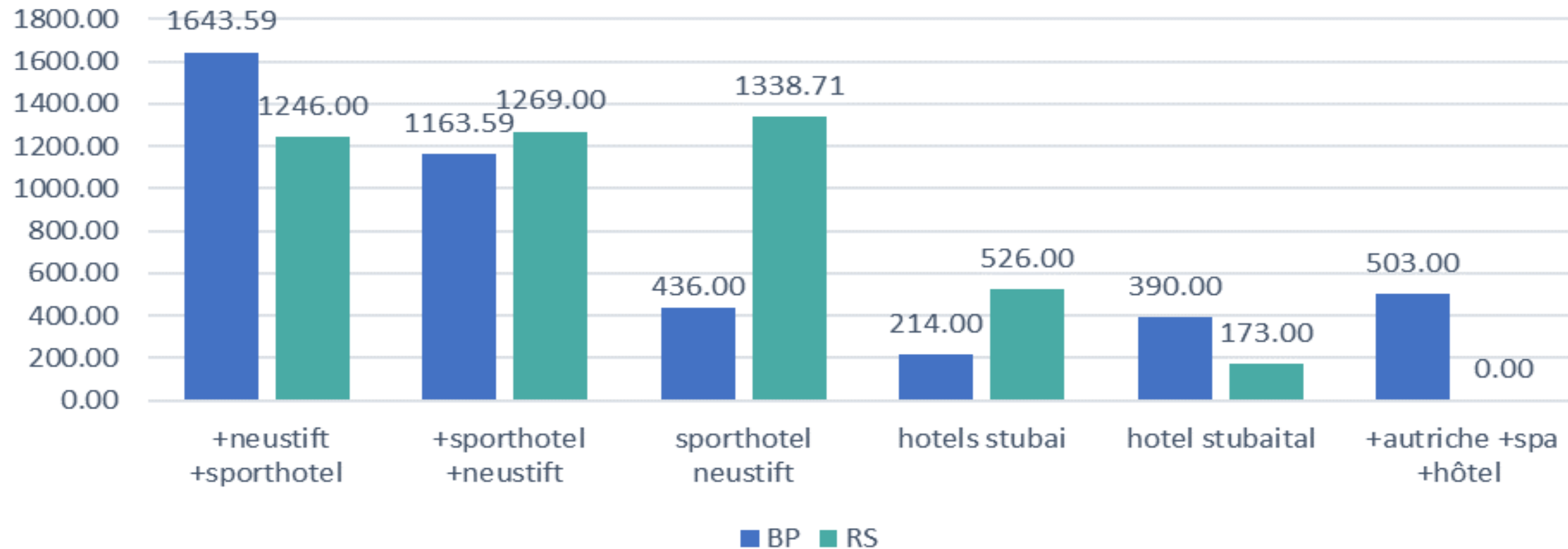
Austrian Hotel A

ORA AI

Discussion of results

Bottom line: significant improvement in hotel's Margin on Ad Spend ("Profit")

- ORA AI increased average monthly brand campaign profit by close to 50%, which is about 1000 EUR. Looking just at the increase in ROI suggests values closer to 300-600 EUR net gain in monthly profit.
- For non-brand campaigns both estimates based on profit and ROI changes suggest that ORA AI generated about 800-1200 EUR net monthly gain.

Other observations

- Optimization of brand performance by ORA AI was concentrated on generating as many conversions as possible and maximizing the total conversion value, while on non-brand campaigns ORA AI redistributed spending from bad-performing keywords to well-performing keywords and in effect both generated a higher total conversion value and reduced costs.
- The brand performance KPIs ("profit" and ROI) dropped a little in November when ORA AI was still in the learning phase, but then exceeded all-time records.
- The non-brand performance KPIs show that in November ORA AI exceeded all-time records for this campaign by a vast margin. The December result was, however, affected highly by turning ORA AI off.

Austrian Hotel A

ORA AI

ORA AI™

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