



EBOOK



14 PROVEN WAYS TO INCREASE
YOUR HOSTEL'S OCCUPANCY RATE
- EVEN IN THE LOW SEASON!

TABLE OF CONTENTS

Introduction	3
#1 Improve Your Profile On Online Travel Agencies	4
#2 Add More Channels To Be More Visible	5
#3 Increase Your Online Review Scores	6
#4 Make Your Guests Stay Longer	7
#5 Optimize Your Pricing Strategy	8
#6 Optimize Your Website For Conversions	9
#7 Start A Blog	10
#8 Use Joint Ventures With Other Hostels	12
#9 Create Exclusive Packages & Deals	13
#10 Make Your Guests Come Again	14
#11 Apply Niche Marketing	15
#12 Loosen Your Policies	16
#13 Social Media Marketing	17
#14 Traditional Offline Marketing	18
A Quick Request	19
Thank You!	20

CLICKABLE

INTRODUCTION



Effectiveness



Investment



Speed



Jump forward

Increasing your hostel's occupancy rate in the low season is one of the key [challenges among hostel owners](#) worldwide. So, what are the best ways to tackle this issue?

As I researched solutions, I was discouraged by how much bullshit I found on the topic: "Start social media marketing! Print rack cards! ..." - only to name a few.

In addition, there is a myriad of articles for hotels but almost none for hostels. Hence, I decided to change that.

In this guide, you'll learn 14 marketing tactics to increase your occupancy rate evaluated by three key factors:

- #1 Effectiveness - what impact will it make?
- #2 Investment - how much time, effort & money do you have to invest to see results?
- #3 Speed - how fast can you expect results?

The average occupancy rate of hostels worldwide is 56%. [\[Source\]](#).

A decade ago, it was found to be a standard recommendation to expect 50% of the local occupancy rate in your first year of business. Moreover, it was said that it would take about 3 years to catch up with the average.

Well, as times have changed, so has marketing. Today, you find hostels that managed to run with over 80% occupancy in their first year. But how did they do it?

They knew what would work and wouldn't.

Let's start with the former and work our way back to the least effective tactics.

#1

IMPROVE YOUR PROFILE ON ONLINE TRAVEL AGENCIES



Effectiveness

5/5



Investment

4/5



Speed

5/5



Jump back



Jump forward

[Online travel agencies](#) (OTAs) are the #1 most effective distribution channel for hostels. Full stop.

These platforms give you instant access to millions of potential guests all over the world. Without them, a hostel cannot survive these days.

Hence, improving your profile on their platform is the single most effective strategy you can use to increase your occupancy rate.

On average, 91% of the reservations hostels receive are from Booking.com and Hostelworld. [[Source](#)] Thus, I recommend you start with your improvements on these two platforms for maximum results.

So how can you improve your online profiles?

A) Use Stunning Images

Studies have shown that high-quality images are more important than the description or even reviews. [[Source](#)]

B) Improve Your Description

The art of influencing people through words is called “copywriting”. My favorite book on the topic is called “[Ca\\$hvertising](#)” by Drew Eric Whitman.

C) Copy The Best Hostels Worldwide

Why reinvent the wheel when there are proven and successful concepts out there?

[Click here](#) to see a list of the top 10 hostels worldwide to analyze their online profile.

#2

ADD MORE CHANNELS TO BE MORE VISIBLE



Effectiveness

4/5



Investment

4.5/5



Speed

4.5/5



Jump back



Jump forward

The #1 tool to “get your name out there” is a [channel manager](#). It allows you to automatically synchronize your beds and rates across all your distribution channels.

According to my analysis, “MyAllocator” from Cloudbeds is the best channel manager for hostels. If you opt for [Cloudbeds’ property management software](#), you’ll get this game-changer tool FOR FREE.

Instead of just adding new channels, take a look at my [list of online travel agencies](#) that the top 41 hostels use to market their hostel. While there are over 400 OTAs available, there are only a handful of effective channels for hostels.

Now the coolest part: Being more visible on online travel agencies helps you to increase your direct bookings on your website. Yep, you read that right.

This phenomenon is called “billboard effect” which basically explains that some travelers will want to read more information about your hostel when they see you listed on an OTA and thus visit your website.

Studies have shown that this can increase your direct booking by up to 26%. [[Source](#)]

Especially the low season is a good time to test unconventional online travel agencies such as Airbnb, Couchsurfing, and BedandBreakfast, etc.

The greatest advantage of this strategy is that it is fully automated if you use a channel manager. A matter of a few minutes can result in hundreds of additional bookings over the years.

#3

INCREASE YOUR ONLINE REVIEW SCORES



Effectiveness

5/5



Investment

1/5



Speed

2/5



Jump back



Jump forward

No doubt, increasing the overall rating on various online travel agencies is a long-term strategy. However, it's the key to stay in business in the long run since the importance of reviews is growing every single year:

- On average, travelers read through 6-12 reviews before booking a hostel [Source]
- 88% of travelers even trust online reviews as much as a personal recommendation from friends [Source]

If you find these numbers interesting, you'll love my article about [online review statistics for hostels](#).

It's no question IF online rating reviews influence the occupancy rate but rather HOW BIG their impact is. A recent study shows that travelers are willing to pay 35% more for an accommodating with 4.4 stars compared to one with 3.9 stars. [Source]

In other words, an increase of 0.5 stars can justify up to 35% higher rates WITHOUT lowering the occupancy rate.

That's HUGE.

The good news is that there are several time-tested methods to improve your ratings. I've summarized the most effective one in my guide about [how to get BETTER online reviews for hostels](#).

#4

MAKE YOUR GUESTS STAY LONGER



Effectiveness

4/5



Investment

3/5



Speed

3/5



Jump back



Jump forward

The reason why this strategy is so effective is that it's much easier to keep people than to attract new ones. Now, there are two proven ways to make your guests extend their stays:

A) Increase the community aspect of your hostel

Hostel travelers might book your hostel due to a great price and good reviews, but they stay because of other people.

An unconventional yet effective method to bolster the community is to organize weekly speed-dates among your guests. No joke. Simply give your participants a piece of paper with 10 questions to ask and let them change the tables every 3 minutes.

The result: A hell of a lot of fun and many new friendships in a matter of a single hour!

B) Show your guests what your location has to offer

The easiest way to do that is to create a map that shows all the attractions including how long it would take to see it.

The purpose is to show your guests that there's WAY MORE to see than they expected or planned for.

Now, don't worry. The map itself doesn't have to be sophisticated. A few black and white lines with some symbols will do the job.

But do you see how amazingly effective this strategy is?

Let's apply cowboy math: If you are able to convince 1 out of 4 travelers to stay 3 nights instead of 2, you've increased your occupancy rate by 12.5%!

Boom. Be prepared to run out of rooms!

#5

OPTIMIZE YOUR PRICING STRATEGY



Effectiveness

3.5/5



Investment

3/5



Speed

4/5



Jump back



Jump forward

When I refer to “pricing strategy”, I do NOT mean simply to lower your bed rates in order to receive a higher occupancy rate.

There are more sophisticated methods to increase your occupancy rate without lowering your prices:

- Using the power of odd prices
- Offering a guarantee
- Bundling in bonuses
- Limiting the choices
- Using the contrast effect
- Applying dynamic pricing

Several of these strategies have been proven to increase the occupancy rate even up to 2 figures! That’s the reason I dedicated an entire and in-depth article about [pricing strategies for hostels](#).

If any of the above sounds unfamiliar, I highly recommend you work your way through the article. This can be a game-changer for you.

No doubt, dynamic pricing in combination with a great [property management software](#) is the way to go if you’re serious about increasing your occupancy rate.

In simple terms, it’s the art of lowering and increasing your rates based on the demand. That’s where a sophisticated and complete PMS like the one from [Cloudbeds](#) pays off. It will take care of this task in a fully automated manner.

To see how it works, check out my guide about [dynamic pricing](#).

Gosh, I love this tool.

#6

OPTIMIZE YOUR WEBSITE FOR CONVERSIONS



Effectiveness

2.5/5



Investment

3/5



Speed

3/5



Jump back



Jump forward

Your website is another part of your online presence and is the key to receive direct bookings.

If you don't have a website yet, I highly recommend my step-by-step guide to [create a hostel website](#) for less than \$100 and within only 15min.

Yes, you read that right. It has never been easier to create your own professional website.

The sole goal of your hostel website is to convert visitors to paying guests. Hence, your entire web design should be built around convincing people to reserve a bed.

To receive commission-free direct bookings, you need a [booking engine](#). Fortunately, the [best property management software for hostels](#) already comes with a free booking engine.

There are many ways to optimize your website:

- Have a FAQ page
- Use the space above the fold wisely (=what you see without scrolling down)
- Use the right theme
- Choose the right colors & fonts
- Play social proof (e.g. reviews, ratings, etc.)
- Apply search engine optimization (SEO)

Again, this topic is so vitally important that I've dedicated an entire blog article with [21 ways to improve your hostel website](#). It also covers the small changes that come with a big impact.

#7

START A BLOG



Effectiveness

2.5/5



Investment

2/5



Speed

1/5



Jump back



Jump forward

Creating a blog is a great idea to increase the number of visitors to your website, aka “traffic”. Your design is what keeps them there, but your content is ultimately what attracts them.

As a general rule, the more visitors you get, the more beds you’ll sell due to the increased visibility. However, you have to make sure that the topics you’re publishing are relevant to your target market (e.g. travel tips).

A blog especially gains importance if the entire area where you’re located isn’t too attractive by itself. Hence, your job is to “sell your location” by writing articles about all it has to offer.

Now, don’t worry. You don’t need to write these articles yourself.

The two most convenient ways are to either let travel bloggers write them in exchange for free accommodation or to outsource this task to freelancers on [freelancer.com](https://www.freelancer.com).

On [freelancer.com](https://www.freelancer.com) you can get awesome content for only a few bucks. In fact, with [this link](#), you’ll even get a free bonus of \$20 USD on their website.

That said, it still takes some time because you might want to proofread the articles and have to publish them yourself. Furthermore, this is not a short-term fix.

Especially if your website is new, don’t expect any real traffic before the first 6 months after publishing the article. Google first has to index all your pages, i.e. measuring and testing how “valuable” the content is for related searches.

However, the beauty of a blog compared to social media is that it’s a long-term strategy in which you’re in full control! Your content will be working for you in 5, 10, 15, and even 20 years.

QUICK QUESTION



Do you like what you see so far?

If yes, the biggest compliment you can pay me is to participate in this quick survey.

[Take The Quick Survey](#)

It means the **W O R L D** to me.

You'll get access to all the answers and a notification as soon as they're online.



Jump back



Jump forward

#8

USE JOINT VENTURES WITH OTHER HOSTELS



Effectiveness

2/5



Investment

4/5



Speed

3/5



Jump back



Jump forward

If your hostel is on a popular travel route, having a joint venture with other hostels in place can be a lucrative strategy to increase your occupancy rate.

I experienced this strategy when I traveled up the east coast of Australia. In the hostel where I stayed in Airlie Beach, I received a voucher for 10% off for a hostel in Townsville which was the next stop of my hop-on / hop-off bus.

Since people either travel up or down, the hostels built relationships with their neighboring hostels on a win/win basis. That's genius!

While not all travelers will take advantage of such an offer, it will still automatically lead to a regular stream of guests without having to invest any additional time. Furthermore, the quality of guests is typically way better than what you receive through OTAs.

The basic idea is to look where your guests are BEFORE they come to your hostel and where they go AFTER it.

However, if there's no pattern, i.e. travel route established or you're located in the middle of nowhere, this strategy might not work out for you.

#9

CREATE EXCLUSIVE PACKAGES & DEALS



Effectiveness

1.5/5



Investment

2/5



Speed

2.5/5



Jump back



Jump forward

The effectiveness of bundling packages and special deals is highly dependent upon how you design your offers.

While this method is commonly used by hotels to increase the occupancy rate, it's rather uncommon for hostels since the target market is quite different.

A weekend-package for couples with spa and wine-tasting might work for hotels, but it's unlikely that hostel travelers are looking for that.

Hence, make sure that when using this strategy effectively, you know EXACTLY what your [target market desires!](#)

If your guests are more action-oriented travelers, you might have good cards by offering special deals for bungee jumps, white water rafting, or offroad bicycle tours.

If your focus is on working-holiday backpackers, it's great to have joint ventures with companies that are looking for short-term workers. If you can promise a fixed job, they will even travel to your area to get it. No joke.

Last but not least: You can also organize your own events to bring people into your area and your hostel. I know two hostels that have organized music events since they themselves love it and they have been fully booked during that time even though it was the off-season.

That all being said, packages and deals typically demand a high time investment and only bring short-term results.

#10

MAKE YOUR GUESTS COME AGAIN



Effectiveness

2/5



Investment

4/5



Speed

1/5



Jump back



Jump forward

There are often discussions about whether loyalty is an important element for hostels or not. And there's a good reason for that: Many hostel travelers do not consider traveling to the same area ever again.

However, there's a small percentage of hostel guests who will come back, if there's a strong enough incentive. Your task is to basically make it painful NOT to come back to your hostel.

The following is a strategy I learned from reading marketing genius Allan Dib's book "[The 1-Page Marketing Plan](#)" (recommended read). There's a reason why Allan Dib's book was the leading best-seller for MONTHS:

- Step 1: Find out your average length of stay (e.g. 3 nights)
- Step 2: Offer a free night for every 3 nights someone stays in your hostel

The key is that there has to be at least a certain period of time (e.g. 4 weeks) in between their current stay and the next stay. They also have to book at least double the time compared to what they get for free.

Now imagine this: A guest stays for 6 nights and qualifies for 2 free nights after 4 weeks. Damn, that hurts to not take advantage of, right?

And if they decide to come back, how likely is it that they'll stay longer than the 4 nights they have to book in order to receive their 2 free nights?

Genius.

By applying this strategy, you're cutting a piece of a profit you otherwise wouldn't have!

#11

APPLY NICHE MARKETING



Effectiveness

2.5/5



Investment

2/5



Speed

2.5/5



Jump back



Jump forward

[Niche marketing](#) describes the process of marketing to a narrow target market - called “niche” - by addressing their specific needs and desires.

A healthy sense of logic would have you to believe that a broader target market leads to more potential guests, right?

Well, the reality is that if you market to “everyone”, your message gets diluted and doesn’t speak to anyone.

By having a laser-like focus on a specific group, you’re much more likely to score a hit.

This strategy can be extremely effective and is responsible for the success of many companies. However, you need to know EXACTLY what your niche desires.

Hence, it all starts with an in-depth [target market research](#). After you’ve done the research, it’s about where you can find these kinds of people to actually be able to talk to them.

This is where the reporting of proper [property management software](#) can help you out. It gives you many relevant stats such as gender, nationality, etc. of your guests.

I’ve written an entire article about [niche marketing for hostels](#) in case that’s something you would like to get into.

#12

LOOSEN YOUR POLICIES



Effectiveness

1.5/5



Investment

4.5/5



Speed

4.5/5



Jump back



Jump forward

If you've established strict policies for your hostel, it might be worth loosening them in the off-season:

- Go back to a 1-day cancellation policy
- Accommodate pets
- Reduce the minimum age and allow elderly people to visit your hostel
- Skip your minimum and maximum stay requirements
- Offer accommodation for big groups

A single sentence in your policies that states that these rules only apply for a certain time during the year will do the job.

I've recently analyzed the policies of the top 30 hostels worldwide and was surprised by how similar they were. If you want to learn more about the topic, visit my blog about [hostel policies](#).

#13

SOCIAL MEDIA MARKETING



Effectiveness

0.5/5



Investment

0.5/5



Speed

0.5/5



Jump back



Jump forward

If you've read my article about [social media marketing for hostels](#), you probably already know that I'm in a love-hate relationship with this trendy topic.

Yes, I do think it was a breakthrough and a revolution when it comes to the level of connectedness it enabled. However, when it comes to hostel marketing, I think it's utterly overhyped.

While there are some hostel owners who claim to receive bookings via Facebook, I doubt that the social media presence alone made them book the hostel.

After all, most travelers love comparing prices and ratings on [online travel agencies](#).

Now, the biggest drawback of social media is that it's extremely time-consuming. While there are some awesome tools like [Buffer](#) that can automate a big part of it, it's still way too much in comparison to the potential bookings you can receive.

In fact, I surveyed 59 hostel owners about what they'd do differently if they could start again from scratch and more than 20% mentioned that they'd spent less time on social media.

The only real exception to this rule is when it's your passion and you like spending time on social media. Then, for god's sake, go for it! 😊

However, make sure to read my guide about [9 proven tips to increase the effectiveness of social media marketing](#).

It also contains statistics about how the top 41 hostels worldwide use social media.

#14

TRADITIONAL OFFLINE MARKETING



Effectiveness

0/5



Investment

3/5



Speed

2/5



Jump back



Jump forward

I was shocked to read blog posts online that recommend printing flyers, brochures, rack cards, etc. to promote your hostel offline in this day and age.

Some even recommended to pay money to get into travel guides which were described as the “bibles for tourists”. Well, they might be... for your grandparent’s generation.

No, seriously.

Traditional offline marketing is loooooong dead. Hence save your time and effort and improve what really keeps the cash register ringing.

Here’s an example I found in a forum:



[Redacted name]

[Report](#)

12 years

Onme year I was on a road trip for another purpose and thought I would do a little promoting on my way. Good thoughts, lousy outcome. I made up discount coupons and attached to my rack cards. I went through one of my target areas and visited every bicycle shop I could find. This was a promo to increase my summer guest potential. There was no expiration on these discounts. Well, I dropped off 10 card packages at about 20 cycle shops and thought I might get the usual 10%. **Boy was I suprised, I got zero response.** So as I said before I have tried everything I could think of over the years.

And this was 12 years ago! I believe I made my point.

TAKE THE SURVEY

Part of my mission is to connect hostels, so you get access to this HUGE pot of wisdom and are able to share your experiences.

With this quick survey, you can help me to help you 😊

[Click To Take The Survey](#)

This survey only contains 6 QUESTIONS and takes about 2 minutes. You'll get access to ALL the answers as soon as they are published.

Your participation is the BIGGEST compliment you can make.

Thanks in advance!
- TheHostelHelper

A QUICK REQUEST



THANK YOU!

I want to thank you for taking the time - which is your most valuable resource - to review this free ebook. I hope you enjoyed reading it.

Best of luck, and I look forward to serving you again soon!

- [TheHostelHelper](#)

