

Orange 142 Helps Cape Resorts Revitalize its Digital Advertising

With a 247% increase in click-through rates and a 42% return on ad spend, Orange 142 helps Cape Resorts implement a new approach and exceed its performance goals

Cape Resorts offer spaces where memories are created year after year. They embrace nostalgia and understand that experiences grow richer with time and become more meaningful with each generation. Traditions thrive at Cape Resorts.

+42%

Return on Ad Spend

+247%

Click-through Rates



“The Cape Resorts account is set up for success and has many opportunities to continue scaling as the ROAS is at 31x and is bringing significant revenue for the hotels. The Performance Max campaigns combined with non-branded and branded search campaigns are a great way to ensure we are showing up for people throughout all stages of their research to the actual booking. I see lots of potential for even more success in this account!”

Raiyah Panchel
Senior Digital Strategy Lead - Accelerated Growth Team
Google

About Cape Resorts: A Beachside Paradise

Cape Resorts is a family of six unique hotels located along the beautiful beaches of Cape May, New Jersey, and the East End of Long Island, New York. Known for providing a warm and gracious welcome, Cape Resorts offers exceptional hospitality, superior service, and impeccable standards in settings that balance relaxation, elegance, and fun. The company is dedicated to building loyalty, delivering value, and fostering long-standing traditions for its team, guests, community, and partners.

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Challenges: Building a Vibrant Shoulder Season

For more than 30 years, Cape Resorts has enjoyed significant success with its marketing efforts, which have played a key role in filling rooms and driving business. However, when COVID-19 hit, subsequent lockdown orders forced the company to pause its digital advertising initiatives. Because the hotels are located in beach communities, guests still came based on past stays and word of mouth. Once restrictions were lifted, however, Cape Resorts had bigger plans in mind, namely, fill rooms during the “shoulder” seasons.

Cape Resorts hired Steve Bauducco, its senior director of digital marketing and direct distribution, to lead this critical effort.

In addition to restarting the brand’s digital campaigns, Bauducco began thinking about how he could transform Cape Resorts from a seasonal destination to a year-round getaway.

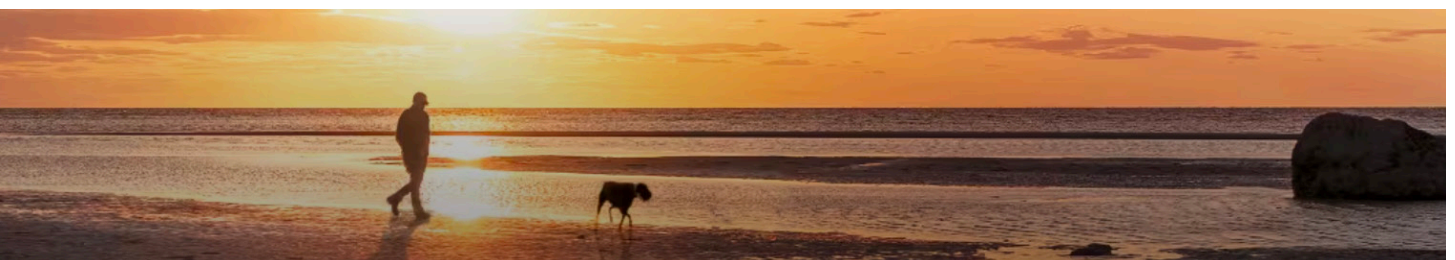
Fortunately, Cape Resorts had signed a contract with Orange 142 six months before his arrival. With its deep expertise in the hospitality sector, digital advertising, and proprietary audience database, Orange 142 was ready to help. “When I joined Cape Resorts, I kind of inherited you guys. But from day one, we’ve had a great relationship. We got a game plan together, and it’s been great ever since,” he said.

Bauducco has his work cut out for him! In addition to rebuilding a digital strategy and attracting year-round guests, he needed to:

- » Engaging New and Loyal Audiences Simultaneously. While the focus was on identifying new guests for shoulder seasons, Bauducco still needed to keep loyal guests engaged and Cape Resorts top-of-mind. For Bauducco, that meant creating two sets of messaging: one that reminded existing customers why they love Cape Resorts so much and the other that provided new guests with a compelling reason to visit outside the traditional summer window.
- » Seasonality and Occupancy Gaps: The extreme seasonality of the properties, particularly those on Shelter Island and in the Hamptons, made it difficult to maintain occupancy levels in the offseason. While Cape May had successfully evolved into a year-round destination, the East End properties largely shut down in the winter, adding pressure to fill rooms during quieter times.
- » Reduced Marketing Budget. In 2024, Cape Resorts faced a tighter marketing budget with a 20% reduction from the previous year. “We needed to be very strategic with our spending,” explained Bauducco.



Steve Bauducco
Senior Director of Digital Marketing
and Direct Distribution



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The Solution: Comprehensive Digital Marketing & Optimization

After Cape Resorts restarted its digital marketing initiatives post-COVID-19, it turned to Orange 142 to help rebuild its strategy and drive revenue, particularly during the offseason. Orange 142 proved a valuable partner, acting as an extension of Cape Resorts' marketing team.

To address Cape Resorts' needs, Orange 142 initially focused on display campaigns and non-brand search campaigns targeting consumers within the resort's drive market while continuing to invest in brand search terms. Additionally, Orange 142 layered in social campaigns aimed at a similar audience to expand awareness.

Lower in the funnel, the team incorporated remarketing campaigns. Orange 142 experimented with different targeting strategies, including adjustments to household income (HHI) targeting to broaden the audience. However, they quickly realized that lowering the HHI led to a drop in campaign performance, prompting the team to revert to the higher HHI and rebalance the budget to find the optimal mix.

Despite high impressions, the initial display campaigns didn't deliver the expected conversions, which raised concerns given that the primary goal was to build overall awareness. "The real hiccup that made us knuckle down and get our heads together on strategy was on the display side, which we struggled with for the longest time to figure out," Bauducco explained.

While building awareness was the primary objective, Cape Resorts still faced a significant challenge: "It's difficult to measure performance when conversions are so low." As Bauducco noted, Cape Resorts wasn't expecting many conversions, but in some cases, the campaigns weren't showing any return.

Optimizing Channel Mix

To address the poor display performance, the Orange 142 performance team worked closely with Cape Resorts to reassess and refine the channel mix strategy. They experimented with shifting budgets away from underperforming display ads and focused on more effective channels, such as social media and brand campaigns. Social was a more relevant channel for the resorts, as it is where more people spent their time.

"We had to get a little more strategic. We pulled some money from brand campaigns and put it into non-brand campaigns. The strategic decision was to drive more awareness to people unaware of us," said Bauducco.

"The more I look at it, the more it seems like the display is becoming a less effective channel, at least regarding conversions. It's only useful as an awareness play now," he continued.



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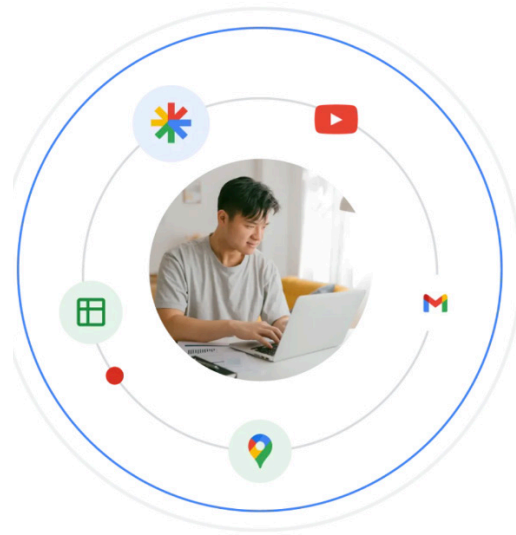


Introduction of Google Performance Max (Pmax)

A turning point came when Orange 142's performance team recommended adding Google's Performance Max (Pmax) to Cape Resorts' digital strategy. Though initially focused on more traditional digital campaigns, Bauducco quickly saw the benefits of Pmax. With its AI-driven targeting and optimization across Google's entire suite, Pmax allowed Cape Resorts to capture more attention and conversions while spending less.

The Orange 142 team extensively tested with PMAX before implementing it for Cape Resorts. Originally designed as an e-commerce tool for CPG brands, PMAX required strategic customization by Orange 142 to align effectively with Cape Resorts' unique needs in the hospitality industry.

"I had been hearing about Performance Max, but this was the first hotel group I used it with. And immediately, we saw results. We got big results on the awareness side, and we're now getting both awareness and conversions, which feels like a real victory," he said.



Creative Refresh

As Cape Resorts worked to enhance its digital marketing strategy, it recognized the need for a creative refresh to better resonate with its target audience. The previous ads focused heavily on showcasing the architecture of the hotels, which felt disconnected from the emotional experience of staying at the properties. "We had very bland creatives. I inherited these display ads, and they didn't communicate the experience of our resorts," explained Bauducco.

Orange 142 has a team of strategic partners we work with, one of which Orange 142 introduced to Cape Resorts. The result of that introduction was a suite of new ads shifted to focus on the feelings and experiences of a stay at Cape Resorts. This refresh led to significant improvements in performance and drove deeper engagement with users.

"We redid the creative to be much more emotionally connected. It spoke to the feeling of staying at our hotels, not just the architecture."



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Results: Exceptional ROI and Bookings

Cape Resorts saw extraordinary improvements in its digital marketing performance throughout 2024. The overall return on ad spend (ROAS) surged from 10:1 to just under 14:1, marking a significant leap in efficiency and effectiveness.

<p>Click Through Rate (CTR) <i>2024 vs. 2023</i></p>	<p style="text-align: center;">+247%</p> <p>Even more impressive was the CTR, which the client describes as “through the roof.” With a 247% increase, it’s easy to see why Cape Resorts is happy. This dramatic boost helped Cape Resorts engage a more qualified audience and maximize the impact of their marketing spend, delivering more excellent value with every dollar invested.</p>
<p>Return on Ad Spend (ROAS) <i>2024 vs. 2023</i></p>	<p style="text-align: center;">+42%</p> <p>Cape Resorts made significant improvements in 2023 after consolidating its digital marketing under Google Ads with Performance Max (Pmax) as a full-funnel solution. Before this change, they operated multiple campaigns across various channels, including Native, Display, Retargeting, PPC, Instream, and Social. With Pmax, they implemented a unified strategy that optimized these channels, leading to a 42% year-to-date increase in ROAS and a 267% increase in CTR. By 2024, their overall ROAS jumped from 10:1 to nearly 14:1, demonstrating the efficiency and effectiveness of this strategic shift.</p>



About Orange 142

Orange 142 is a digital marketing and advertising company with offices across the US. We service marketers and agencies. We are part of Direct Digital Holding, the ninth Black-owned company to go public.

We help marketers of all sizes grow their reach and revenue through data-driven media strategies. We also partner with agencies and execute campaigns on behalf of their clients.

Our team of experts deeply understands the digital landscape and the latest advertising and marketing technologies. We work closely with our clients to develop and execute custom advertising and marketing campaigns that meet specific goals.

We are committed to providing our clients with the highest service and transparency. Open communication and collaboration are essential to the success of every advertising and marketing initiative.

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