



HOTEL BONANZA

A FAIRER WAY TO SELL AND BOOK ACCOMMODATION ONLINE

SEPTEMBER 2016

**Our mission is simple:
to create a fairer model
for accommodation providers
and consumers.**

High Commissions

The Problem

High commission rates ranging from an average of 15% but up to 30% are making it difficult for properties to make a profit.

According to an article in travel news website Skift in July, forecasts show that Priceline Group, which owns Booking.com, and its main competitor Expedia will control 94% of all online bookings by 2020.

Some guests will even extend their stay online while sitting in their hotel room instead of calling down to reception and booking direct.



Our Solution?

Hotel Bonanza will charge a fixed rate of just 8% commission.

Cost Comparison

Average Hotel Room

£100

Per Night

*

Based on a 3* property
in London

Average Commission*

15%

Equal to £15 per booking

*

Conservative estimate -
Many properties now pay a basic
commission of 18%

Hotel Bonanza

8%

Equal to £8 per booking

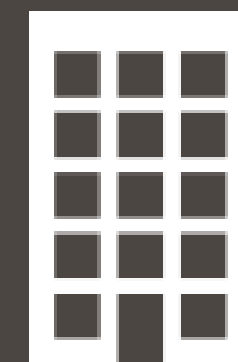
Total Saving

47% / £7
per room per night

Cost Saving

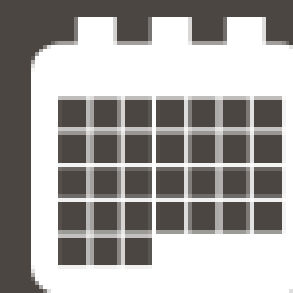
Average Property Size

50 rooms



Average Annual Occupancy

80% / 292 days



Saving per night	£7
Rooms	x 50
Nights	x 292

Total Saving
£102,200
per hotel, per year

OTA Search Results Ranking

The Problem

The only way to be guaranteed a high ranking is to pay yet more commission.

Misleads consumers as they have no idea the 'preferred' properties are simply paying more money.

Other factors that affect your ranking such as conversion rates are hard to improve when your property is not listed on the first page.



Our Solution?

We will not charge more money to be ranked higher and will use an algorithm heavily weighted on proximity to search location.

Reviews

The Problem

Most properties get a mixture of good and bad - this is expected.

However, some reviews are inaccurate, unfair or simply malicious.

It is extremely difficult for properties to get reviews removed, even when they can prove they are not fair or accurate.



Our Solution?

A genuine and honest review system that consumers trust but one that also listens to properties' concerns.

Rate Parity

The Problem

In the UK, OTAs are allowed to insist that properties do not sell cheaper on their own websites. Price discrepancies can lead to emails threatening to drop that property to the bottom of their search rankings.



Our Solution?
Hotel Bonanza will not ask for rate parity.

**Bringing Hotel Bonanza to life,
there have been highs, lows and no
shortage of road blocks!**

Challenge:

Channel Managers

Properties do not want to sign up unless you are connected to their channel manager (companies that enable them to update their rates in one place).

There has been an explosion in channel managers in the last ten years and many are very selective about who they connect to.

It's a fine balancing act as to get the properties you need the channel managers and vice versa.

+

Positive

There is a huge appetite among accommodation providers for a lower commission rate and a fairer way of doing things.



“ We can’t tell you how happy we are to see somebody take on the likes of Booking.com and Expedia. We will support you all the way – where do we sign up? ”



“ This is so long overdue and we love your idea. Well done and we will spread the word. ”



“ I am so happy to see somebody thinking about the accommodation providers at last. We will be signing up now. ”

Our customer value proposition?
A better deal for everyone.

Bonanza Membership: The Inclusive Discount

We will offer consumers a 5% discount on every room they book for an annual fee of £10.

Our membership scheme is different because the discount applies to every property, not just a selection.

Consumers will make a saving straightaway if their booking costs more than £200.

Hotel Bonanza pays for the discount, not accommodation providers.

Why do we think our scheme will work?

Bonanza membership

- ✓ Clear, simple message
- ✓ 5% discount for annual fee of £10
- ✓ Money off every property they book

Other memberships

- ✗ Points schemes
- ✗ Money back
- ✗ Discount on selected properties only

The Future

**We see Hotel Bonanza as
a credible alternative to Booking.com and
Expedia with fairness and transparency at
our core.**

A dimly lit hotel lounge with a red tufted sofa, a round wooden coffee table with a gift, and patterned armchairs.

Thank You

HOTEL BONANZA