

Phoenix.

Marketing
International

Accelerated Performance through Research

2007 Global Travel Agent GDS Study November 2007



Agenda

- **Objectives**
- **Methodology**
- **Detailed Findings**
 - Reservation Channel Usage
 - Details that lead Travel Agents To Make a Booking
 - Importance of GDS Rate Parity
 - GDS Promotional Messages
 - Details on Negotiated Rates
- **Recap of key findings**

Objectives

- The primary purpose of this market research study is measuring travel agent awareness of GDS media promotional messages
- Determining how GDS media is used by travel agents
- Evaluating the frequency with which travel agents use GDS marketing tools
- Understanding how and why agents shop for negotiated rates and best available rates (BAR)

Methodology

- Phoenix Marketing International (PMI) used a list of global travel agents that subscribe to one of the four major GDS systems. This list contained both U.S. travel agents and international travel agents.
- PMI e-mailed invitations to travel agents across the globe asking them to participate in a 15-minute, online GDS study. Travel agents from the following thirty countries (including the United States) responded to the survey.

Argentina	Brazil	Greece	Italy	South Africa	Trinidad & Tobago
Australia	Canada	Hong Kong	Kenya	Spain	Turkey
Bangladesh	Denmark	Hungary	Malaysia	Sweden	United Kingdom
Barbados	France	India	Mexico	Switzerland	United States
Belgium	Germany	Ireland	Portugal	Thailand	Venezuela

Methodology

- A total of 500 online surveys representing the global travel agents audience were completed as shown below...

<i>U.S. Travel Agents</i>	<i>International Travel Agents</i>	<i>Total Travel Agents</i>
260	240	500

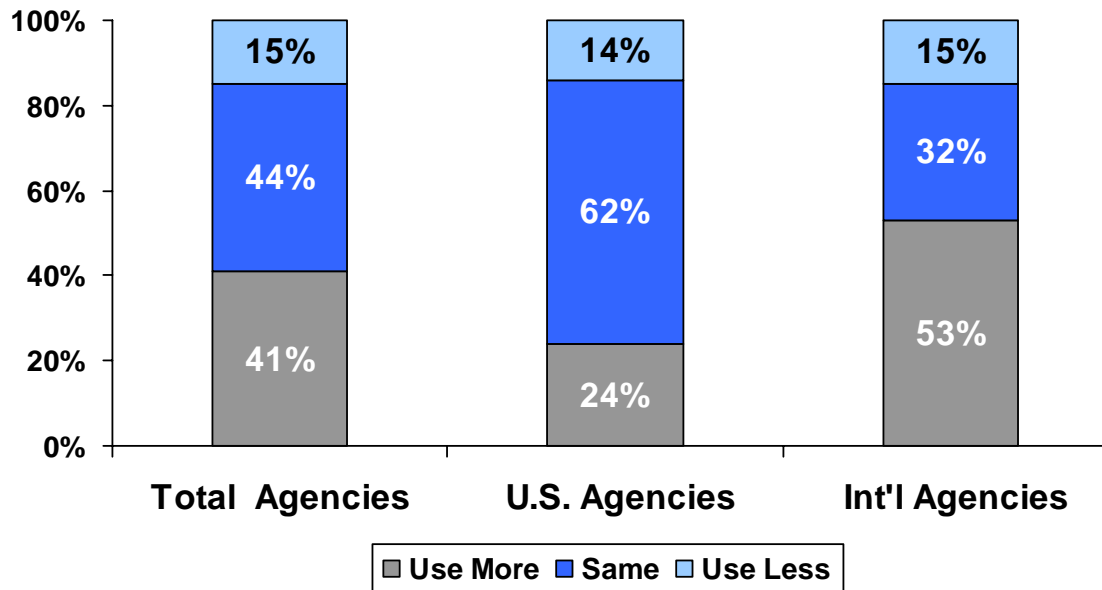
- The 500 interviews have a statistical accuracy of +/- 4.4 points at the 95% confidence level.
- Data presented in the study has been broken down to show behavior of US, International and the cumulative global travel agents

Detailed Findings



Reservation Channel Usage in Past Two Years Among Travel Agents ~~ GDS Platforms ~~

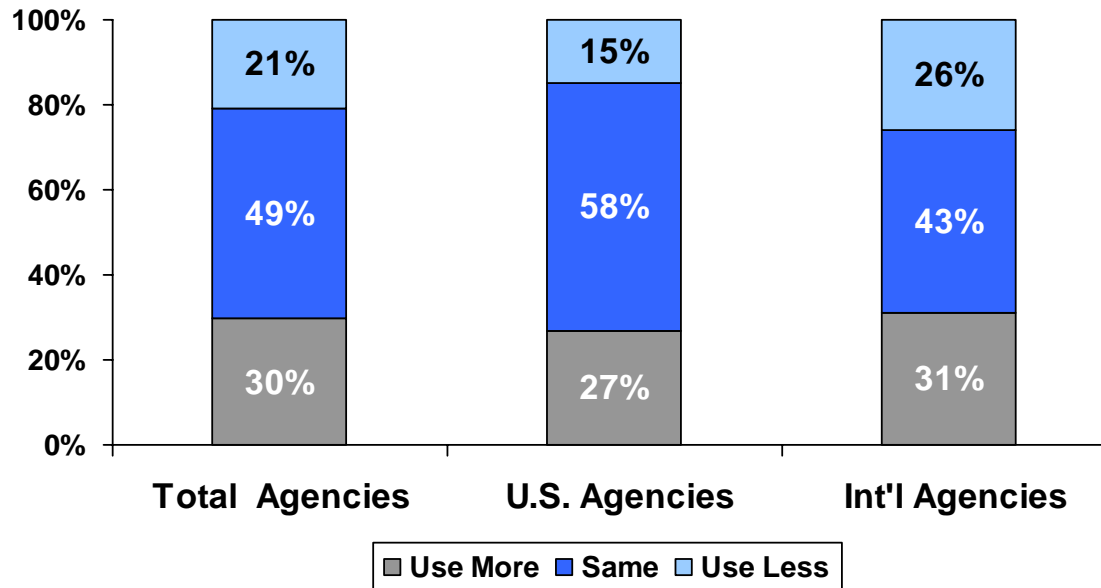
- Compared to two years ago, two-out-of-five global travel agencies (41%) said that they were using their *GDS platform* more often than in the past.



Q. Compared to two years ago, would you say that you are using the following reservations channels more, about the same, or less?

Reservation Channel Usage in Past Two Years Among Travel Agents ~~ *GDS Shopping Displays* ~~

- One-third of global travel agencies (30%) stated they were using the *GDS Shopping Displays* more often than in the past.



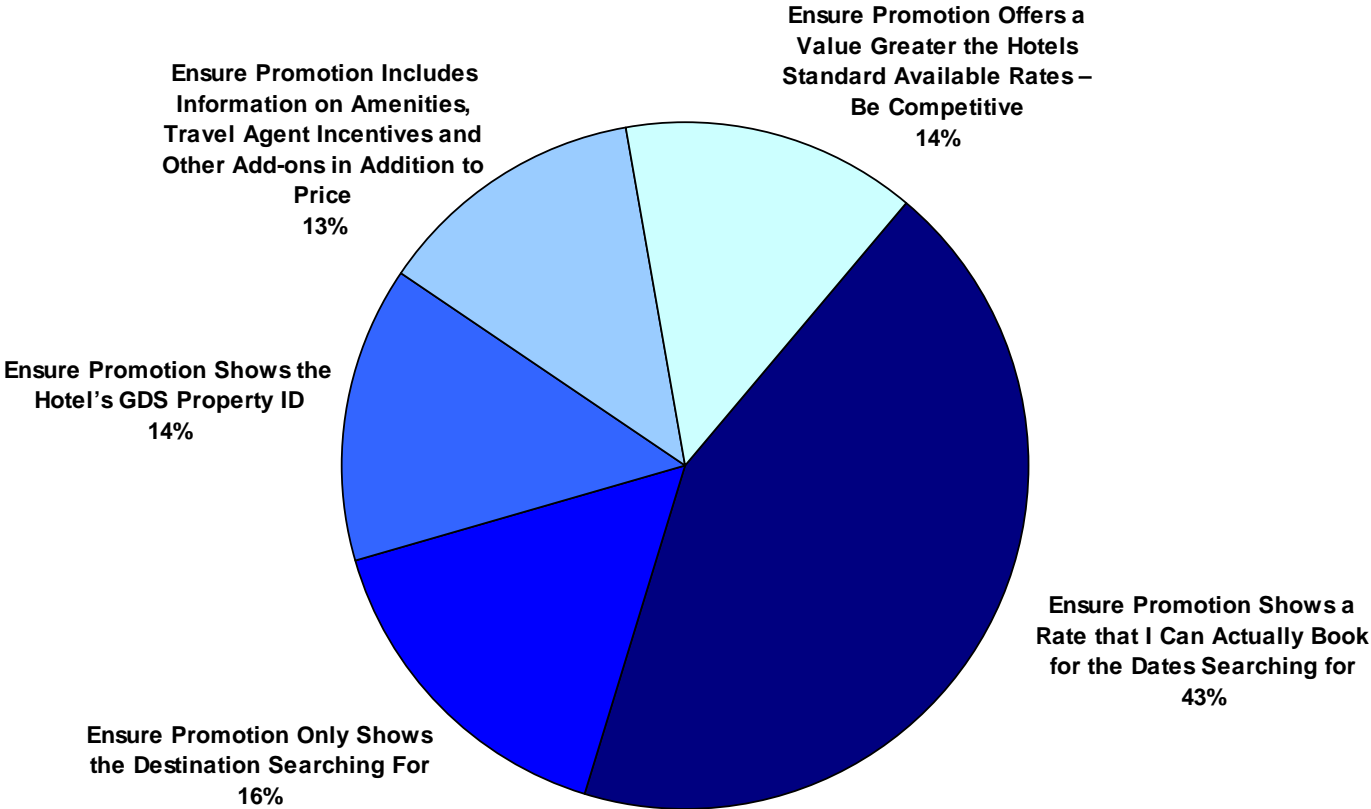
Q. Compared to two years ago, would you say that you are using the following reservations channels more, about the same, or less?

Details That Lead To Making A Hotel Booking

- The items most critical in display messages that will help lead to making a hotel booking...
 - *Ensure Promotion Shows a Rate that I Can Actually Book for the Dates Searching for*
 - *Ensure Promotion Only Shows the Destination Searching For*
 - *Ensure Promotion Shows the Hotel's GDS Property ID*
 - *Ensure Promotion Offers a Value Greater than the Hotels Standard Available Rates – Be Competitive*
 - *Ensure Promotion Includes Information on Amenities, Travel Agent Incentives and Other Add-ons in Addition to Price*

Details in Display Messages that Lead to Making a Hotel Booking Percent Saying “Most Important” Among Those Aware of GDS Promo Messages

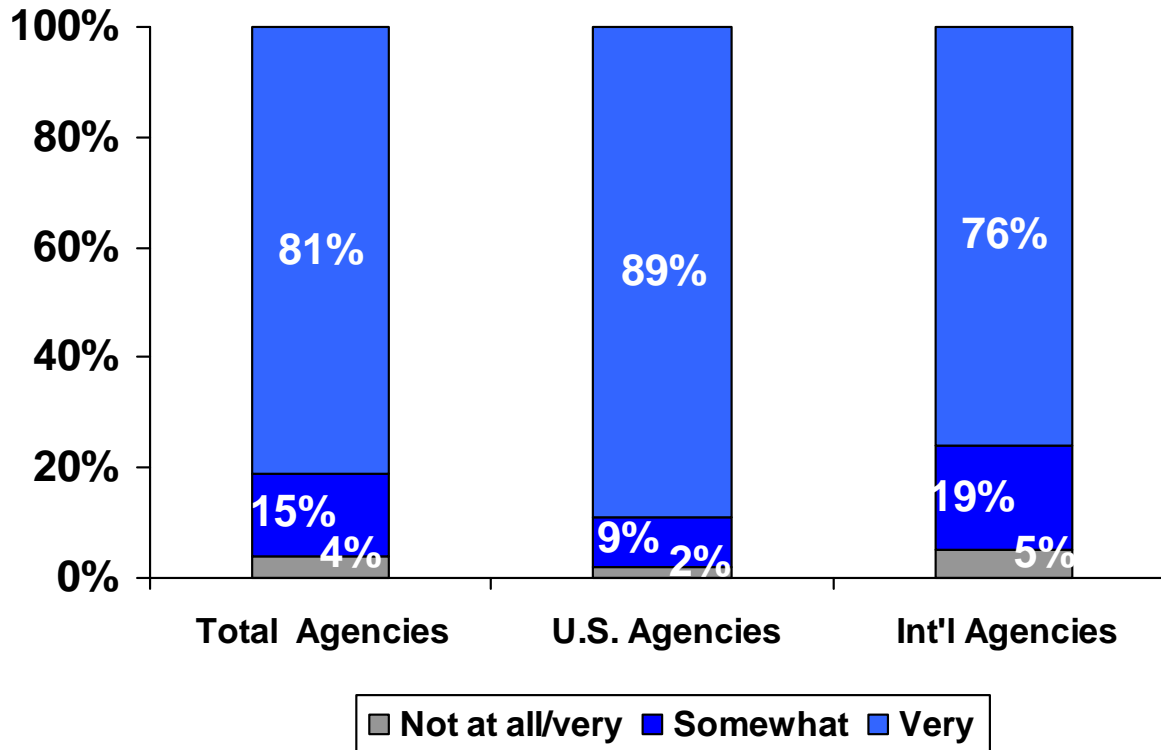
Total Agencies



Q. What details in a GDS promotional message help lead you to making a hotel booking when you first see the ad? Please rank in the order of most important to least on a scale of 1-5 where “5” is most important” and “1” is “least important” when answering

Importance of GDS Offering Rate Parity

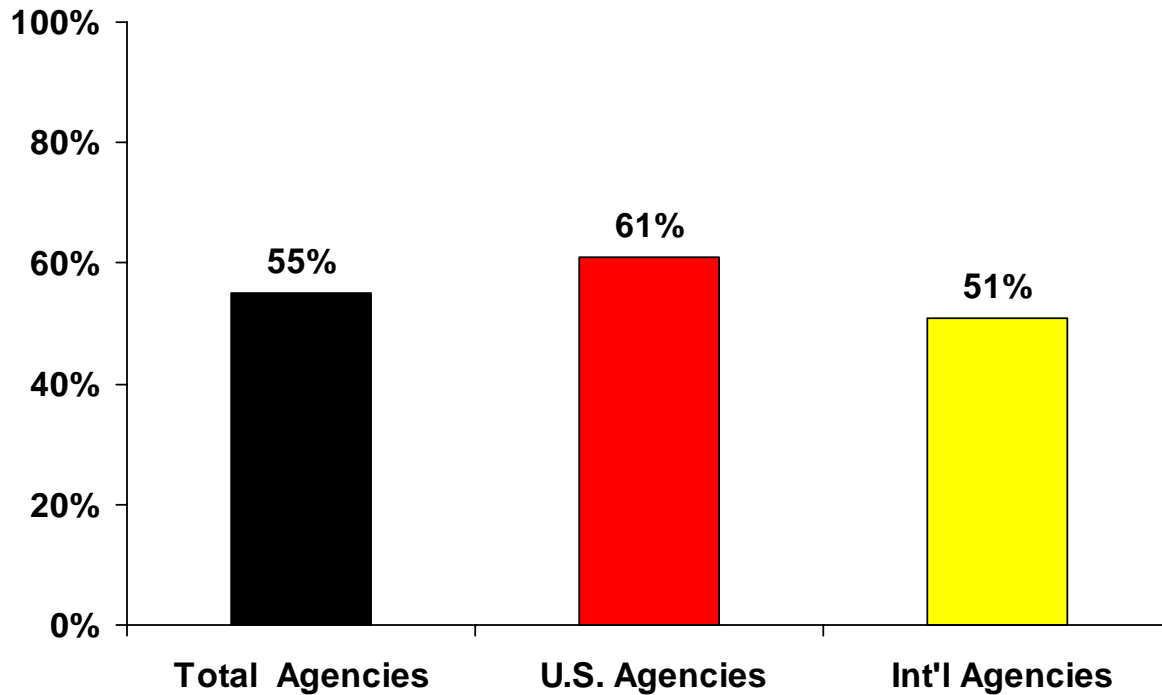
- Travel agents across the globe were virtually unanimous in their belief that GDS systems should offer *rate parity*. Over four-out-of-five U.S. travel agents (89%) and three-quarters of international travel agents (76%) said it was *very important* to see the same rates available on all platforms.



Q. How important is it to you to know that the GDS can offer rate parity (Very important, somewhat important, not at all/very important)?

Awareness of GDS Promotional Messages

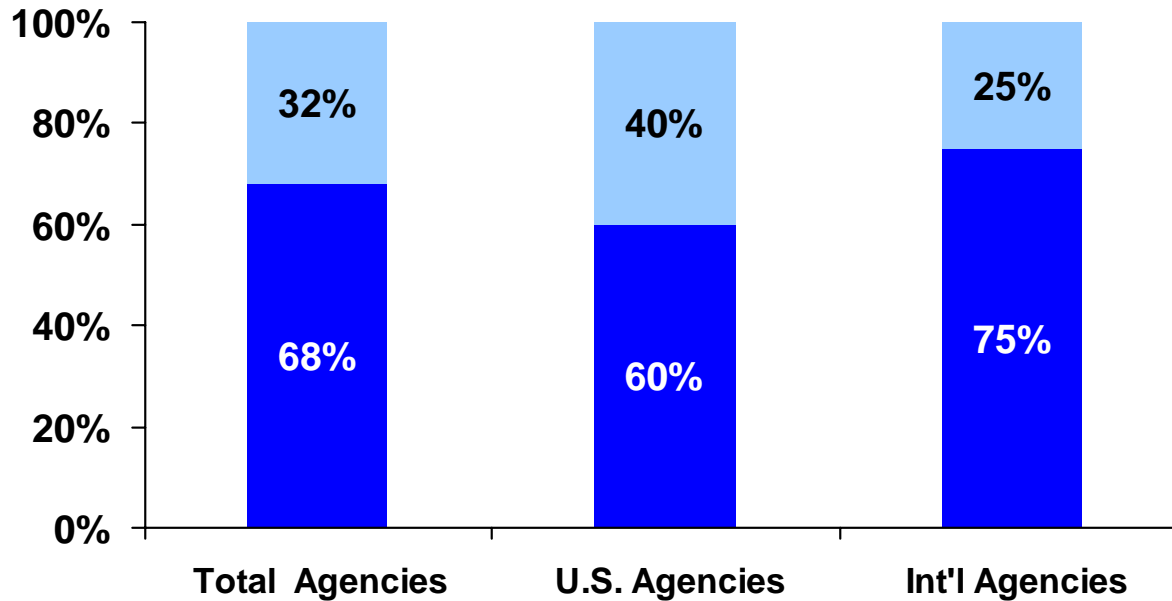
- More than half of all global travel agents (55%) recall seeing GDS promotional messages.



Q. When researching air, hotel or car availability for your clients, do you recall seeing a promotional message known as Display Messages, Headlines, PromoSpots, Accents?

Percent of Time Travel Agents Request Additional Information Among Those Aware of GDS Promo Messages

- In the past 3 months, two-thirds (68%) of all global travel agents who were aware of promotional messages requested additional information by looking at the click through screen

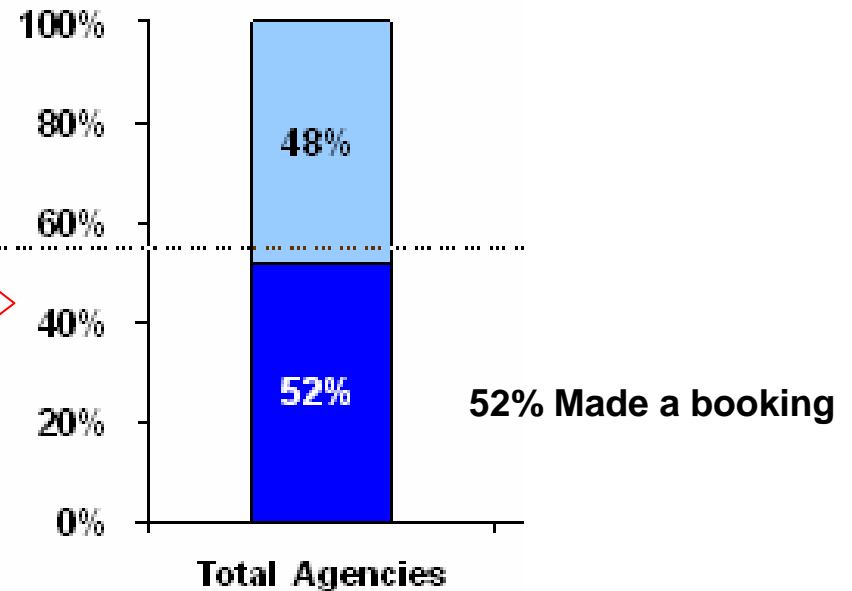
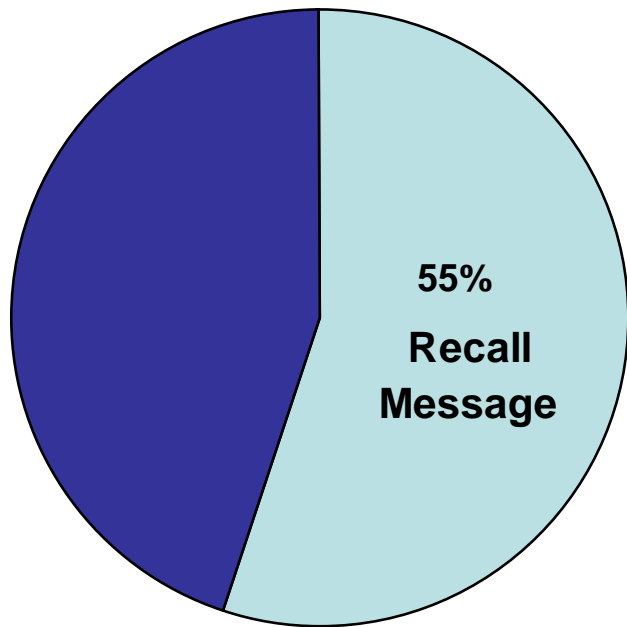


■ Did Not Request Additional Information
■ Requested Additional Information

Q. What percentage of the time in the past three months did GDS Promo Messages cause you to request additional information about a specific promotion by looking at the screen attached to the promotional message?

GDS Promotional Messages

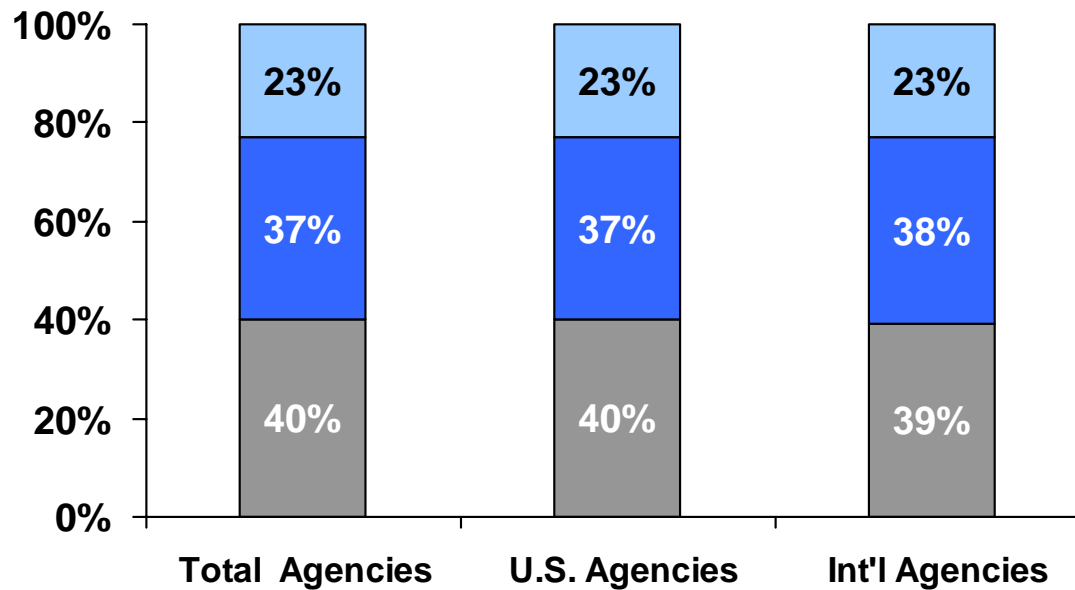
- Of the 500 travel agents surveyed, more than half (55%) recall seeing the promotional messages when utilizing the GDS



- 52% of those agents who recall seeing promotional messages made a booking because of the promotional offering in the past three months

Travel Agent Influence on Bookings When Booking for 1-3 Nights

77% of the time Travel Agents Influence the bookings

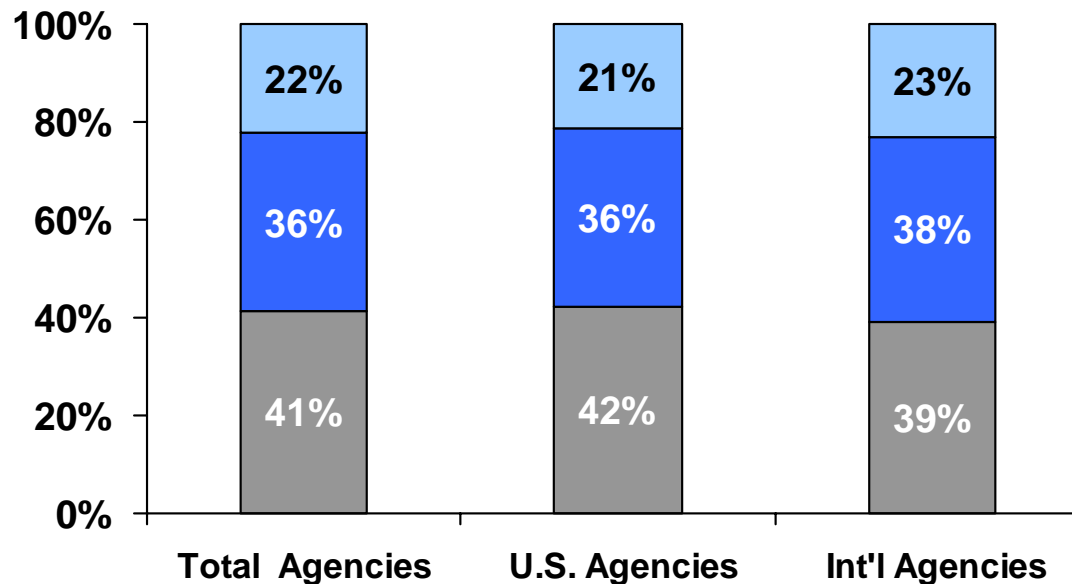


- Specifies a specific hotel regardless of rate
- Specifies a specific rate / price and allows you to help guide them through which of those properties to choose
- The client relies solely on your advice

Q. When booking a hotel for 1 - 3 nights, what percentage of the time would you say the client...?

Travel Agent Influence on Bookings When Booking for 4+ Nights

77% of the time Travel Agent Influences the bookings

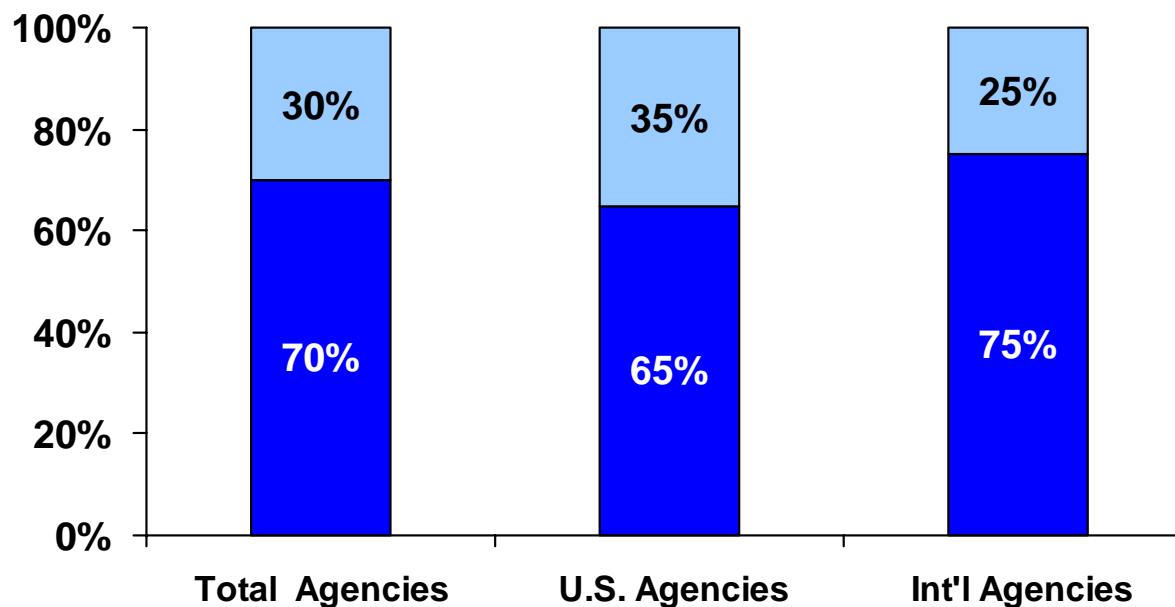


- Specifies a specific hotel regardless of rate
- Specifies a specific rate / price and allows you to help guide them through which of those properties to choose
- The client relies solely on your advice

Q. When booking a hotel for 4 nights or more, what percentage of the time would you say the client...?

Percent of Time Travel Agents Look Inside GDS System As a Result of GDS Promo Messages Among Those Aware of GDS Promo Messages

- Among travel agents who were aware of promotional messages, more than two-thirds looked inside the GDS systems



Did Not look inside the GDS

Looked inside the GDS

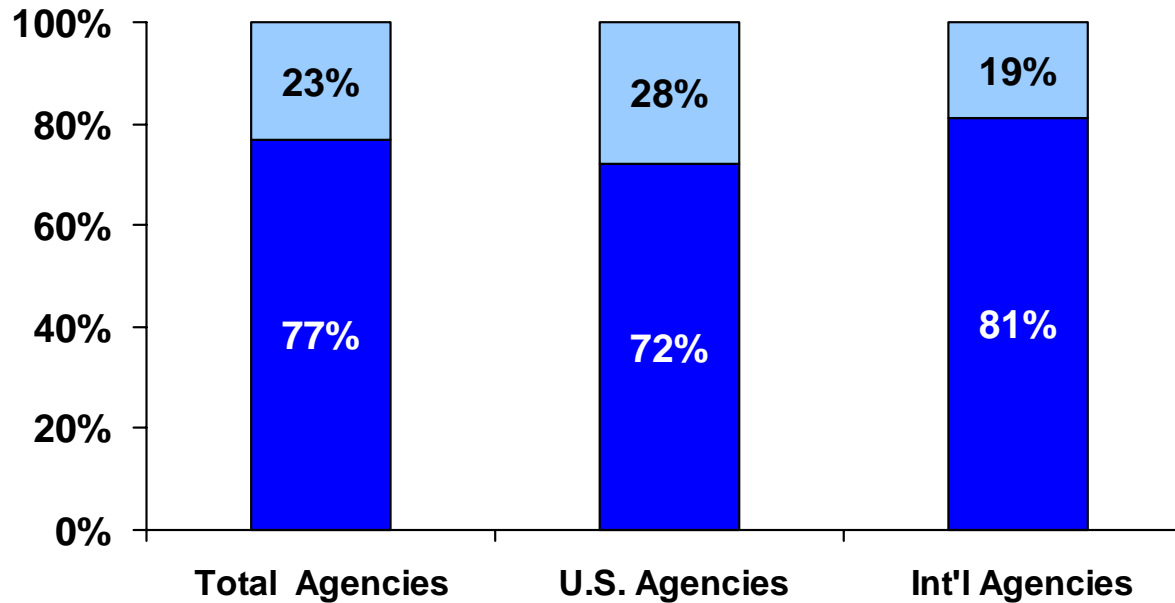
Q. What percentage of the time did GDS Promo Messages cause you to look somewhere else within the GDS?

GDS Promotional Messages

- According to the travel agents surveyed, the best time to receive a promotional message for making a hotel booking is...
 - At the point of sale
 - When first sign in for the day
 - Other than GDS screen i.e. email/fax
 - Urgent queue
 - Some other way

Percent of Time Travel Agents Book a Hotel Shown in GDS Promo Messages When Researching Air Among Those Aware of GDS Promo Messages

- 77% of global travel agencies are likely to book a hotel that is shown in a promotional message during a query of air travel research



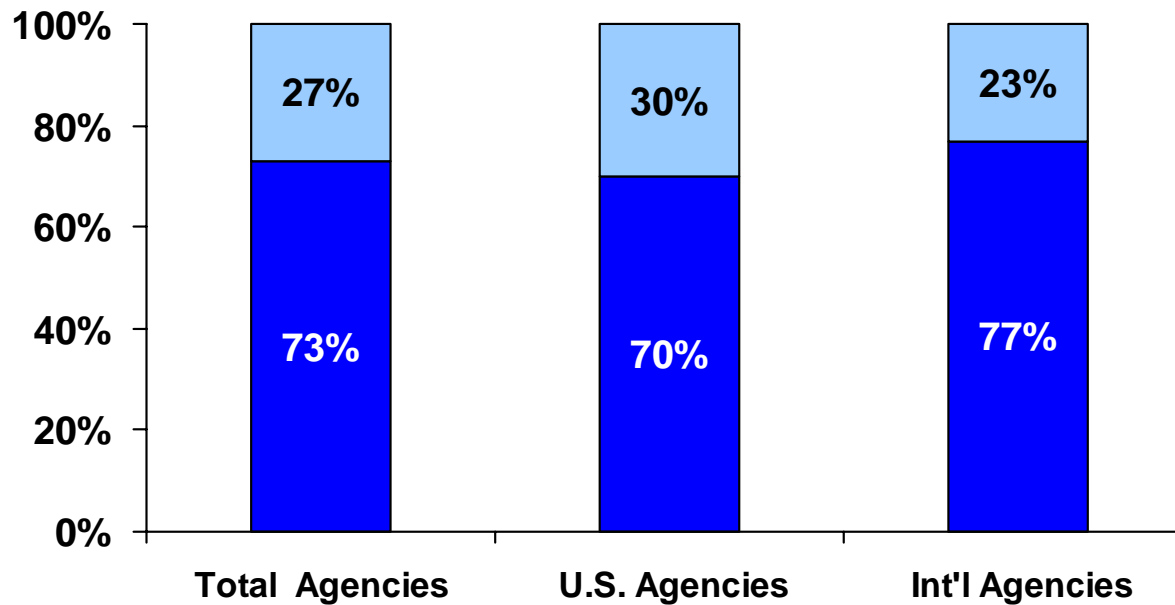
Will not book hotel when researching air

Will book hotel when researching air

Q. When researching air, are you likely to book a hotel shown in those promotional messages?

Percent of Time Travel Agents Book a Hotel Shown in GDS Promo Messages When Researching Car *Among Those Aware of GDS Promo Messages*

- 73% global travel agencies are likely to book a hotel that is shown in a promotional message during a query of car rental research.



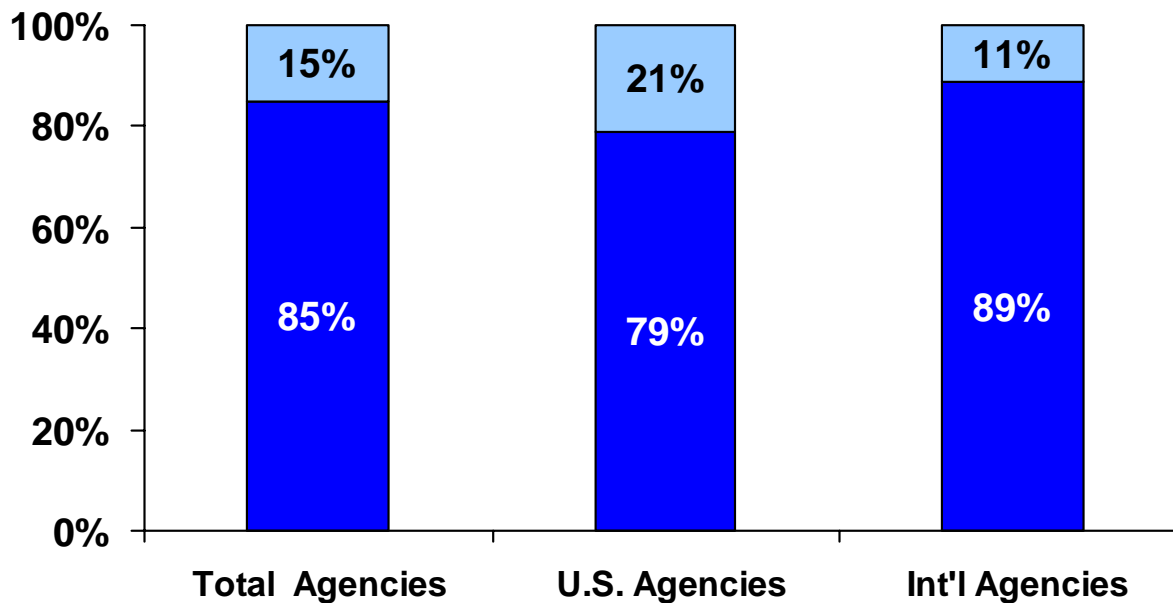
Will not book hotel when researching car

Will book hotel when researching car

Q. When researching car, are you likely to book a hotel shown in those promotional messages?

Percent of Time Travel Agents Book a Hotel Shown in GDS Promo Messages When Researching Hotel *Among Those Aware of GDS Promo Messages*

- 85% of global travel agencies are likely to book a hotel that is shown in a promotional message while researching hotels.



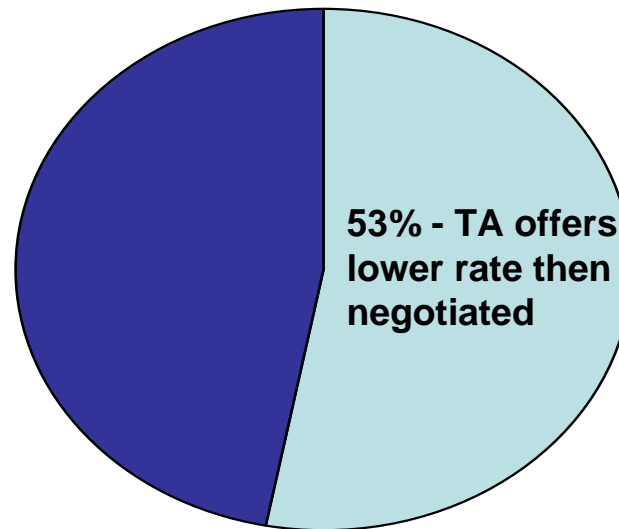
Will not book hotel when researching hotel

Will book hotel when researching hotel

Q. When researching hotel, are you likely to book a hotel shown in those promotional messages?

Percent of Time Offer Clients a Lower Priced Room When Looking to Book a Corporate Negotiated Rate

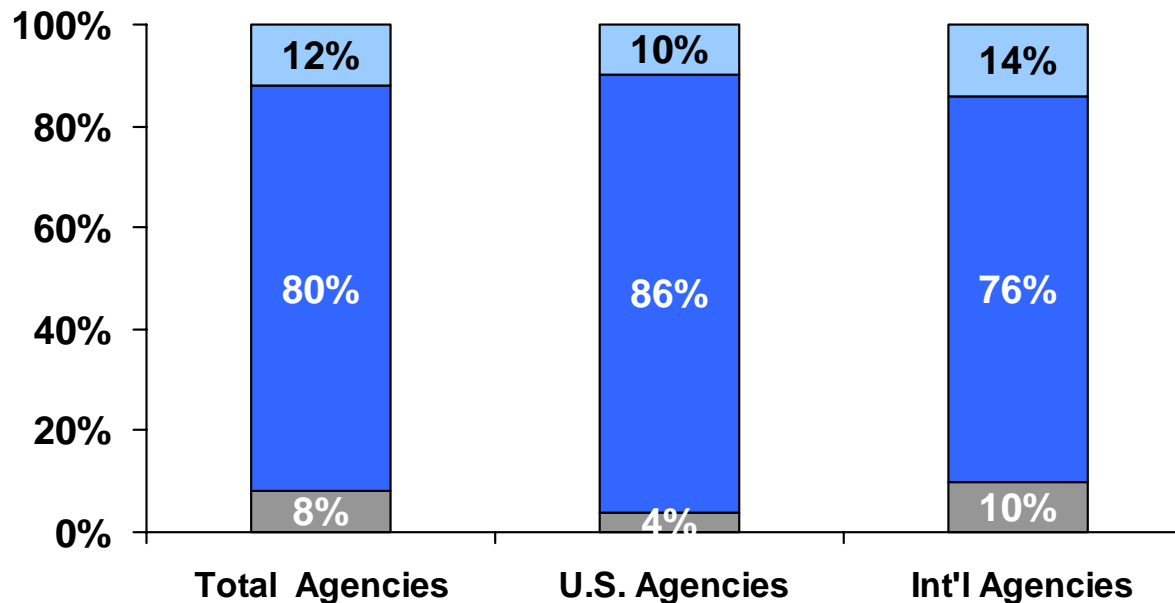
53% percent of the time travel agents will offer their clients a lower priced room even when looking to book a corporate negotiated rate.



Q. When looking to book a corporate negotiated rate hotel, what % of time do you offer clients a lower priced room when you find an alternative hotel priced lower than a negotiated corporate rate hotel?

Option that Best Prompts Booking of Hotel When Researching Hotel for Negotiated Rates Among Those Aware of GDS Promo Messages

- 80% feel that showing *the best available rate offered by the hotel even if it is not a negotiated rate* is the best way to get them to book a hotel while they are researching a hotel.



- Only book a hotel that has the negotiated rate
- Best available rate offered by the hotel even if its not a negotiated rate
- Other

Q. When researching hotel for negotiated rates, which of the following best prompts you to book a hotel?

Recap of Key Findings



Key Findings

Reservation Channel usage

- Compared to two years ago...
 - Two-out-of-five global travel agencies (41%) said that they were using their *GDS platform* more often than in the past
 - One-third of global travel agencies (30%) stated they were using the *GDS Shopping Displays* more often than in the past

Rate Parity

- Travel agents across the globe were virtually unanimous in their belief that GDS systems should offer *rate parity*. Over four-out-of-five U.S. travel agents (89%) and three-quarters of international travel agents (76%) said it was *very important* to see the same rates available on all platforms

Key Findings

GDS Promotional Messages

- 55% of global travel agents surveyed recalled seeing promotional messages in the past three months
- Of those global travel agents who recalled seeing promotional messages in the last three months, 52% made a booking as a result of the promotional message
- Two-thirds (68%) of all global travel agents who were aware of promotional messages requested additional information by looking at the screen attached to the promotional message.
- Among travel agents who were aware of promotional messages, more than two-thirds (65% of U.S. travel agents and 75% of international travel agencies) looked inside the GDS systems for additional information

Key Findings

Negotiated Rates

- 53% percent of the time travel agents will offer their clients a lower priced room even when looking to book a corporate negotiated rate.

Best Available Rates

- 80% feel that showing *the best available rate offered by the hotel even if it is not a negotiated rate* is the best way to get them to book a hotel while they are researching a hotel for negotiated rates.

Thank you

