



**TravelClick**<sup>TM</sup> | Business Intelligence Solutions

# The Lodging Conference 2011

**Business  
Intelligence**

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**Tim Hart**

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**9/26/2011**

**TravelClick provides expert solutions so that hotels can optimize performance, grow revenue, and create a stronger brand.**

# Our team delivers global expertise and local knowledge to grow your revenue.

Our dedicated field sales, account management, and service teams have deep knowledge of the communities where your hotels operate, and they draw from proven industry experience.

**30,000+** hotel customers **147** countries **600+** employees



**We have five lines of business that work together to improve your performance.**



**TravelClick™**

## | Reservations Solutions

- iHotelier
- PMS Connectivity
- ChannelDirect Channel Management
- MobiBook

## | Business Intelligence Solutions

- Hotelligence360
- MarketVision Demand Position
- MarketVision Price Position
- MarketVISION Destination Insights
- SearchVIEW

## | Media Solutions

- GDS Media
- Display Marketing
- Pay-Per-Click Advertising

## | Web Solutions

- Custom Websites
- Search Engine Optimization
- Social Media Optimization

## | Guest Management

# We gather a vast amount of market intelligence every day.

	Rate	Agency	Demand
<b>Data Set</b>	<p>We gather over <b>10 billion rates</b> per month from over hundreds of sources</p> <p>We gather rates from more than 356 sources:</p> <ul style="list-style-type: none"><li>• 196 hotel brand.com sites</li><li>• 160 online travel agencies</li><li>• GDS</li></ul>	<p>We have <b>100% of reservations</b> made through the four major GDS</p> <p>We receive every booking from:</p> <ul style="list-style-type: none"><li>• Sabre</li><li>• Galileo</li><li>• Worldspan</li><li>• Amadeus</li></ul>	<p>We receive daily <b>future demand data</b> from major brands for a 365-day horizon</p> <p>We receive all reservations and group sales blocks from:</p> <ul style="list-style-type: none"><li>• Marriott</li><li>• Hilton</li><li>• Hyatt</li><li>• Intercontinental</li><li>• Starwood</li><li>• Four Seasons</li><li>• Gaylord</li><li>• Omni</li><li>• Kimpton</li><li>• Loews</li></ul>
<b>Future</b>	✓	✓	✓
<b>Historical</b>	✓	✓	✓
<b>Frequency</b>	<b>Daily</b>	<b>Daily</b>	<b>Daily</b>

# Today's Topics

- **Introduction to Forward Looking Market Demand**
- **Market Outlook**

There are well established measures for understanding your past performance within your competitive set.



	August 2011		
	Occupancy Index	ADR Index	RevPAR Index
Group	.69	.85	.60
Transient	1.03	.97	1.00
Total	.84	.90	.76

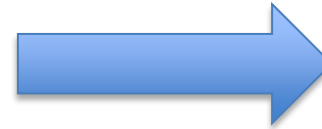
# By collecting market data at the booking detail, we can diagnose why performance was what it was.

	August 2011		
	Occ Index	ADR Index	RevPAR Index
Group	.69	.85	.60
Transient	1.03	.97	1.00
Total	.84	.90	.76

## Demand Share:

- By Segment
- By Channel
- By Length of Stay
- By Source Market
- By Rate Tier
- By Loyalty Membership

**WHAT?**



**WHY?**

	Revenue Fair Share Index August 2011					
	Brand.com	CRS	Direct	GDS	OTA	Total
Retail	.11	.57	1.25	.85	.05	.56
Negotiated	.74	1.09	.97	1.07	2.45	1.05
Discount	1.95	2.19	.74	.60	.87	1.33
Qualified	.91	1.10	2.24	.50		1.05
Wholesale			.87	1.70		.73
Total	1.04	1.12	1.24	.93	.83	1.02

# Future demand data allows you to monitor your performance for future dates, as demand builds, and take necessary action.



Group	October 2011...			...March 2012		
	Occ Index	ADR Rank	RevPAR Rank	Occ Index	ADR Rank	RevPAR Rank
Group	1.04	4 of 5	4 of 5	1.16	4 of 5	3 of 5
Transient	.83	4 of 5	5 of 5			
▪ Retail	.34	5 of 5	4 of 5			
▪ Negotiated	.42	2 of 5	5 of 5			
▪ Discount	1.03	3 of 5	2 of 5			
▪ Qualified	1.90	5 of 5	3 of 5			
▪ Wholesale	1.35	1 of 5	1 of 5			

- Evaluate retail pricing
- Evaluate discounts

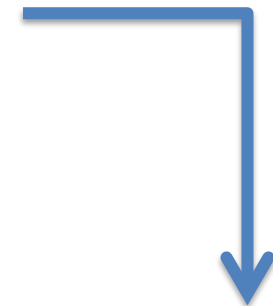
# Frequently updated (daily) pace reporting allows you to monitor whether your actions are working.

	October 2011			March 2012		
	Occ Index	VS Last Week	VS Last Year	Occ Index	VS Last Week	VS Last Year
Group	1.04	<b>-.06</b>	<b>-.47</b>	1.16	0.0	.46
Transient	.83	<b>-.05</b>	.35	<b>Losing share week over week in the transient segment, especially in the retail sub-segment</b>		
▪ Retail	.34	<b>-.14</b>	.16			
▪ Negotiated	.42	.01	.24			
▪ Discount	1.03	<b>-.04</b>	.80			
▪ Qualified	1.90	.04	.12			
▪ Wholesale	1.35	<b>-.10</b>	1.29			

# Detailed channel performance reporting lets you focus and measure your actions even further.

	Occupancy Index September 2011				
	Brand. Com	CRS	Direct	GDS	OTA
Retail	.14	.70	2.30	.79	.06
Negotiated	1.25	1.16	.20	1.02	4.61
Discount	1.03	1.17	.22	2.08	2.95
Qualified	1.70	1.58	15.38	.88	
Wholesale			1.11	6.92	

Far more production in OTA channel than competitors.



	Expedia	Hotels.com	Hotwire	Priceline	Travelocity
Discount	1.61	3.17	7.64	.82	5.71

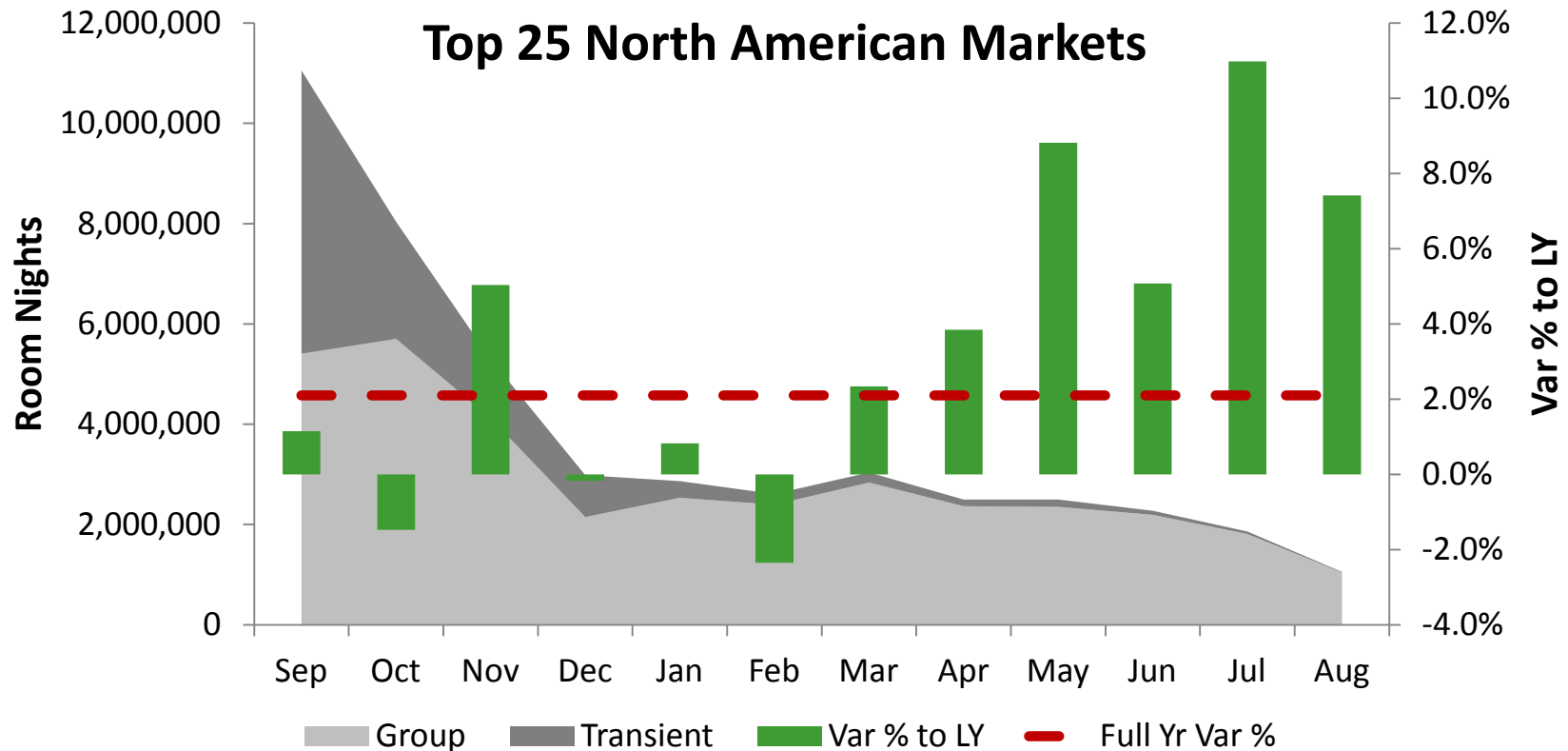
# Forward looking market and share reporting leads to more “market aware” decision making.



- Forecasting market demand
- Measuring market and share performance at the micro-segment level
- Setting strategy and plans based on market demand and share expectations
- Targeting/evaluating marketing/promotions based on share performance
- Correlating price and competitive price position to demand share performance

# Top 25 North American Markets 12 Month Outlook

# Nationally, business on the books for the coming 12 months is up 2% over same time last year.



# All major segments of demand are tracking ahead of last year in both occupancy and ADR.

	Room Nights		ADR	
Group	+2.3%	↑	+4.3%	↑
Transient Business	+2.1%	↑	+8.4%	↑
Transient Leisure	+0.7%	↑	+7.5%	↑

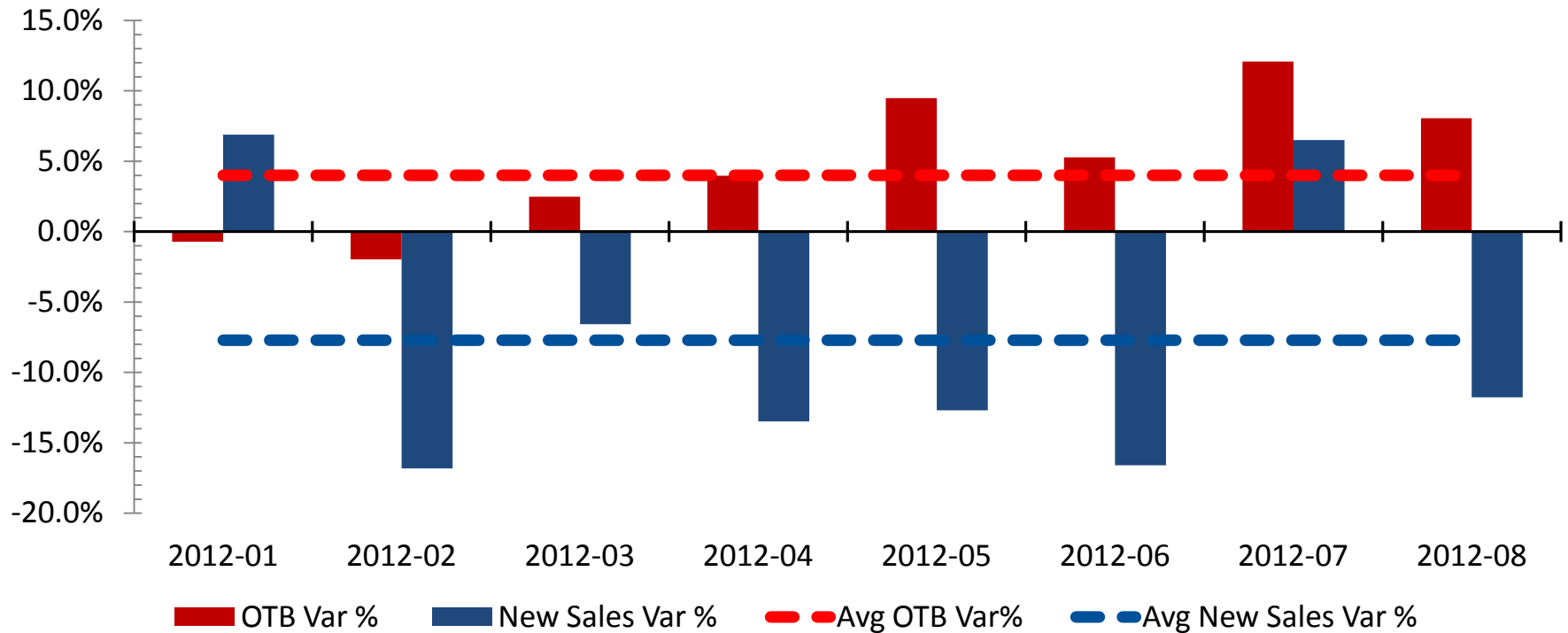
Negotiated, Retail

Discount, Qualified, Wholesale

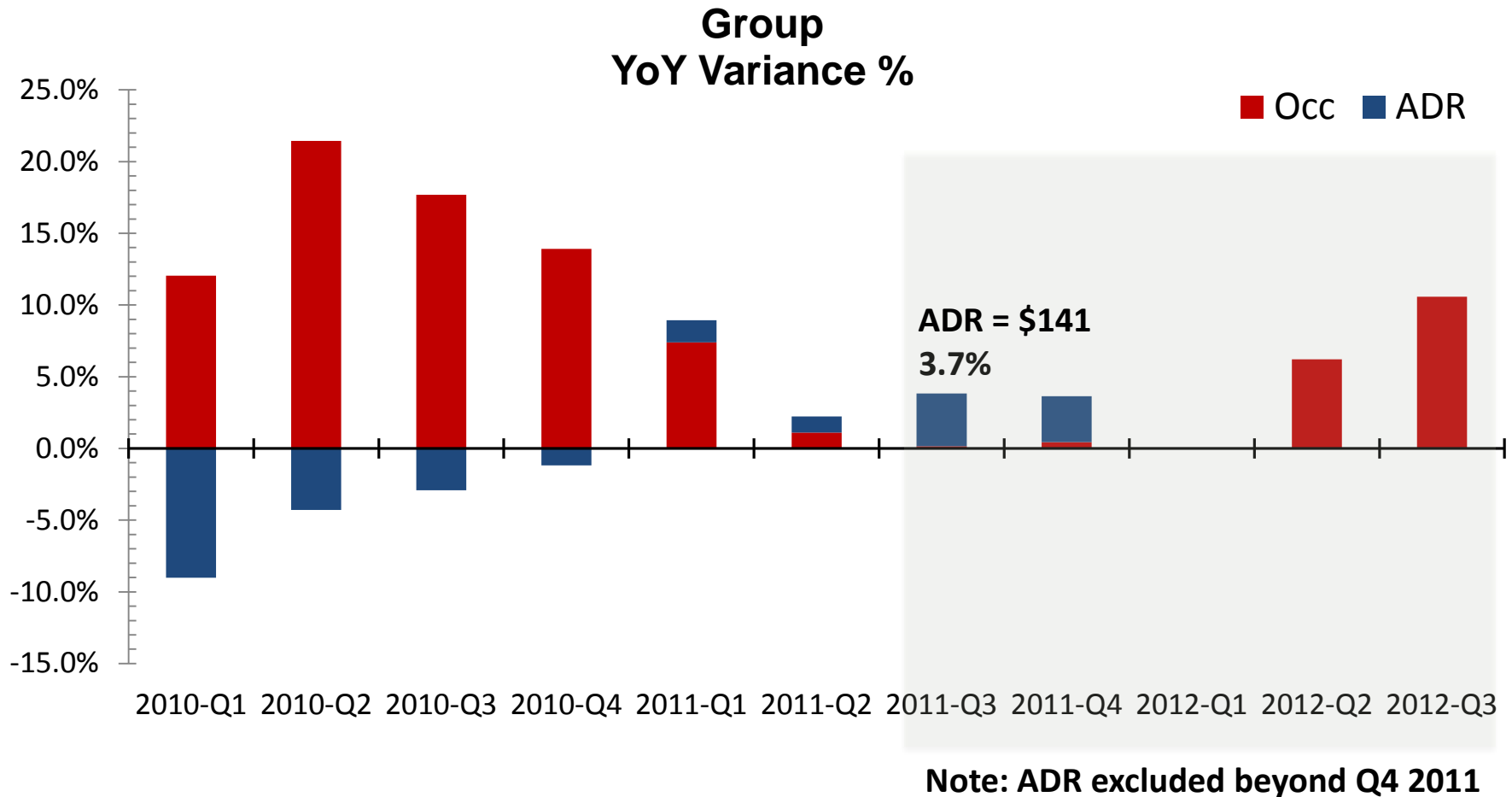
Year over year variance % to same time last year for demand on the books for future 12 months in top 25 North American markets

# Group commitments for the first 8 months of 2012 are up over same time last year, though recent sales pace has been weak.

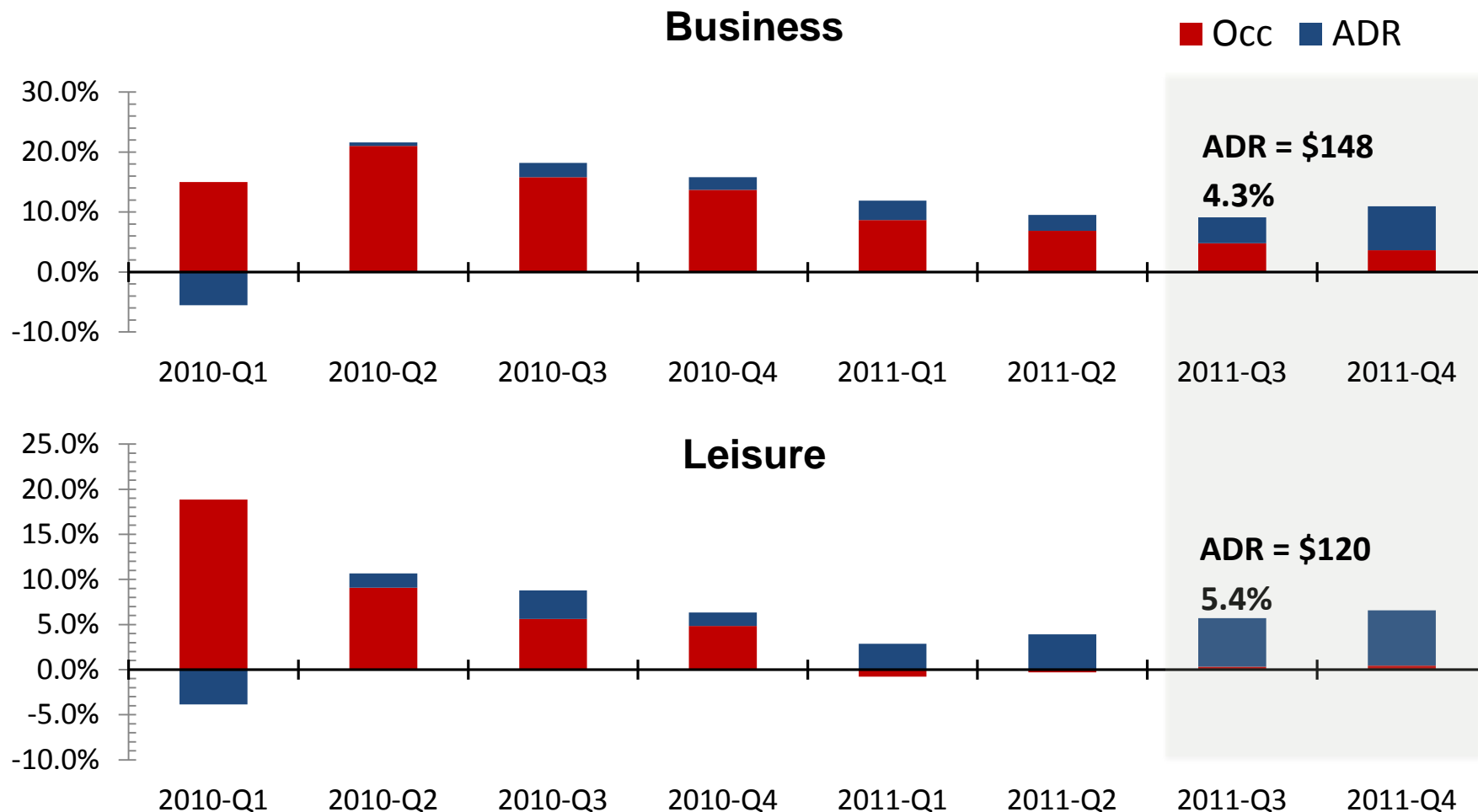
## Group New Sales (past 30 days) and On the Books Year over Year Variance



# Group occupancy growth has stalled, though group ADR growth has slowly returned.

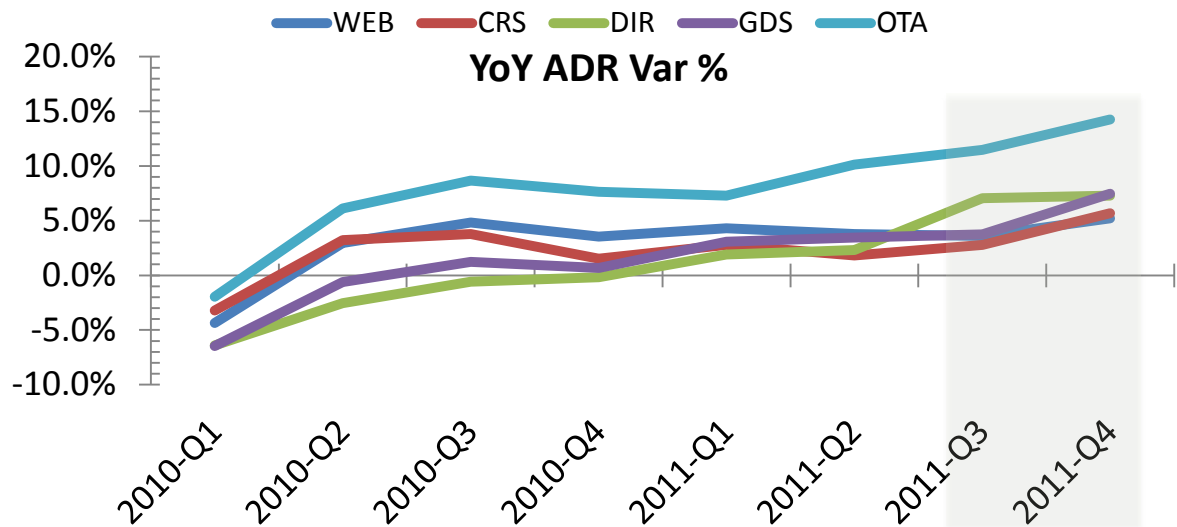
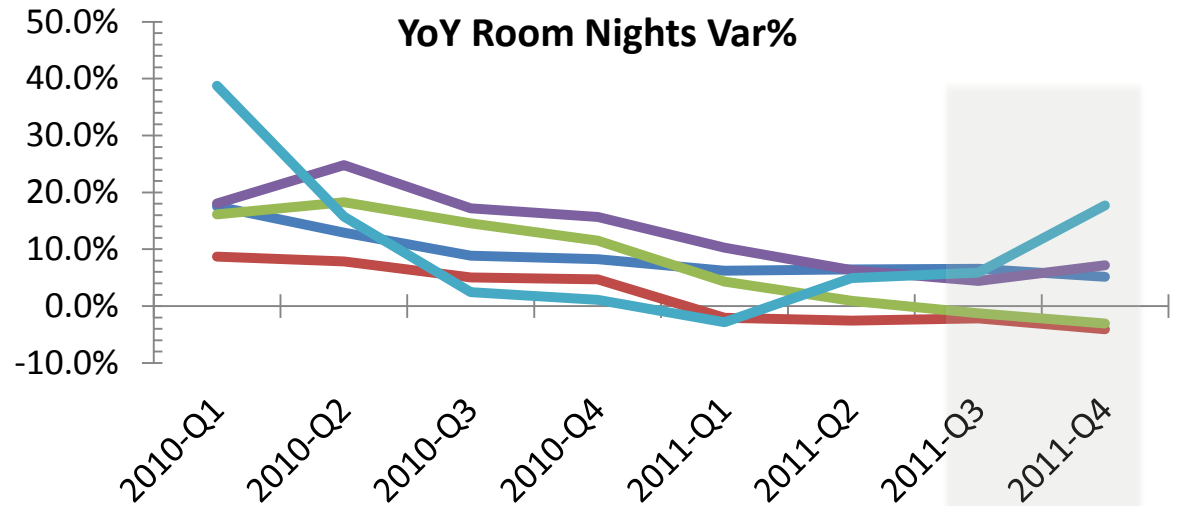
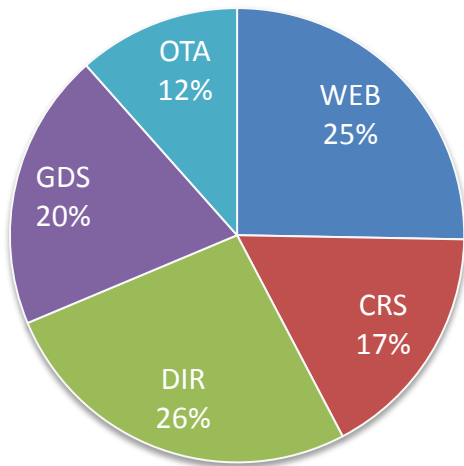


In the transient segment, business growth is declining. Leisure demand is flat. ADR is growing in both.

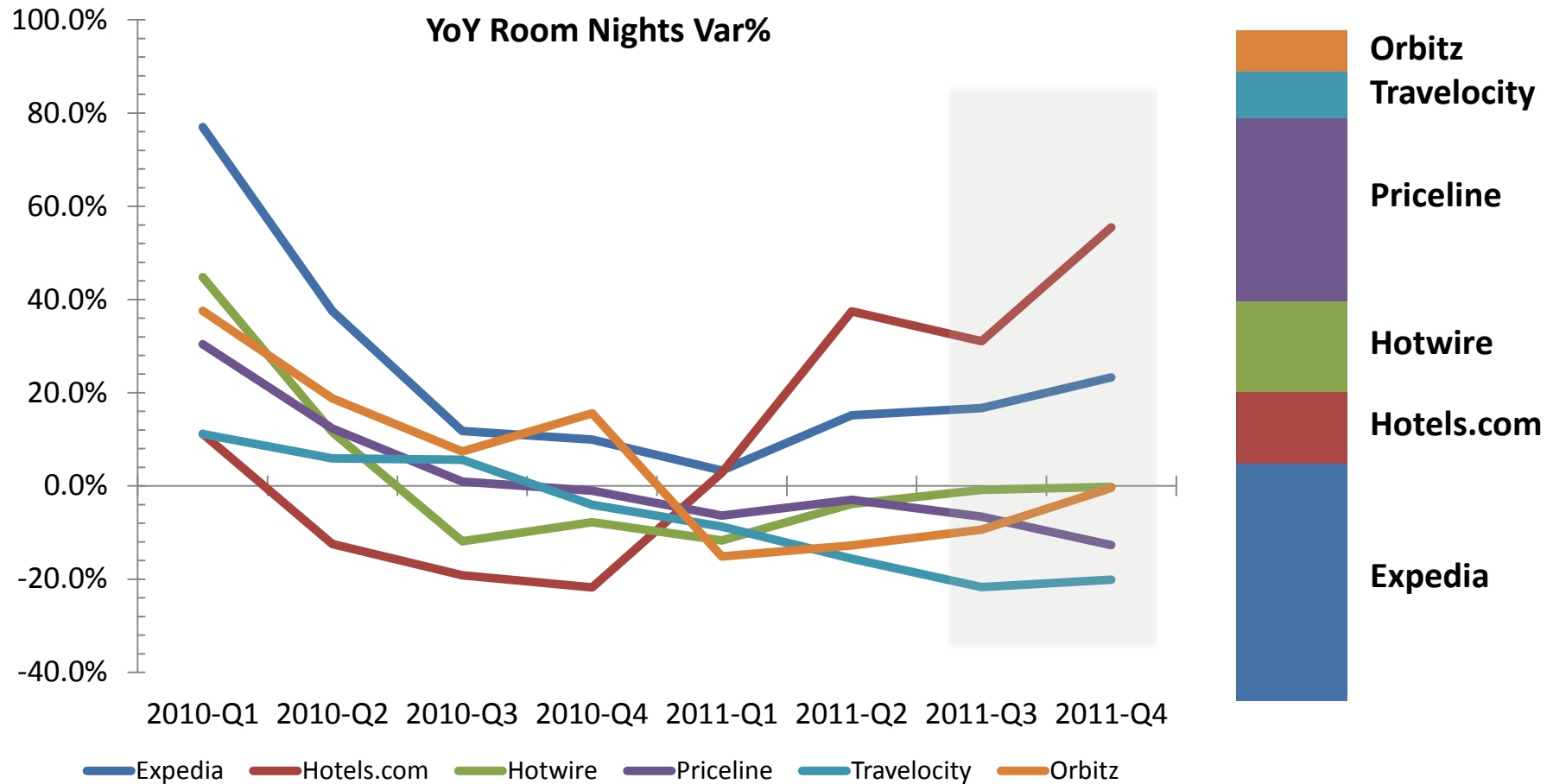


# Transient occupancy growth is declining across all channels except OTA.

**Transient Room Nights  
Q3 2011**

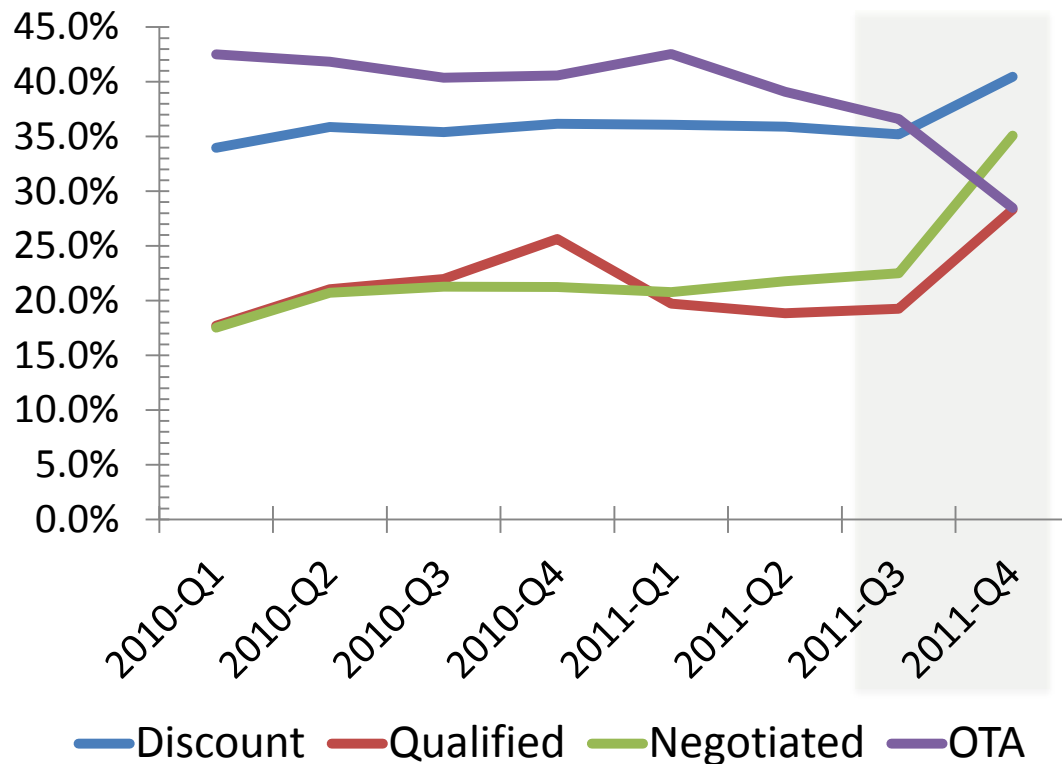


# OTA growth is led by Expedia and Hotels.com. All other OTA's are down versus last year.



# Discount levels versus retail ADR have been maintained as rates have increased; OTA discounts are narrowing.

## Discount Off Retail ADR

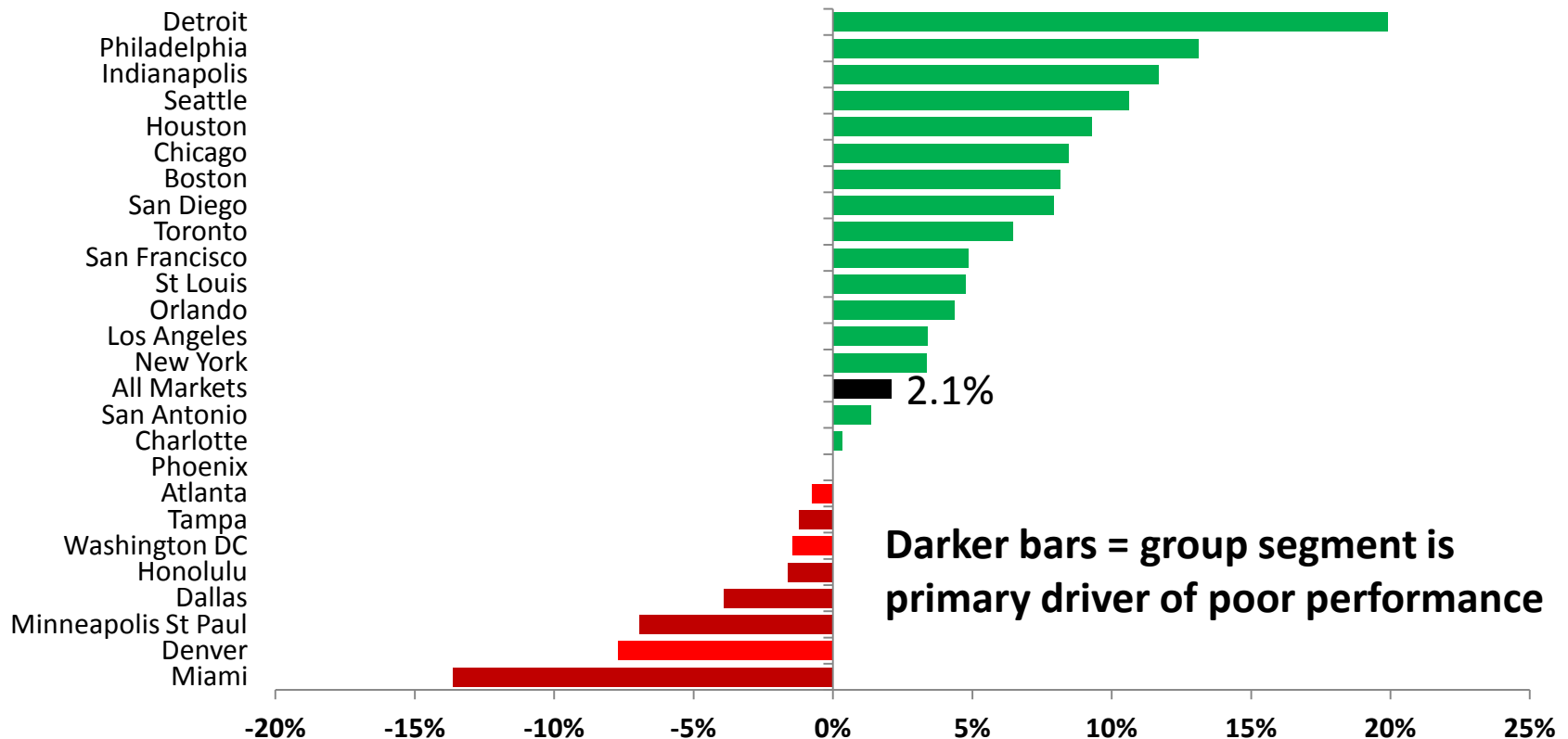


## Q3 2011

Segment/ Channel	ADR	Discount Off Retail
Retail	\$166.30	
Discount	\$107.76	35.2%
Qualified	\$134.29	19.2%
Negotiated	\$128.85	22.5%
OTA	\$105.44	36.6%

# The outlook for most markets is continued occupancy growth. However, nine markets lag same time last year.

YoY Room Nights Variance %  
Future 12 Months



# Summary

- Demand has slowed in all three major segments (group, transient business, transient retail).
- Leisure demand is not growing.
- ADR is experiencing healthy growth, up across all three segments.
- ADR growth has been supported by retail rate growth, improved group pricing, higher mix of group and business demand, and by maintaining discount levels.
- RevPAR growth will be ADR driven in the near term (Q3/Q4).
- Slower occupancy growth may begin to hold back pace of ADR improvement.
- 2012? Keep an eye on group sales pace over the next 60-90 days.

**Tim Hart**

**September 21, 2011**

**This Presentation is Online:**

**[www.TravelClick.com](http://www.TravelClick.com)**