

FastBooking News

July 2010



10 years already

It is a great pleasure for me to write this editorial today. FastBooking celebrated its 10th anniversary in May and it is a great joy for the entire company to have come this far and become what we are.

When we created FastBooking, Internet was still at its early stages and we were among the first "pure players". Even if we suspected the rise of the web in general, and in the hotel industry in particular, we would never have guessed what Internet would become.

Today, we are very proud. Proud to be among the top three providers in the world. Proud to be recognized as the European leader in e-marketing and booking solutions for the hospitality industry. We count more than 5,600 independent hotels worldwide as our partners, including some of the most famous brands.

In 2009, over three million room nights were booked through FastBooking amounting to total sales of €370 million. And from a very small team, we are now more than 200 people in five countries on three continents.

Our mission and our commitment toward our clients have remained constant: to help independent hoteliers sell themselves better on the Internet and increase bookings on their own websites.

Since the very first, we have acted in a spirit of partnership. We have never wanted to simply be a technology supplier. We have chosen to collaborate with you fully in your development, providing you with personalized support and advice from experts in Internet marketing. This commitment is reflected in our business model: based on performance. Our success depends entirely on your success.

Over time the Internet has become more complex, making the task for hoteliers even more difficult but creating extraordinary opportunities. It has always been our priority to anticipate these developments, both in technology and in behavior, investing in R&D and the training of our teams. Our range of products and services has grown, with the constant aim to make you more efficient and proactive in your market, to better promote your brand and meet your customers' changing needs. New markets have emerged, such as mobile or social media, and we are ready to accompany you.

Above all, we dedicate this success to you, our partners. We want to say thank you and hope that we will enjoy many more years of collaboration!

Soraya Kefs
Chief Operating Officer

FastBooking adds private sales

➔ **There's something new in the FastBooking Web Traffic Builder program!** We have signed partnership agreements with two major Private-Sale shopping websites, the French *AchatVIP.com* and the Italian *Piustyle.com*. Both partners were selected for their quality and seriousness, and are among the leaders in their markets with five million and 400,000 members, respectively. The principle of private sales has proven results. Exclusive offers, limited in time, are proposed to a list of registered members, who are informed by e-mail a few days before the sales starts. **With these operations, FastBooking aims to help our client hotels generate additional sales, especially in periods of low occupancy.**

Two test programs were launched for a period of 10 days each. FastBooking worked with 10 hotels, which agreed to offer particularly attractive prices and some extended services (a bottle of wine, VIP welcome etc ...) to stimulate the impulse purchase. FastBooking also created two special websites to showcase the hotel offers and featuring all the strengths of FastBooking websites: detailed hotel descriptions, user reviews, easy-to-see discounts, and unique to FastBooking, **a direct link to the hotel's official website.** We hope to renew these campaigns with new partners in new destinations to support more customers in their business.



In brief

FastBooking, exclusive partner of Singapore Grand Prix



FastBooking has been appointed as the official supplier for hotel booking technology on the 2010 SingTel Singapore Grand Prix website, www.singaporegp.sg. The accommodation section conceived and built by FastBooking, features a direct link to the complete selection of hotels participating as partners in this event.

FastBooking India achieves CMMI Level 3 certification

We are proud to announce that FastBooking India has received Capability Maturity Model Integration (CMMI) Level 3 certification. CMMI is a software development process improvement approach which has become the standard for measuring an organization's capability to apply a process-based methodology to software development. This certification is a great achievement and very clear statement of FastBooking's commitment to product quality, production efficiency, and the ability to reduce associated costs.

FastBooking at the origin of eBookPAR®: industry's 1st barometer for the measurement of hotel website booking efficacy

➔ The Institute of Innovation and Entrepreneurship of the Ecole Hôtelière de Lausanne (INTEHL) and Cleverdis, speciality publisher for the hotel industry, have launched eBookPAR, **the first metric for the measurement of hotel website effectiveness in e-bookings.** eBookPAR is the measurement of the number of room nights sold via a hotel's website per month, divided by the number of rooms available in that particular hotel. It generalizes a metrics system originally initiated by FastBooking for its own clients. eBookPAR is a true benchmarking tool and is expected to become the industry-wide

"eBookPAR is a true benchmarking tool to assess website performance"

metric for web bookings, just as RevPAR has become the standard metric for measuring revenue per available room. A recent study by students of INTEHL among 165 midscale and upscale hotels in Switzerland, Germany, France, Spain and the UK strongly underlined the need for a website measurement tool, allowing them to compare their online sales with their competitive set. For example, two neighboring 4-star business hotels each rent 500 room nights in the same month. One is five times bigger in terms of rooms available than the other. That means the web site should

be selling five times more rooms than the other hotel in order for the web site to have the same efficacy percentage. Until now, no one measured this, but it is the only way to judge whether a web site is doing its job or not. Hotels that have been using conversion rates as a measurement system have nothing to compare to. It's nice to say conversion rates are up, but maybe you had fewer people on the website, and the same number buying. eBookPAR can greatly assist hoteliers in assessing the performance of their websites in a meaningful way. It allows for ROI measurement and adjustments in Internet marketing strategies.

Integrating Dynamic Pricing into your online pricing strategy

➤ The current economic situation presents hotel managers with a difficult decision: offer deep discounts to increase occupancy, at any cost or try to maintain the right margins and risk lower occupancy rates.

But discounting is not a viable long-term strategy, even as a growing number of consumers are seeking value exclusively. This may be a reason for the trend toward dynamic pricing as a way for hotels to optimize both occupancy and RevPAR.

Dynamic Pricing is based on the principle that the right rate to charge for a room is what the customer is willing to pay and means that a hotel might change its room rates daily or even within a day if up-to-

the-minute market information reveals a change in supply or demand.

Demand-based pricing as a principle is not new, but true dynamic pricing requires many types of information which should be collected continuously as factors of change: the competition's prices, Internet demand, hotel guests' reviews, booking pace, to name a few.

FastBooking offers a full suite of automation tools and marketing solutions that make it easier to access information in real time and manage multiple sales channels at a time. Competitive analysis tool, *FastBooking Checker*, helps you monitor your

position on the market compared to your competitors. New *FastBooking Social Media* enables you to track what is being said about your hotel across influential social media websites. And using *FastBooking Updater*, updated rates can be posted across multiple distribution channels rapidly and with ease.

Should your hotel compete on price? That is a strategic decision only you can make. But if you consider using pricing as a competitive weapon, then dynamic rate management can become one of the most effective tools. FastBooking has solutions and tools to facilitate your strategy.

Use Online Travel Agencies to increase the conversion rate on your website

➤ There are a number of strategies independent hotels can implement to increase their conversion rate on their website.

Strangely enough, one of them is to start looking at On-line Travel Agencies (OTA) as a marketing vehicle, not just as a booking channel.

A very interesting recent study by Chris Anderson, Assistant Professor at the Cornell School of Hotel Administration, revealed that shoppers use OTA more for research and comparison than booking. For hoteliers, being listed on these

“Being listed on OTA sites stimulates bookings on direct channels”

websites stimulates bookings on direct channels (call centers, hotel's own website, etc.) rather than just on the OTA themselves.

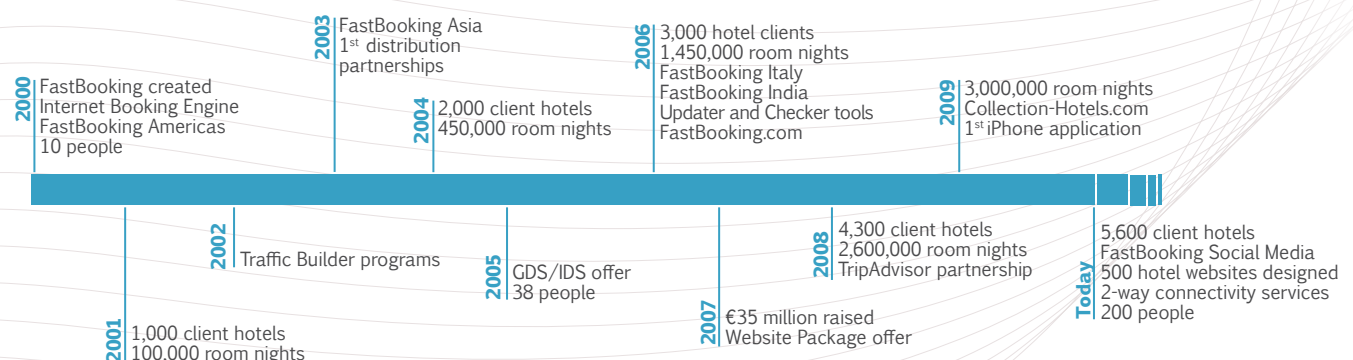
OTA should be seen as a great opportunity to maximize your exposure and promote your offer toward travelers still in the process of searching. A number of marketing actions can be taken: start creating promotions or providing deals to make your hotel more attractive and improve your position ranking. An OTA, like a search engine, uses analytical tools to estimate the probability that people

will purchase your hotel, and sort these offerings in decreasing order of probability of purchase. Top positions increase your chance to be chosen. So, the more your hotel is promoted on the OTA, the better your position is going to be and the higher the billboard effects on your direct channels.

You can also use OTA advertising opportunities such as banners to increase your visibility and encourage people to link to your website. At the same time, be competitive with your offers so that when people see your prices versus your competitors they can make that value comparison.

INSIDE FASTBOOKING

In 10 years: organic growth, new product developments and strategic partnerships have punctuated the life of FastBooking and our customers. Focus on some key events:



PARTNERSHIPS

FastBooking signs agreement with London's number one Internet booking site, LondonTown.com and HotelMap

FastBooking has recently signed a new partnership agreement with **London Marketing** the leading London hotel booking services, to promote its client hotels in London through **LondonTown.com** and **HotelMap** websites. LondonTown.com and HotelMap serve over 1.2 million customers each month and they are famous for their real-time hotel booking networks. Through this alliance FastBooking gives its existing – and future – London-based client hotels the possibility to be booked live on

LondonTown.com and HotelMap.com. Like the prestigious Rathbone and the Eton Collection, early adopters of this offer, FastBooking clients only need to request it to benefit from simple incorporation into the LondonTown.com and HotelMap booking network without any additional costs. This new partnership with a specialist with 15 years experience in London-based business and leisure tourism represents a new stage in FastBooking's selection of quality partners as a mean to increase



the visibility and bookings of our client hotels. Early results are very encouraging in terms of the number of bookings as well as average booking basket.

CLIENT TESTIMONIAL

The Explorers Hotel, a 3* hotel with 390 rooms near Disneyland Paris, has experienced very significant growth of its Internet business in the past several years.

With a large number of leisure customers, the hotel works with many online distribution partners. Updating rates and availabilities had become a real headache, particularly given the complex systems of commissions and mark-ups charged by individual providers.

FastBooking Updater was a natural choice to optimize management of these channels. The Sales & Marketing Director agreed to give us her feedback: *"We spent a phenomenal time each day updating our data. Updater has greatly simplified life for us and saves us valuable time. We only have to enter a net price and the tool automatically calculates commissions and mark-ups. Everything is updated in a few clicks. This tool also allows us to maintain pricing parity on all of our sites."*

Nicole Vidaller – Sales & Marketing Director – Explorers Hotel.

RECENT ADDITIONS

 Bertrams, 3* Copenhagen	 City Home, 5* Budapest, Hungary	 Suisse Majestic, 4* Montreux, Swiss	 Mondorf Parc - Domaine Thermal, 4* Mondorf les Bains, Luxembourg
 Sanctum Luxury, 4* London, UK	 Louis Leger, 4* Prague, Czech Republic	 Selenza Hoteles, 4/5* 2 hotels, Spain	 Roger De Lloria, 4* Barcelona, Spain

Erratum - We are proud to welcome the Roger de Lloria among our client hotels. The caption under the hotel's logo was incorrect in the last edition of FastBooking News. We apologize for any misunderstanding or inconvenience this may have caused.

NEW MEMBERS ON FASTBOOKING GDS

 Bel Aire Princess Hotel, 4* Bangkok, Thailand	 Grand Pyramids Hotel, 4* Giza, Egypt	 Vista Palace Hotel, 4* Roquebrune Cap Martin, France
 Hotel do Caramulo, 4* Caramulo, Portugal	 Chateau de Schengen, 4* Schengen Luxembourg	 My Hotel In France Paris Tour Eiffel, 3* Paris, France

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