

Online or in line?

Are you the type to directly book your hotel room online or do you want to talk to someone before deciding? I usually phone a few hotels before booking as I find that important information is often missing on the net, which can substantially increase the price of the room (like whether parking is included or not...).

Global Picture^{1,2,3,4,56}

- Three quarters of the population uses online booking in their day-to-day lives. However, not all generations feel the same about it: 85% of millennials want online booking systems vs. 79% of gen Z and 57% of Baby Boomers⁷.
- Hotels are the most common travel products booked online in the United States, followed by flights and car rentals. Over 50% of hotel reservations happen online. 700 million people will make a hotel room booking online by 2023.
- In a 2022 survey by GlobalData, 39% of consumers said they typically book directly with their hotel, compared to 17% who opt for online travel agencies (OTAs) and comparators.
- With a market cap of approximately 78.2 billion U.S. dollars, Booking.com ranked first among the leading online travel companies worldwide in 2022.
 Competitors Airbnb, Trip.com, and Expedia followed on the list.

Benefits of booking online^{8,9,10}

- Choice! The internet offers an extensive listing of hotels that cannot be found anywhere else.
- Cheaper. Some promotions and discounts are only available online. In addition, OTAs benefit from volume-based discounts.

¹ https://www.whatspot.app/en/evolution-of-online-booking-systems.html

 $^{^{2} \}underline{\text{https://www.statista.com/statistics/1039616/leading-online-travel-companies-by-market-cap/#:``:text=With%20a%20market%20cap%20of,roughly%2054.1%20billion%20U.S.%20dollars.}$

³ https://techreport.com/statistics/online-booking-statistics/

⁴ https://www.statista.com/forecasts/997095/travel-product-online-bookings-in-the-us

⁵ https://www.hospitalitynet.org/opinion/4113046.html

 $^{^6\, \}underline{\text{https://www.forbes.com/sites/forbesbusinesscouncil/2023/03/07/exploring-online-booking-and-mobile-apps-for-hotel-management-in-the-digital-age/?sh=7604712a2a29}$

⁷ Millenials were born between 1981-1996; Gen Z: 1997-2010; Baby boomers: 1946-1964.

⁸ https://hotelchantelle.com/is-it-cheaper-to-book-a-hotel-online-or-walk-

in/#:~:text=With%20so%20many%20websites%20offering,generally%20cheaper%20than%20walking%20in

⁹ https://www.zaui.com/blog/top-10-benefits-of-online-booking-system/

¹⁰ https://lauraclery.com/why-is-expedia-cheaper-than-booking-

direct/#:~:text=One%20of%20the%20reasons%20why,of%20rooms%20at%20discounted%20rates

- Helpful for making last minute travel arrangements. Hotels may drop the price of a room if some rooms are still available. Several websites specialize in searches for deals on rooms.
- Convenient. Booking can be done around the clock, without depending on someone to answer the phone .

Disadvantages

- Risk of fraud or scams. Some websites are trying to lure clients with fake offers. Others could potentially steal guests' personal data.
- Difficulty to resolve issues or complaints. It can be challenging to get in touch with customer service or hotel staff.
- Less flexibility. Many OTAs offer non-refundable rates or strict cancellation policies, which can be problematic if your plans change unexpectedly or you made a mistake when booking!

Whether you decide to book online or walk in to reserve a hotel room, one thing is sure: once you're in the place, you expect great service from staff. One way to ensure this is to reward employees for their good services. With cash slowly vanishing from the market, what better way to do this than to offer an electronic tipping solution like Tip&Go? Tip&Go: the face behind your comfort!

Francis Léonard CEO

