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IBE / Direct Distribution.

Finding the right IBE to maximise Direct Distribution.

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Sébastien Leitner, VP Partnerships at Cloudbeds, heads up global partnerships and industry relations. Sébastien's team partners with solution providers, guest experience and engagement tools, distribution partners, and new technologies that enhance the guest stay. His team also oversees Cloudbeds public relations with industry partners and associations.

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Your most important distribution channel

Internet Booking Engines - demystified and rationalised.

Your Internet Booking Engine (IBE) is the most important distribution channel. Before we get started, let's define what an internet booking engine is. Internet booking engines (IBE) are fully responsive web pages that work on any device - mobile, tablet, and desktop. If you are using any other sort of booking mechanism, like a contact form, it needs an upgrade. It sounds logical but let me break it down.

HOW DID WE GET HERE?

Internet booking engines have replaced most traditional distribution channels. Right out of school, I took my significant other on a trip to see the musical "Cats". The year was 1993, and I had a printed hotel directory, the phone, and a fax machine. The booking process took about two to three days to complete! It's almost comical in today's world to consider such a long process.

Fast forward to wide internet adoption, and there are hundreds of sites to research and book a

hotel room. For many years, booking online meant using a third-party online travel agency or OTA. Today, innovative technology has become accessible everywhere. Many providers offer intuitive websites and responsive booking engine solutions, including Cloudbeds. There's no longer an excuse for a hotelier not to have a website and a booking engine.

You may as well take down your sign on the side of the road! That might be a little dramatic, but there are quite a few reasons a booking engine is the way to go.
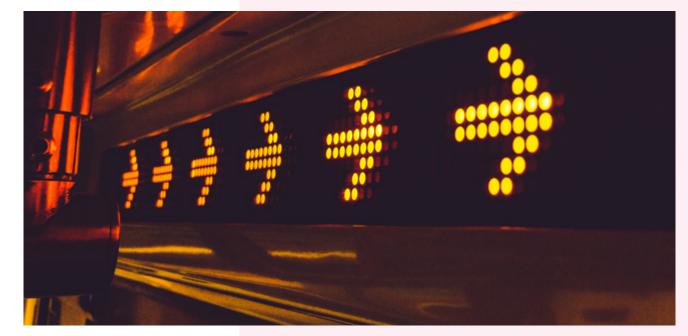
YOU ARE IN CONTROL OF YOUR OWN BRAND.

Your website and booking engine provide you with the ideal and only platform where you control the narrative of your story at all times. Your website and booking engine are where you can clearly articulate your brand values and deliver a message that resonates with your target audience. Your booking experience and related offers are an extension of the message you are attempting to deliver to your future guests.

Your website and booking engine are just the beginning - your brand and identity go further.

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WHY IS IT SO COMPLICATED?

It isn't if you apply a few simple rules of online retailing.

1. **Content.** You know your target audience, what they like, what they don't, what most common questions they have, why they stay at your property. Your website and booking engine should inspire and answer a fundamental question: Why should I stay at this property?

2. **Incentives.** You have to give your future guest a reason to book their stay using your booking engine; otherwise, they will go elsewhere. It doesn't have to be a discounted price. Have a look at what your competition is doing. Most larger brands offer stay rewards for frequent guests or perks that have been identified as critical: Free internet, access to the gym, late check out, etc. Ask yourself what is easy to facilitate and of value to your guests.

3. **Payment Methods.** More Payment methods equal more sales. Our data shows that customers change booking channels before they change their preferred payment method. Are you accepting all relevant payment methods of your target customers?

LESS IS MORE (IN 2 PARTS)

> Great pictures

"Use a picture. It's worth a thousand words'' makes sense to everyone. However, when you try to balance creating an impressive visual impact while building a fast and user-friendly website, things become a bit more complicated. My recommendation: focus on the emotions you want to create with your visual storytelling and let your trusted technology provider optimise your website and your booking engine for speed.

> Simplicity is hard. Focus on conversion.

Great, you got your future guest to visit your website; now the hard part starts: Let's get the visitor to book. Whatever you put in front of your future guest may be a distraction that will keep your guest from clicking: book, so balance "must-know content" and refrain from cross-sell or upsell until the reservation is completed.

IT IS ALL ABOUT THE DATA.

Customer behaviour on your website is an excellent source of insight, providing you access to real-time information. Good tools and providers track all relevant key performance indicators, including site engagement and conversion, and guide your path to success.

Before you personalise and create guest-centric offers, you need to understand your customer's behaviour and engagement throughout the shopping and booking process. Your website and booking engine is the most comprehensive source of data and insights you have access to, at all times.

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THE SHINY NEW TOY.

Google recently introduced free, organic booking links in Google Hotel Search. Previously you had to run ads to be published on Google Hotel Search. For Google, it is a stepping stone in its pursuit to answer any and every question that a user may ask. This is an incredible opportunity for guests to discover properties sooner and more efficiently. It is too early to say if it will bring a significant change to the distribution landscape and impact the way travellers find and book their stays. However, it is an excellent way for hoteliers to drive more direct bookings on their website and booking engine, forgoing the costly commission fees charged by OTAs.

DOES MY BOOKING ENGINE NEED TO CONNECT TO ANYTHING?

> A payment solution.
Recent payment security enhancements, 3D Secure, have significantly improved consumer confidence in online transactions and protect merchants from fraud and costly chargebacks. It requires guests to complete an additional verification step with the card issuer when paying. In addition, the payment industry has come up with a series of security measures ranging from tokenisation to secure data vaults.

> A PMS system and guest management tool.
You have a great looking website. It's responsive with optimised imagery and videos and offers guest-centric packages. Customers are booking directly on your website. Congratulations. Is the reservation accurately represented in your property management system with all relevant information and metadata? A direct integration between your booking engine and your property management system enables the timely delivery of the services you provide.

Cloudbeds' properties saw an increase of same-day reservations in 2020 from 8% to 18%. This is a trend we expect to continue. Of all the same-day reservations, 20 % were made within 60 minutes of check-in.

> Social.
The new META channels. Get your Instagram and Facebook profiles polished and have links to your booking engine. Once you have done that, there are great marketing tactics and tools to drive incremental sales.

WHILE WE ARE SOCIAL

Instagram is one of the largest and most influential social networks globally, with concentrated content around travel and hospitality. A place to be inspired. More than one billion monthly active users are on the platform – more than two-thirds of which are 25-34 years old. In short, it is a great place to build your hotel's brand and find new customers.

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Despite other platforms' popularity, Instagram continues to grow and plays an essential part in many peoples' day-to-day lives. Hotels have a unique opportunity to connect with current, future, and past guests using any of Instagram's many features.

TOP 5 Social Media Channels in 2021

1. Facebook 2.7 Billion Monthly Active Users (MAU's)
2. Youtube 2 Billion Mau's (est)
3. Instagram 1.2 Billion Mau's
4. TikTok 700 Million Mau's
5. Twitter 350 Million Mau's (est)

WELCOME BACK

...is what your most valuable guests like to hear when they arrive at your property. In the past, your powerful CRM tool has de-duped guest profiles to recognise your frequent customer, and your team has assigned the preferred room. The value of having excellent Guest Relation Management plugged into your Internet Booking Engine permits this identification to happen much sooner, providing an additional incentive for your most valuable guest to book directly with you on your booking engine.

WHAT DOES IT ALL MEAN?

Many companies, including online travel agencies, social media portals, brick and mortar travel agents, retail stores, internet search engines and travel search engines, provide tools and services for travellers to discover, search and book travel products, including hotel accommodation.

Where can a traveller find, discover and book directly from the host or hotelier? The Internet Booking Engine managed by the host & hotelier. Your website should be where the traveller has the best shopping and booking experience. Having access to the most comprehensive content repository, can view all available offers and value ads and where the traveller can purchase the accommodation, safely and securely in the preferred payment method and currency.

Whatever the reality is, there is no denying that the Internet Booking Engine is the single place where guests can directly view, choose and book their accommodation without the involvement of any intermediaries.

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Prior to Cloudbeds, Sébastien worked at Expedia in various roles managing lodging connectivity for independent and chain hotels as well as vacation rentals. After studying Hotel Management and Business Administration in Germany, Sébastien started his career in hospitality working for Le Meridien Hotels and Swissotel.

Sébastien has been a board member of HEDNA since January 2014. He is currently serving as President for HEDNA.

Sébastien speaks English, German, and French. He is based in Montreal, Canada where he lives with his family

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