



The Booking Process: Staying Online

Finding and Booking Hotel Accommodation

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Hotel Distribution is in chaos

The Chinese ideogram for chaos is a combination of one for “danger” and one for “opportunity”.

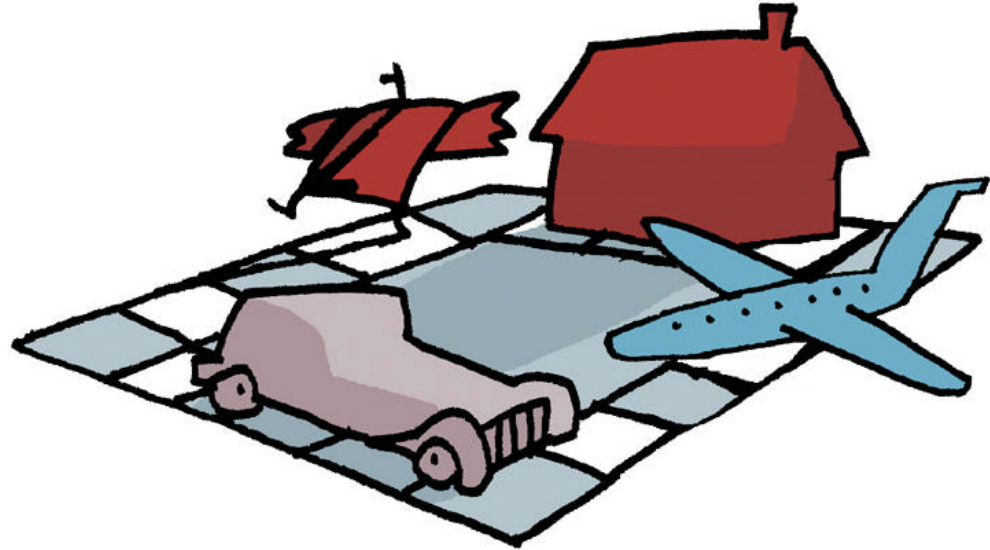
The Internet has changed everything



- **Potential for supplier direct to consumer sales**
- **Travel, an information based product, extremely suitable for sale online**
- **Travel number one B2C product sold online**

Conservative Hotel Companies Slow to React

- **Failed (or should it be fail?) to realise the Internet's potential**
- **Allowed online intermediaries to take control of the customer**



A few of the sites that travellers can use to book hotel rooms



opodo



lastminute.com

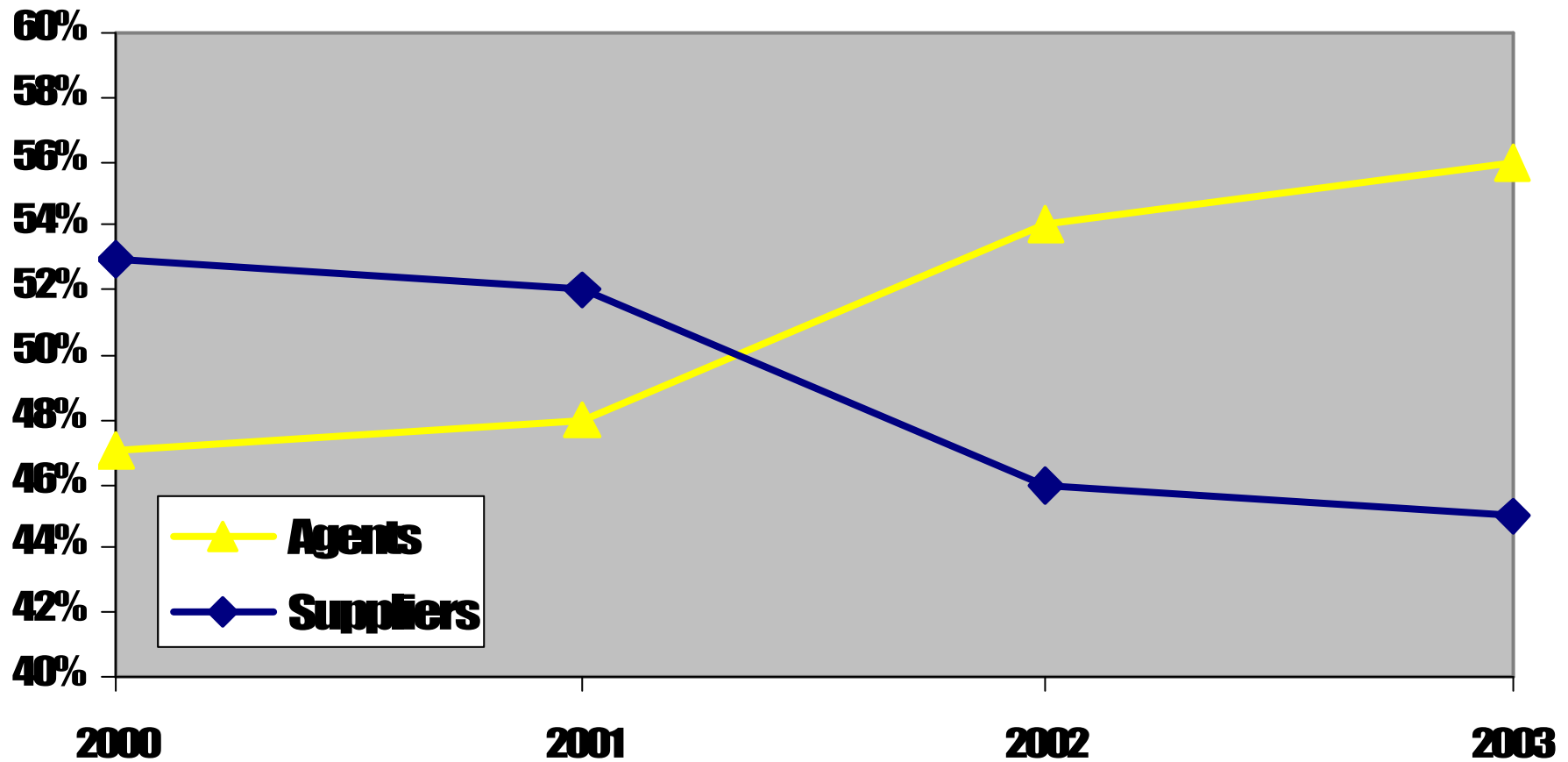
hotels.com
BEST PRICES, BEST PLACES. GUARANTEED.™



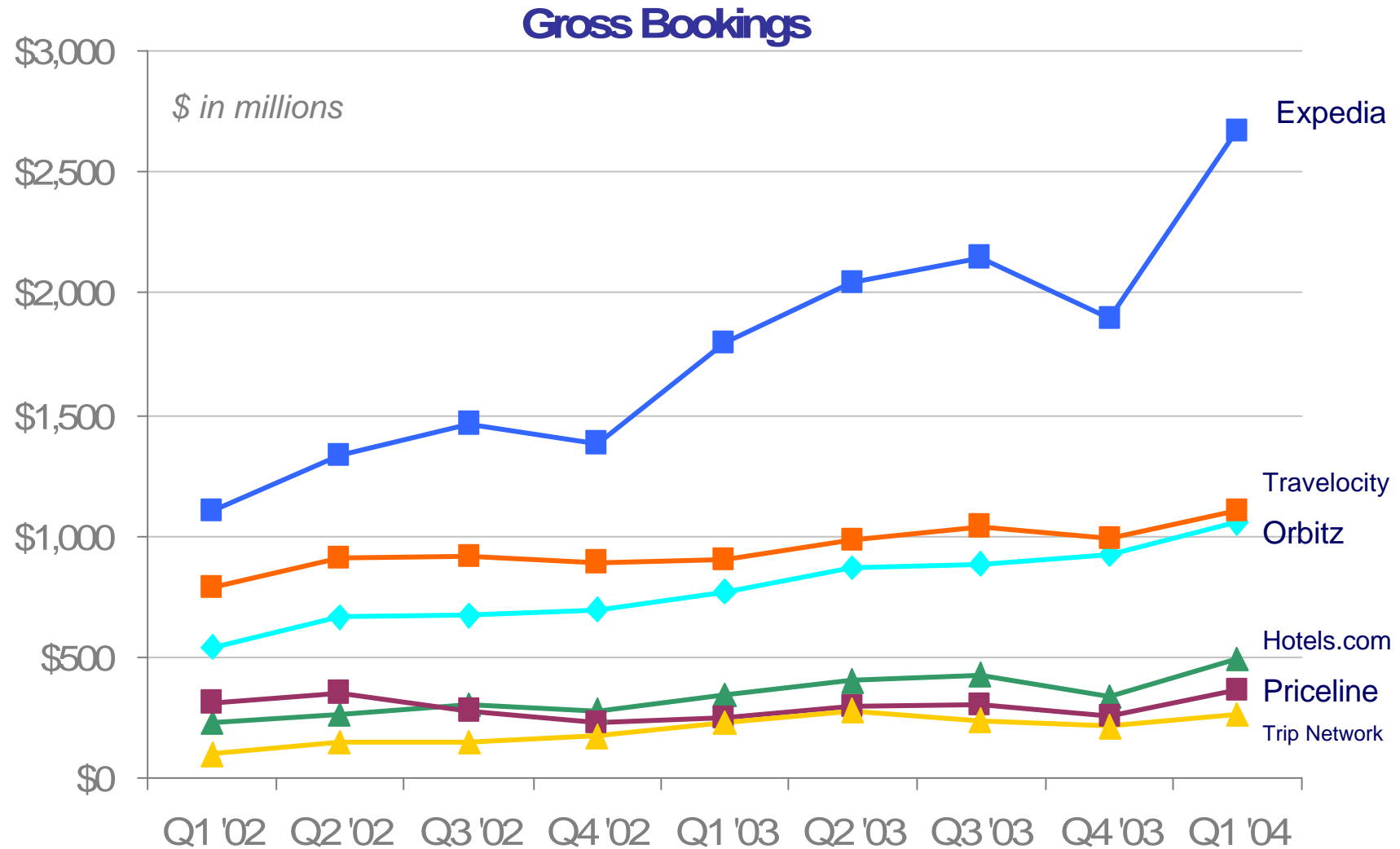
One-stop-travel-shop.com



Shift towards agents in the online travel market




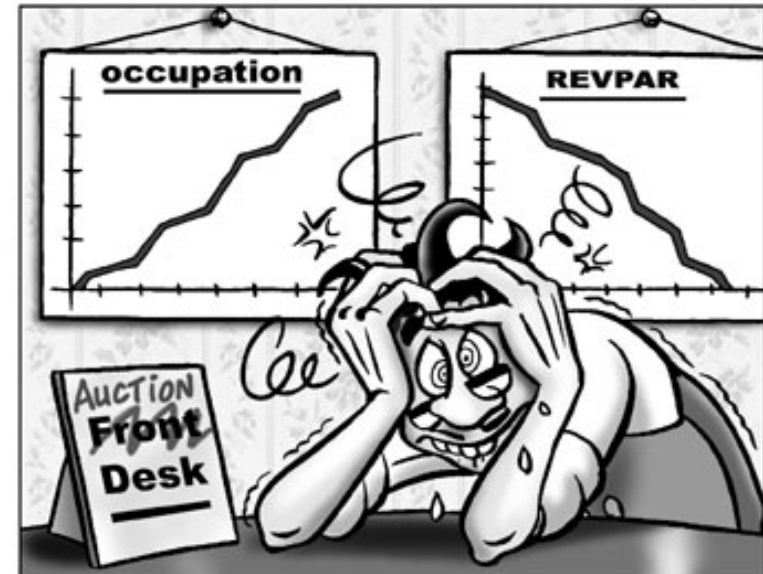
The big get bigger (and stronger)



Like it or lump it!



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IHG's Opening Gambit The Best Rate Guarantee (BRG)

Book With Confidence™

Lowest Internet Rate Guarantee

Book here first -- if you find a lower rate on another site, we'll beat it!

Online Reservation Guarantee

We won't lose your reservation -- or your visit is on us!

No Booking Fees!

We do not charge any booking fees for making reservations directly with us.

Privacy

Six Continents Hotels takes your privacy seriously and works to

If a consumer finds a on the Internet a lower rate that is publicly viewable for the same hotel and room type within 24 hours of making the booking, 6C will honor the rate and give an additional 10% discount.



Distribution Guidelines

- **In April, announced that it would only work with distributors that**
 - **do not engage in confusing and potentially unclear marketing practices,**
 - **respect IHG's trademarks,**
 - **ensure reservations are guaranteed through an automated and common confirmation process, and**
 - **clearly present fees to consumers.**
- **Plans to end licensing with hotel who do not comply with this policy after 110 days**



Five key issues for the future

- **Distribution costs**
- **Control over price**
- **Control over inventory**
- **Fairness in marketing**
- **Ownership of the customer**

