# Driving Hotel Compliance Through Choice





You've heard all of the reasons that your travelers can't or won't book within your program. According to GBTA, two of the top are:

- **52%** say travelers want to stay at a non-preferred brand or type of hotel.
- **73%** say travelers think they can find a better rate somewhere else.

What can you do? Offer your travelers more choices so they can make the *right* choice.



#### **REASON ONE:**

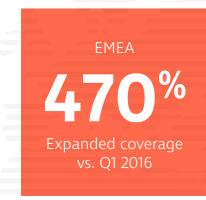
"I couldn't find the hotel I wanted."



NORAM

50%

Expanded coverage vs. Q1 2016



LATAM

491%

Expanded coverage vs. Q1 2016

APAC

352%

Expanded coverage vs. Q1 2016

### Limited choice = limited compliance

Historically, travel management companies could only offer limited inventory available in the GDS.

#### That has changed with CWT's hotel solution powered by RoomIt.

Now your travelers can book a room at over **800,000** business-appropriate properties in **73,000** cities through their CWT travel program thanks to third-party content sources like Booking.com, Expedia Affiliate Network, and Desiya.

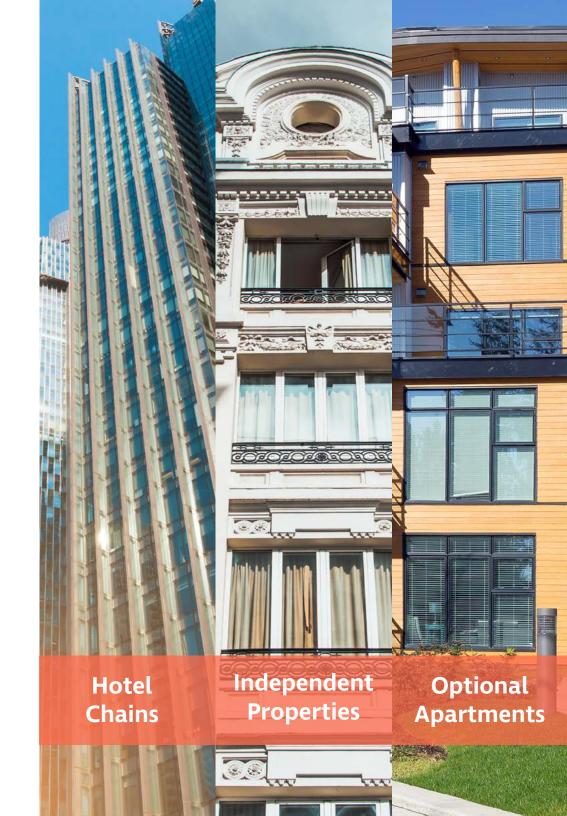


#### "That's not my type"

Many business travelers just aren't interested in booking hotels that don't meet their needs or reflect their preferences.

By partnering with third-party content sources, CWT's hotel solution offers a wide arrange of choices from chain hotels, independent properties, or optional apartments—all within your approved channels.







### "I tried to book our preferred hotel, but it wasn't available."

Many negotiated rates include a last room availability clause. The only issue? CWT Solutions Group found most travel managers overpay for this perk by as much as 5%.

Did you know third-party sources very often offer rates at your preferred properties, even after your rates have been closed out?

It's true. Hotels, like all businesses, want to maximize their revenue so they push their rates through the most profitable channels. Third-party sources often reach a wider audience than the GDS and provide more opportunities for hotels to sell inventory.



#### **REASON TWO:**

"I found a cheaper rate."

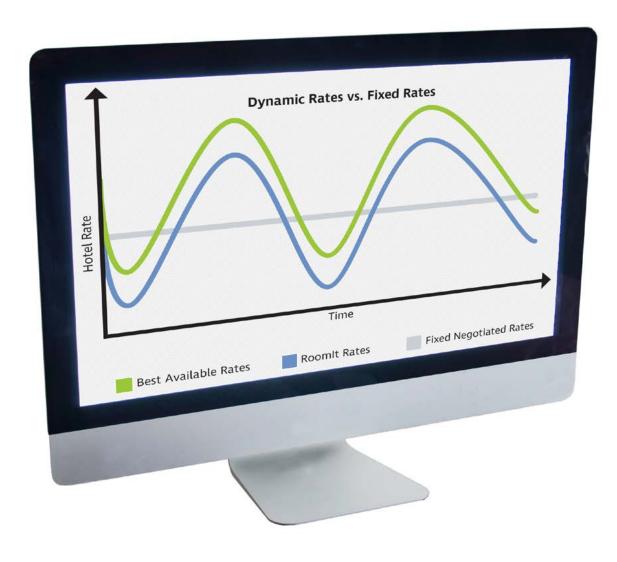


# Travelers think they can get a better rate, but can they?

Travelers are correct. Sometimes thirdparty content rates are lower than your negotiated rates.

Third-party content sources often sell rooms at the best available rate (BAR), or below. During low occupancy periods, hotels discount rates to move inventory. At these times, BAR can dip below your negotiated rates.

When offering third-party rates along with your corporate rates, travelers will have access to the lowest rates.





Hotel attach grew

5

Online adoption rose

**7.5**%

Third-party content equaled

14\*

of total bookings

Third-party content bookings at non-GDS properties

44

### Can third-party content really drive results?

Yes! It really works.

A CWT manufacturer client in Europe with nearly 5,000 business travelers couldn't book accommodations in many of the cities they visited due to GDS inventory limitations.

After implementing RoomIt content, the company's travelers had access to the properties and locations they needed.



### It sounds great, but...

You may think third-party content sources have too many limitations: all the rates are non-refundable, they don't offer amenities, or travelers won't book a rate that doesn't offer loyalty benefits.

Let's take a closer look at the facts.





# Fact: Non-refundable rates are actually a good deal

There is a misconception that all third-party content in non-refundable. In fact:

- 90% of Expedia Affiliate Network properties offer refundable rates.
- **85**% of Booking.com properties offer refundable rates.

To minimize costs, many travel policies allow non-refundable airfare. Non-refundable hotel rates also offer significant savings, pose few risks and can result in better trip planning.

- On average, non-refundable rates are **20%** lower than refundable rates.
- Only **5-6%** of non-refundable rates are cancelled.







### Fact: They do offer rates with amenities

- Third-party content sources do offer a variety of rates from lowcost, no amenity rates to those that come with breakfast, WIFI, or flexible cancellation policies.
- Your travelers' needs vary by trip.
   If attending a conference where all meals are provided, they can save by booking a lower rate without breakfast.



# Fact: There are incentives beyond loyalty points

- Loyalty points are not awarded on third-party rates. However, third-party content is often booked to fill a gap in locations where large chain hotels with loyalty programs may not exist.
- We will soon introduce incentives like airline miles or gift cards when third-party content rates are booked.





#### Now what?

1.

Talk with your CWT representative to determine how our hotel solution powered by RoomIt can help you.

- Decrease hotel leakage
- Lower overall hotel costs
- Improve traveler satisfaction

2.

Review and share the Hotel Booking
Tips guide with travelers using the provided email copy.
Help them understand the benefits of booking within your hotel program.

3.

Use <u>CWT AnalytIQs</u> to identify hotel program leakage. 4.

Communicate the importance of booking within your travel policy using our <u>Program</u>
Messenger tool.

