

CONVENIENCES IN PROMOTION OF ONLINE RESERVATION SERVICES VIA BOOKING.COM

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Abstract

This article shows how important online travel agencies are in promoting accommodation services. According to statistics, by 2020, the online travel booking market is estimated to be worth \$817 billion, accounting for 63% of the \$1.2 trillion online travel booking market share, the largest market in the sector. represents one of the shares.

Keywords

Online travel agencies (OTA), B2B and B2C customer, Expedia, Booking Holdings, Trip.com.

Introduction

Nowadays, any entrepreneur, when starting a hotel business, must start by connecting to the online reservation system in order to promote his services. The proliferation of online travel agencies (OTAs) is one of the most striking examples of the digitization of business and society over the past 25 years. According to research by PATA (The Pacific Asia Travel Association)¹⁹⁴, in a short period of time, from huge OTAs such as Booking.com, Expedia and Trip.com to about 400 smaller OTAs (hotels, airlines, package tours, rail and cruises) occupied an average of 40 percent. OTAs have evolved into digital marketplaces that directly connect B2B and B2C buyers with all travel products. In fact, OTAs can be considered a mixture of an e-commerce platform and a travel agency.

Although OTAs have certainly taken a certain market share from traditional travel agencies, they have not taken their place. In many online travel markets around the world, OTAs and traditional travel agencies are used together because they fulfill different roles. Many tourism businesses (hotels, tour operators, etc.) use OTAs in a certain percentage, while some segments, namely older people and those who do not yet know how to use technology, use traditional travel agencies.

Literature review

¹⁹⁴ www.PATA.org.

OTA market in North America. The United States is the world's largest tourism market, with \$2.1 trillion in 2019. International tourist arrivals to the United States reached nearly 80 million that year. Phocuswright said the two OTA giants, Expedia and Booking Holdings, account for 92 percent of the OTA market, but online travel bookings in the U.S. are down 59 percent due to the pandemic¹⁹⁵.

OTA market in South America. Despegar, BestDay.com and Price Travel are the main OTA players in South America. OTAs top the list of consumers looking for flights and accommodation in Argentina and accommodation in Mexico. On the other hand, according to the 2020 survey, flights to Brazil to Mexico are the number one channel for searching for airline tickets and booking accommodation.

Although the global pandemic has hit South America hard, one of the positive trends in the tourism market in the region is the growth of internet users. Internet penetration is expanding significantly - Argentina's Internet penetration rate is 92%, Mexico's mobile Internet penetration rate increased from 36% to 55% in 2019, second only to Uruguay in South America. As a result, online travel revenues increased in South America in 2019.

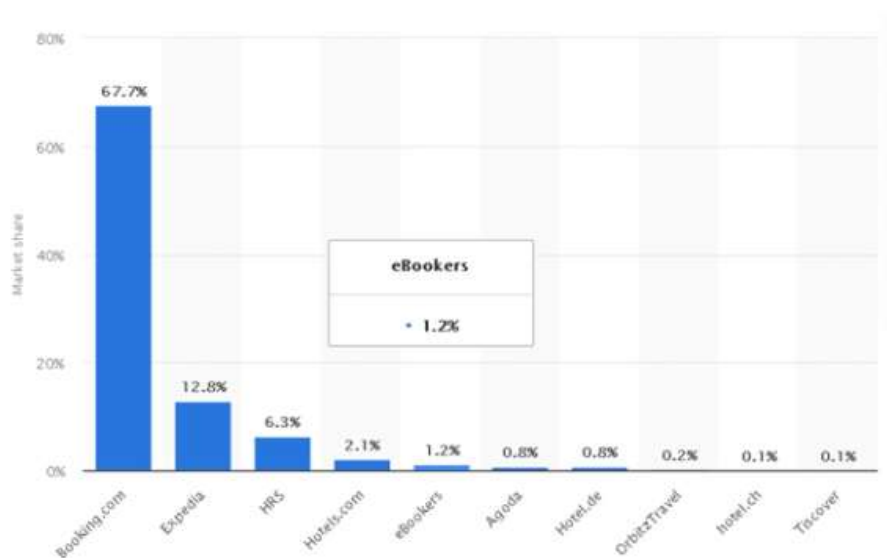


Figure 2.4. OTA market share in Europe in 2019¹⁹⁶

According to Statista, Booking.com is the largest player in the European OTA market with a 67.7% share in 2019. Expedia and HRS were second and third with 12.8% and 6.3%, respectively. According to Phocuswright, the UK's online travel market by country is the largest in Europe and the country's rate of online travel is one of the highest in the world¹⁹⁷.

¹⁹⁵ <https://www.phocuswire.com/phocuswright-ota-market-excitement>

¹⁹⁶ Manba: Statista.com

¹⁹⁷ <https://www.phocuswire.com/phocuswright-ota-market-excitement>

Booking Holdings (formally Priceline Group), which owns Booking.com, was the world's leading online travel agency in 2019. Its gross sales reached 96.4 billion dollars, which is 2% more than last year.

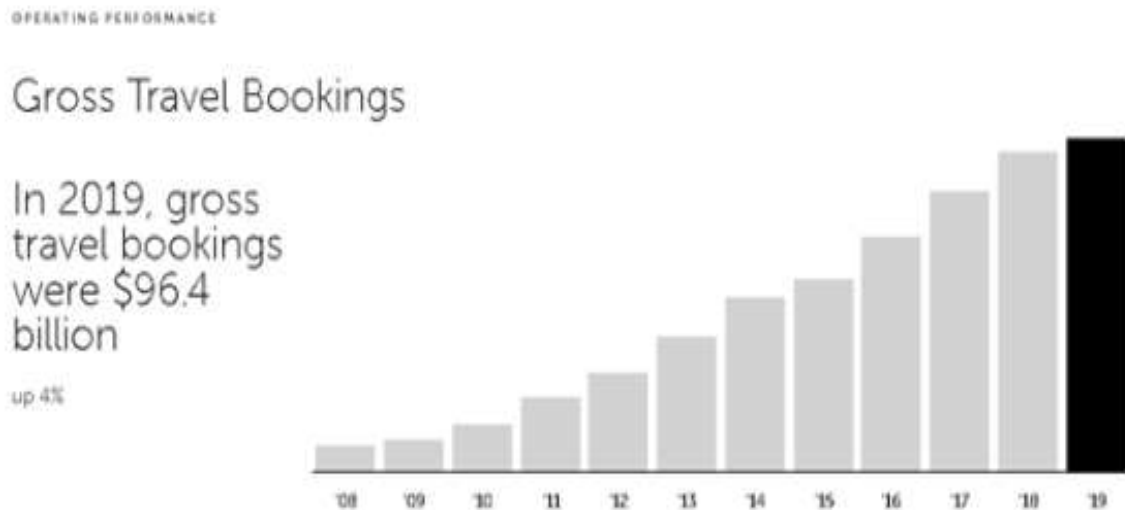


Figure 2.5. Booking for total travel in 2019¹⁹⁸

Thus, Booking Holdings and Expedia dominate the global OTA market, especially in North America and Europe.

Results and discussions

According to a study conducted by researchers at the Center for Neuro-Agnostics at University College London, humans have a natural desire to travel, explore the unknown and adventure. Recently, there is a tendency to abandon travel agency services. Thus, according to a survey of young travelers aged 18-30 with an average income¹⁹⁹, 58% of people organize their own trips. Business, on the other hand, is one of the most flexible systems that adapts to the changing and evolving desires of people. Thanks to this, various services have been developed to facilitate the organization of independent tourism. Most of them, the main question that arises when planning a tourist trip is related to accommodation. 100% of independent travelers choose their accommodation online. At the same time, 68% immediately access the sites of online hotel reservation systems. 10% prefer Ozon.travel, Ostrovok.ru and Momondo.ru systems, 21% also use Hotellook.ru, but 89% of those in this segment are considered customers of the Booking.com system.

¹⁹⁸ Manba: Booking Holdings

¹⁹⁹ А.Р. Мазурчик Системы интернет-бронирования отелей: взаимовыгодное партнерство как базис для привлечения клиентов (на примере Booking.com) с.255-257.

In this survey, 64% of those who chose booking.com indicated that the database includes more than 617,000 hotels worldwide. Also, 94% of the respondents highlighted the convenient interface of the site, 82% - the completeness of the information, and 29% of the respondents highlighted the convenient payment system and the possibility of free cancellation of the reservation.

Participation in this system is especially important for new hotels. This gives the aggregator the opportunity to attract a huge audience of trust and get the first real reviews from customers. In the Booking.com system, you can see that many types of accommodation facilities (hotels * ** *** **** ***** , guest houses, hostels, motels, boutique hotels) provide their services. The cooperation between hotels and Booking.com service around the world is based on mutual interest. The main advantage that the hotel receives from such cooperation is a huge audience of potential customers from around the world. Booking.com gives them the opportunity to be among the general list of accommodation options, and the place in the list is determined by the filters set by the customer. Thus, the audience is segmented, which is an attractive factor for cooperation, since the selection of the target audience is necessary for the success of the business.

Booking.com is an online hotel reservation system, founded in Amsterdam in 1996 and bought by an American British company in 2005 for \$133 million. Priceline Group was rebranded in February 2018. The headquarters of the company is located in Amsterdam (Netherlands). Booking.com is a global booking engine, a travel platform for the world's best-known brands and entrepreneurs of all levels, helping property owners around the world attract guests and grow their businesses. Booking.com platform is translated into 43 languages. It is available to book over 28 million advertised accommodations, including over 6.2 million houses, apartments, and other unique accommodations²⁰⁰.

The commission is paid from 10% to 25% of the amount of each reservation, depending on the region and the type of object. It will be necessary to pay at the end of the month.

Its main advantages:

1. Large database of hotels worldwide. More than 2,500,000 deployment objects are located in more than 200 countries. 1,638 of them are hotels located in Uzbekistan. The total number of offers is 29,475,748 rooms, 121,276 destinations, 228 corners of the world. In whichever city a tourist chooses a hotel, information

²⁰⁰ <https://ru.wikipedia.org/wiki/Booking.com>

about the tourist potential of that city or country, i.e. all historical monuments, places that attract tourists, is displayed.

2. Numerous guest reviews, rating system, photos - all this makes it easier to choose a hotel according to the consumer's needs. The comments that the customer leaves after visiting the hotel are of special importance, because they play an important role in the hotel's position. The fact that they cannot be faked (reviews can be left only by users who have stayed at this hotel and booked through Booking.com) forces the hotel to monitor the service carefully. Of course, this is a big gain: 47% of travelers prefer Booking.com because of this review system. Accordingly, a well-rated hotel on this site will have maximum credibility. In addition, Booking.com plays an important role in creating a hotel's image. Even if a tourist is interested in a certain hotel and searches for information about it through the search engine, if he does not find a hotel on Booking.com, he is unlikely to book a room there. After all, almost all the best hotels in the world are registered there.

3. Booking.com hotel reservation services are provided free of charge (the website receives a commission from hotels). There are no fees for ordering, processing and cancellation. The client can book several hotels in advance and only one reservation can be made closer to the issue.

4. The reservation system by Booking.com is absolutely safe, as the customer's personal information and credit card information are stored in an encrypted form.

5. Interface in Russian, support service in Russian.

6. Another advantage of Booking.com over other booking systems is the ability to cancel a booked room 24 hours before the scheduled date.

7. Choosing the most suitable accommodation - villas, hotels, hostels, business class rooms.

8. Filter online prices, reviews, stars, dining options, accommodation and services.

9. Providing unique offers, promotions, discounts on the Internet.

10. Additional opportunities (location near the airport, car rental).

11. Payment upon arrival. The purchase process is simplified, because the user of the site is already used to its system and interface and is very familiar with it.

Every day, the service registers more than 1.5 million rooms online, which helps travelers find the ideal option for leisure, business and educational trips. Agency services are provided free of charge. Customers who find better value get the difference back. Service support is available around the clock²⁰¹.

²⁰¹ <https://bronirovanie-otelej-onlajn.ru/>

Booking.com also has simple online booking instructions. The standard process requires 3 steps: pre-registration, clicking on the link received in the e-mail, confirming the order. An activated login provides access to a personal cabinet, collection of discounts, selection of a direction of interest, apartments, hotel, villa. It remains to set the "Reservation" command using the opened list, and wait for a letter confirming the reservation. A list of additional links will help you change the terms of the pre-order, cancel the order online.

Currently, within the hotels of Uzbekistan, the online booking site booking.com is playing an important role in promoting its services. Because it plays a very important role in global booking, purchase and search systems for entering the world markets and promoting the hotel brand. As we mentioned above, 1638 accommodation facilities of Uzbekistan are members. The main ones are Tashkent, Samarkand, Bukhara, etc. (Figure 2.6).

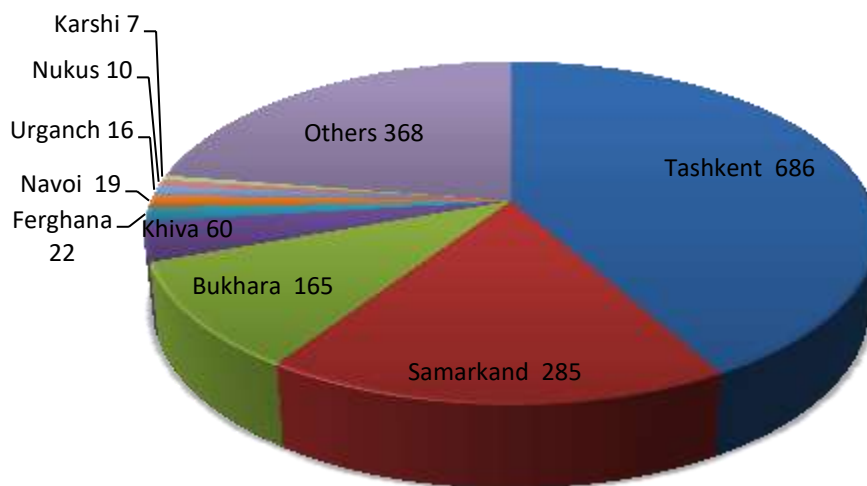


Figure 2.8. Accommodation facilities that offer their services in the booking.com onlay booking system are located in the Republic of Uzbekistan

These accommodation facilities include 5*, 4*, 3*, 2*, boutique hotels, guest houses, hostels, family-friendly and budget hotels.

In conclusion, since many tourists around the world consider booking.com to be more reliable and secure than other booking systems, the registration of accommodation facilities in this system is not only for selling their services and offers, but also for promoting the brand, customers can be used as an effective way to expand the audience.

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