



## IMPORTANCE OF DIRECT BOOKINGS FOR HOTELS NET OPERATING INCOME PER CHANNEL

### Owning the Customer vs. OTA Customer

Full-service Hotels	OTA Opaque	OTA Merchant	GDS	Direct brand.com	Direct Voice
ADR (Avg. Daily Rate)	\$65	\$122	\$152	\$142	\$145
ALOS (Avg. Length of Stay)	1.7	1.9	2.4	2.2	2.2
Room revenue per booking	\$111	\$231	\$364	\$312	\$318
Reservation- related expenses* per booking	\$9.06	\$11.51	\$58.87	\$13.82	\$27.06
Channel-specific marketing per booking**	0	0	\$8.07	\$13.46	\$7.61
Other room expenses per booking	\$49.42	\$55.23	\$69.77	\$63.95	\$63.95
Undistributed expenses/booking	\$64.06	\$71.59	\$90.43	\$82.90	\$82.90
GOP per booking	-\$20.66	\$82.77	\$147.69	\$148.48	\$147.05
Ancillary net contribution per booking	\$8.50	\$9.50	\$36.00	\$33.00	\$33.00
NOI per booking	-\$61.23	\$31.19	\$79.42	\$85.36	\$83.40
NOI per room night	<b>-\$36.02</b>	<b>\$16.41</b>	<b>\$33.09</b>	<b>\$38.80</b>	<b>\$37.91</b>

Source: American Hotel & Lodging / Smith Travel Research Study