

# TABLE OF CONTENTS



## *Distribution Channel Analysis: A Guide for Hotels*



**Authors:** Cindy Estis Green and Mark V. Lomanno

<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>	Property Direct/Other .....	114
Ten Things You Should Know .....	2	<b>4 ONLINE MARKETING STRATEGY AND CONSUMER BEHAVIOR .....</b>	<b>121</b>
Detailed Findings .....	4	The Travel Shopping Process .....	123
Implications .....	6	Attribution Models .....	130
Five Actions You Can Take Now .....	12	Travel Media .....	135
<b>OVERVIEW AND INTRODUCTION .....</b>	<b>13</b>	Summary — Ten Points .....	143
<b>1 HOTEL BUSINESS ENVIRONMENT .....</b>	<b>18</b>	<b>5 DISTRIBUTION COSTS AND BENEFITS .....</b>	<b>147</b>
Hotel Industry Size and Structure .....	19	Commission Costs on the P&L .....	147
Distribution Channel Issues .....	34	Variable Marketing and Reservation Fees by Channel ...	149
<b>2 THE DISTRIBUTION LANDSCAPE .....</b>	<b>45</b>	Conversion Rates through Direct Channels .....	152
Hot Trends: Search, Social, Mobile .....	51	Revenue-to-Cost Ratios by Marketing Channel .....	154
Travel-Specific Search Engines .....	52	Ancillary Spend Analysis .....	155
Online Travel Agencies .....	60	Lifetime Value Analysis .....	157
Flash Sales and Hot Deal Sites .....	62	Flow-through Analysis by Channel .....	159
Travel Inspiration and Planning .....	63	<b>6 OPTIMAL CHANNEL MIX .....</b>	<b>169</b>
Global Distribution Systems, Connectivity and Switches .....	67	Demand Generators .....	169
Offline and Traditional Wholesalers .....	69	Acquisition, Persuasion and Retention .....	170
Voice Reservations and Property Direct .....	70	Pricing Patterns .....	172
Groups and Meetings .....	70	Optimal Marketing Spend .....	173
<b>3 SIZE AND STRUCTURE OF THE U.S. HOTEL INDUSTRY BY DISTRIBUTION CHANNEL .....</b>	<b>75</b>	ACKNOWLEDGEMENTS .....	181
All U.S. Hotels .....	75	GLOSSARY .....	183
Distribution Channels by Chain Scale .....	85	APPENDIX 1 .....	191
Online Travel Agencies (OTAs) .....	89	APPENDIX 2 .....	199
Brand.com .....	104	AUTHORS BIOS .....	202
CRS/Voice .....	108		
Global Distribution Systems (GDS) .....	111		

# TABLE OF CONTENTS



## ***Distribution Channel Analysis: A Guide for Hotels***



**Authors:** Cindy Estis Green and Mark V. Lomanno

### **INDUSTRY PERSPECTIVES**

George Brennan,  
Executive Vice President, Sales and Marketing  
Interstate Hotels and Resorts ..... 119

Bill Carlson,  
Senior Vice President, Performance Analytics,  
Choice Hotels International ..... 144

Doug Carr,  
Executive Director, Distribution,  
Fairmont-Raffles Hotels International ..... 72

Bill Carroll,  
Senior Lecturer,  
Cornell University, School of Hotel Administration ..... 120

Mike Conway,  
Senior Vice President, Marketing,  
Winegardner & Hammons Hotels & Resorts ..... 178

George Corbin,  
Vice President eCommerce Strategy & eMarketing,  
Marriott ..... 41

Dorothy Dowling,  
Senior Vice President, Marketing and Sales,  
Best Western ..... 168

Mike Kistner,  
Chief Executive Officer,  
Pegasus Solutions ..... 167

Dan Kowalewski,  
Vice President, Revenue Management,  
Wyndham Hotel Group ..... 43

Flo Lugli,  
Executive Vice President, Marketing,  
Wyndham Hotel Group ..... 43

Melissa Maher,  
Global Vice President, Strategic Accounts and  
Industry Relations,  
Expedia, Inc. .... 73

Valyn Perini,  
Chief Executive Officer,  
OpenTravel Alliance ..... 145

Rob Torres,  
Managing Director, Travel,  
Google ..... 179

Lorraine Voll Morris,  
Vice President eDistribution,  
Marriott ..... 41

Request a review copy of  
*Distribution Channel Analysis:  
A Guide for Hotels* at  
[www.AHLEI.org/desk-copy](http://www.AHLEI.org/desk-copy)

The American Hotel & Lodging Educational Institute (AHLEI) has been a leader in hospitality education, training and certification for more than 65 years. AHLEI's hospitality management textbooks (available in print and eBook formats) create a bridge between classroom and industry by focusing on the knowledge hospitality professionals have identified as important. Every AHLEI course comes with a final exam that leads to an academic certificate of completion; students can also earn professional certifications from the American Hotel & Lodging Association, giving them marketable credentials as they begin their careers. Visit [www.ahlei.org](http://www.ahlei.org) for more information.