

Worldwide Electronic Hotel Revenue Up 14.7 Percent in Q3 2006

2006-12-20

TravelCLICK eMonitor Shows Increases in Both ADR and Room Nights Booked

TravelCLICK's quarterly eMonitor results indicate continued robust health for the hotel industry based on electronic distribution performance for the third quarter of 2006. The data shows that worldwide electronic hotel revenue from the Global Distribution Systems (GDS) and key Internet sites increased 14.7 percent over the third quarter of 2005. The number of electronic room nights booked for the third quarter increased 5.2 percent over the same time last year, while the Average Daily Rate (ADR) increased by 9.1 percent. The average length of stay for the third quarter 2006 was 2.15 nights, nearly the same as last year.

TravelCLICK's proprietary database of electronic distribution performance provides a comprehensive foundation for data analysis and trend forecasting that is used by the global hospitality industry in the development of integrated distribution strategy. Observations for the market based on this latest data include:

œ Travel agency room nights through the GDS will continue a growth trend, surpassing 100MM room nights by the end of 2006.

œ The GDS channel will continue to produce among the highest ADRs in the market, leading its Internet counterparts by as much as 30 percent.

The landscape of electronic distribution will see continued growth over the next 12 months:

œ With recent market consolidation, the GDS channel will continue steady performance against hotel industry growth, with up to one-third of global hotel bookings.

œ Merchant Programs will expand their reach globally, and technology advancements will make it easier for hotels to conduct business directly with online wholesalers.

œ Top markets, including New York, London and Hong Kong, will continue to trend with their respective economies, while new high-growth markets emerge, including Shanghai, Beijing and Singapore, as well as markets in Latin America and the Middle East.

'Third quarter travel agent results continue to show steady growth,' said TravelCLICK Vice President of eMarketing Solutions John Hach. 'In addition to the increase in room night growth of 4.9 percent, the significantly higher ADR for travel agent bookings compared to bookings made via the Internet demonstrates a continued reliance on travel agents for servicing the consistent and reliable upscale travel community.'

eMonitor results are compiled from TravelCLICK's comprehensive proprietary database, which is the exclusive source of hotel industry electronic distribution data from the Amadeus, Galileo, Sabre and Worldspan GDS. TravelCLICK's eMonitor also includes hotel bookings made through third-party travel Internet websites powered by Pegasus Solutions.

Travel Agent Component

Travel agent bookings represented 80.1 percent of total room nights. The travel agent component of GDS bookings had a 9.3 percent increase in ADR and a 14.6 percent increase in revenue versus the third quarter of 2005. Travel agents also continued to be a key source of higher rate business for hotels. The average rate for room nights booked through travel agents was 33.3 percent higher than the average rate for room nights booked via the Internet.

Year-to-date for 2006, travel agent hotel room nights via the GDS were up 6.2 percent, driving a 7.3 percent growth in ADR from the same period in 2005.

Internet Component

Internet room nights, sourced from consumer online transactions on GDS-powered Internet sites and Pegasus-powered third-party sites, showed a gain of 6.4 percent compared to the third quarter of 2005. ADR was up 8.3 percent for Internet bookings; revenue was up 15.2 percent compared to the same period last year.

Third Quarter 2006

	Room Nights	% Change	ADR	% Change
Total GDS and Pegasus Hotel e-Commerce	32,529,390	5.2%	\$143.59	9.1%
Travel Agent Component	26,051,207	4.9%	\$151.10	9.3%
Consumer Internet Component	6,478,183	6.4%	\$113.36	8.3%

Year-to-Date 2006

	Room Nights	% Change	ADR	% Change
Total GDS and Pegasus Hotel e-Commerce	95,208,134	6.1%	\$142.83	7.2%
Travel Agent Component	78,195,472	6.2%	\$149.79	7.3%
Consumer Internet Component	17,012,662	5.9%	\$110.87	6.6%

GDS Performance by Market Segment

Results for the third quarter of 2006 by industry market segment are shown below for GDS bookings only. All market segments showed increases in both room nights and ADR compared to the third quarter of 2005.

Third Quarter 2006

Market Segment	Room Nights	% Change	ADR	% Change
Luxury	941,594	11.0%	\$341.72	9.0%
Upscale	10,029,048	1.4%	\$179.33	9.3%
Mid-Scale	11,888,514	3.6%	\$118.81	10.2%
Economy	2,656,431	4.3%	\$83.22	7.9%

Year-to-date 2006

Market Segment	Room Nights	% Change	ADR	% Change
Luxury	2,707,221	11.6%	\$339.85	7.3%
Upscale	30,334,432	1.7%	\$178.76	7.8%
Mid-Scale	35,423,810	4.8%	\$116.76	7.9%
Economy	7,314,706	8.0%	\$81.44	7.6%

Top Destination Markets

The top 10 worldwide destination markets in room nights for GDS and Pegasus third-party powered websites, in order, were:

Third Quarter 2006

Top Destination Markets	Room Nights	% Change	ADR	% Change
New York	1,385,724	5.5%	\$250.76	9.5%
Los Angeles	1,103,082	2.6%	\$150.79	8.8%
San Francisco/Oakland/San Jose	1,019,445	4.9%	\$152.49	7.7%
Washington/Baltimore	938,710	-3.1%	\$166.19	6.4%
London	877,248	10.8%	\$260.51	15.1%
Chicago	873,926	6.2%	\$157.39	12.3%
Dallas	576,765	-1.0%	\$115.91	11.7%
Atlanta	523,352	-4.3%	\$118.99	9.1%
Boston	509,671	1.8%	\$170.15	9.3%
Houston	451,556	7.1%	\$121.38	11.4%

To receive a free listing of third quarter results by top 50 cities worldwide in electronic bookings, please email emonitor@travelclick.net. GDS hotel booking summaries by individual local market also are available at www.travelclick.net.

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About TravelCLICK

TravelCLICK (www.travelclick.net) is the leading provider of hotel business process management (BPM) solutions that drive long-term profitability. TravelCLICK helps hotels maximize asset ROI by combining innovative market analysis and proven industry best practices with advanced technology to develop and implement high-return strategies. The company offers a full set of solutions including reservations and distribution management, market intelligence-based decision support, and marketing services. Established in 1996 and headquartered in the Chicago area, TravelCLICK has more than 12,000 customers in 140 countries.

This article comes from Hotel News Resource

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