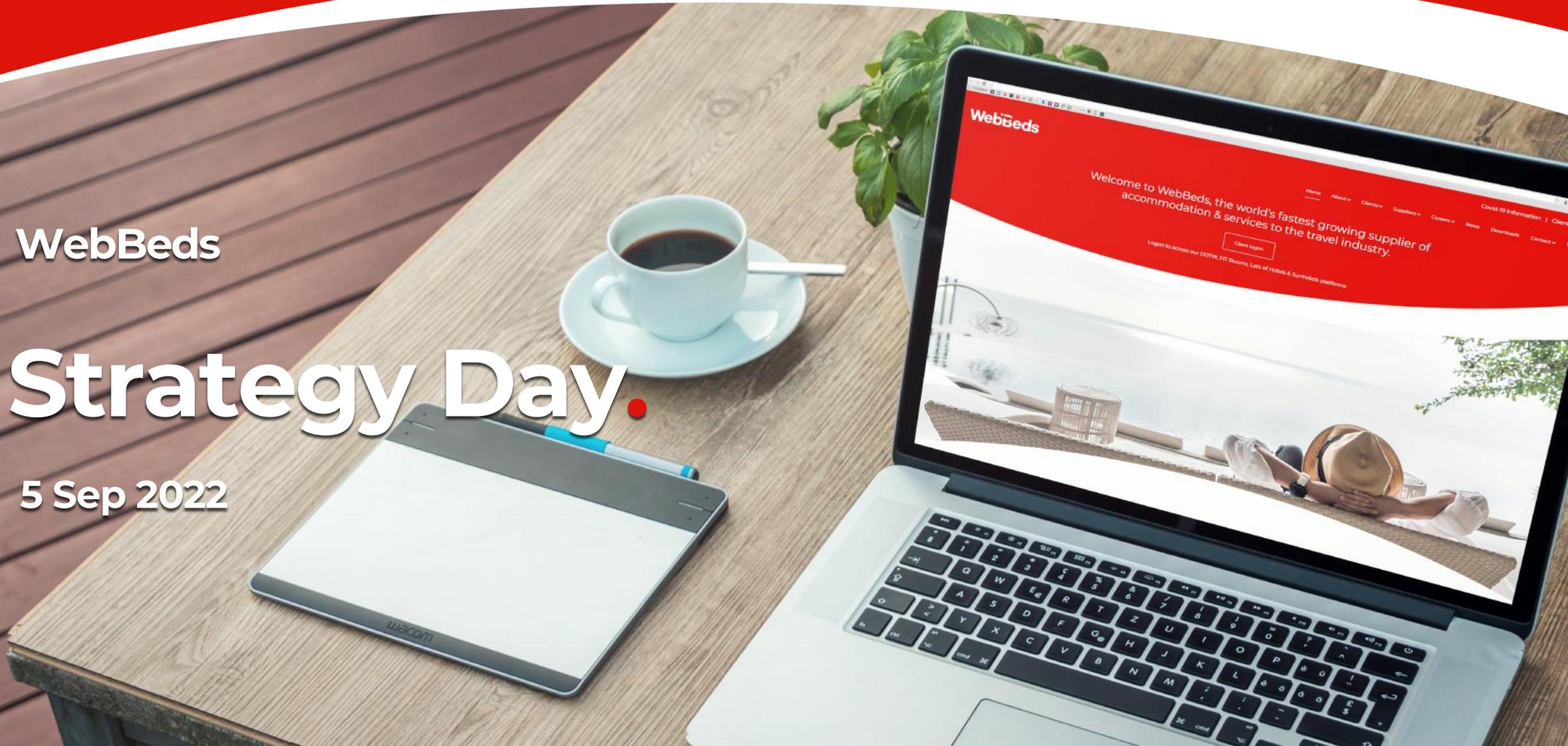# WebBeds

**WebBeds**

# Strategy Day.

**5 Sep 2022**

# WebBeds

# Scale.

From 2013, we grew with organic start-ups of Lots Of Hotels & FIT Ruums and strategic acquisitions of Sunhotels, JacTravel & Destinations of the World.
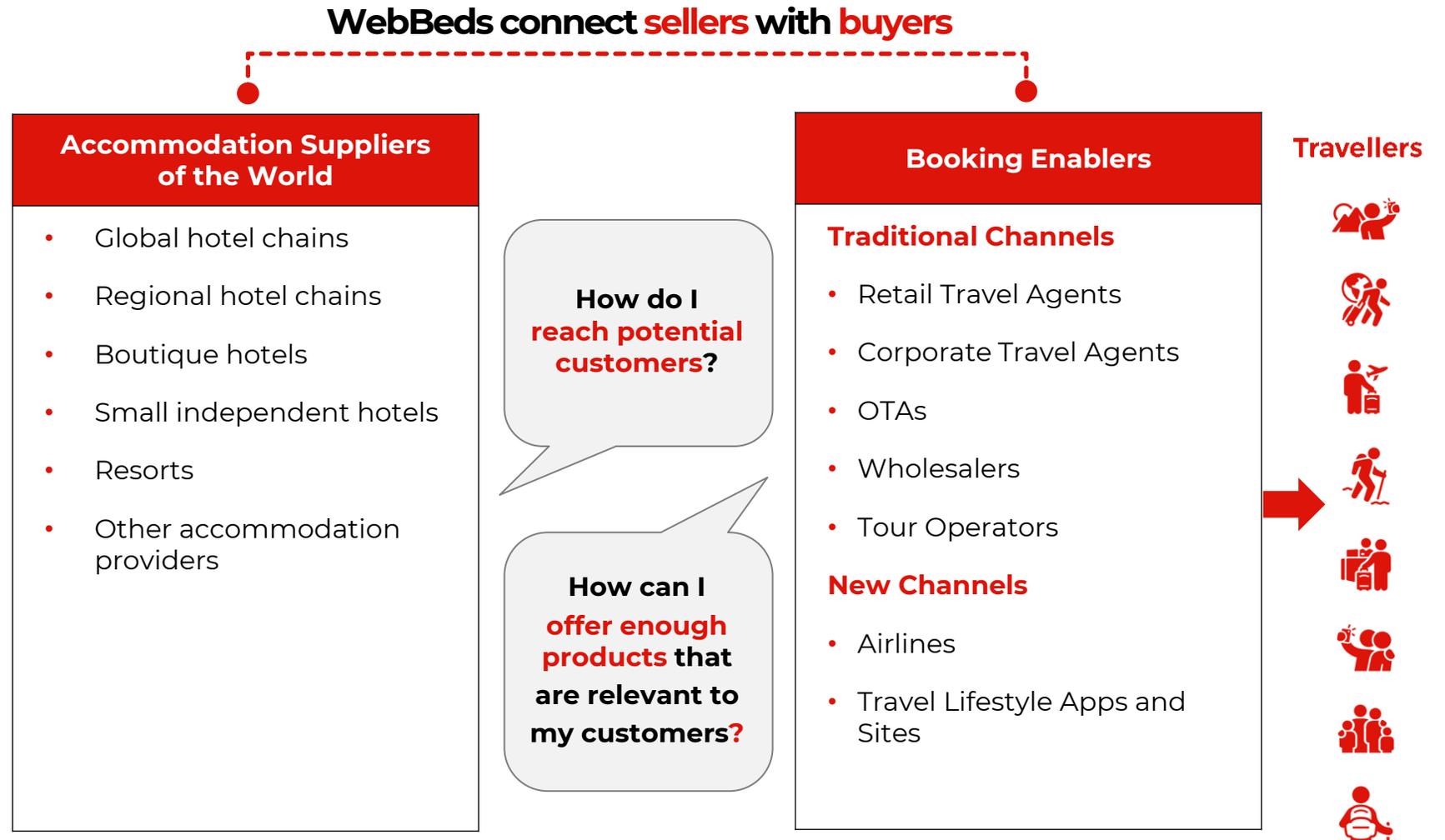
Today we have the scale to accelerate our growth to be #1.

# WebBeds

**WebBeds is a digital global travel marketplace** that connects sellers with buyers.

# Connecting travel buyers with sellers.

**WebBeds connect sellers with buyers**

## Accommodation Suppliers of the World

- Global hotel chains
- Regional hotel chains
- Boutique hotels
- Small independent hotels
- Resorts
- Other accommodation providers

**How do I reach potential customers?**

**How can I offer enough products that are relevant to my customers?**

## Booking Enablers

**Traditional Channels**

- Retail Travel Agents
- Corporate Travel Agents
- OTAs
- Wholesalers
- Tour Operators

**New Channels**

- Airlines
- Travel Lifestyle Apps and Sites

**Travellers**

# WebBeds

**WebBeds acts as a digital travel marketplace** between hotels looking to fill rooms and travel businesses trying to find rooms for travellers**.**

# A Simplified Overview of a Booking Journey.

End consumers/ travellers looking to book a holiday will approach a Travel Agent for recommendations or book through an OTA.

Travel consultants / OTAs will capture and input travel requirements into system to search for suitable recommendations.

WebBeds system scans our Database for the searched accommodation, activities and transfers.

Information is sent to hotel, and bookings are made.

**WebBeds**

A RECAP OF THE PREVIOUS *SEASON*.

SKIP RECAP >>

# WebBeds

## Transformation started April 2020.

Strategic objective to be the #1 global B2B provider.

# Transformation strategy underway.

## Initiatives underway to deliver 20% greater cost efficiencies at scale.

| Key Strategic Initiatives. | | Opportunity. |
|---|---|---|
| **Rethinking How We Do Business** | Looking at what we sell & how we sell it. Differentiating through innovation. | • **Revenue**<br>• **Cost reduction** |
| **Streamlining Technology** | Delivering the most robust, efficient and flexible offering. | • **Cost reduction** |
| **Increased Leverage of Data Analytics** | A.I, robotics and data driven decision making. | • **Revenue**<br>• **Cost reduction** |
| **Sharpened Focus on Cost Reduction** | Simplifying processes across the business. | • **Cost reduction** |
| **Refinement of Risk Management Processes** | Tightening risk and credit processes. | • **Cost reduction** |

# WebBeds

## New regional opportunities.

# Revenue opportunities in North America.

## North America.

- Large wholesale market but **historically underrepresented** by WebBeds

  - 4% market penetration in Europe, 3% in APAC, and **only 1% in Americas**.

- **Largest destination** within WebBeds network

- Focused on **leveraging new opportunities**

  - Targeting new market segments

  - Increasing share of Top 20 clients

  - Expanding directly contracted inventory in key cities

- **New Senior hire** – December 2020

| Core North American Market B2B Segments | | | |
|---|---|---|---|
| **B2B Loyalty** Loyalty redemption platforms which are typically white labeled for consumer facing brands | **B2C Loyalty** Consumer facing platforms enabling customers to earn or burn loyalty points for travel | **Online Retail** Agent & consumer facing platform with many direct contracts & 3rd party connections | **Air** Major airlines that also sell ancillary travel products |
| **Membership** Member based programs that offer discounted travel & other services in a closed user group environment | **OTA** Online travel agencies that provide packaged & individual travel products directly to consumers | **Corporate** Major travel management companies & small "disrupters" providing full or limited corporate travel services | **Search** Consumer facing booking sites that acquire majority of customers from paid search (SEM) |

**cA\$20 BN TTV** addressable market [1]

# WebBeds

## Pre Covid-19: Complex technology ecosystem.

**Pre Covid-19 our complex technology ecosystem** was a reflection of our acquisition strategy.
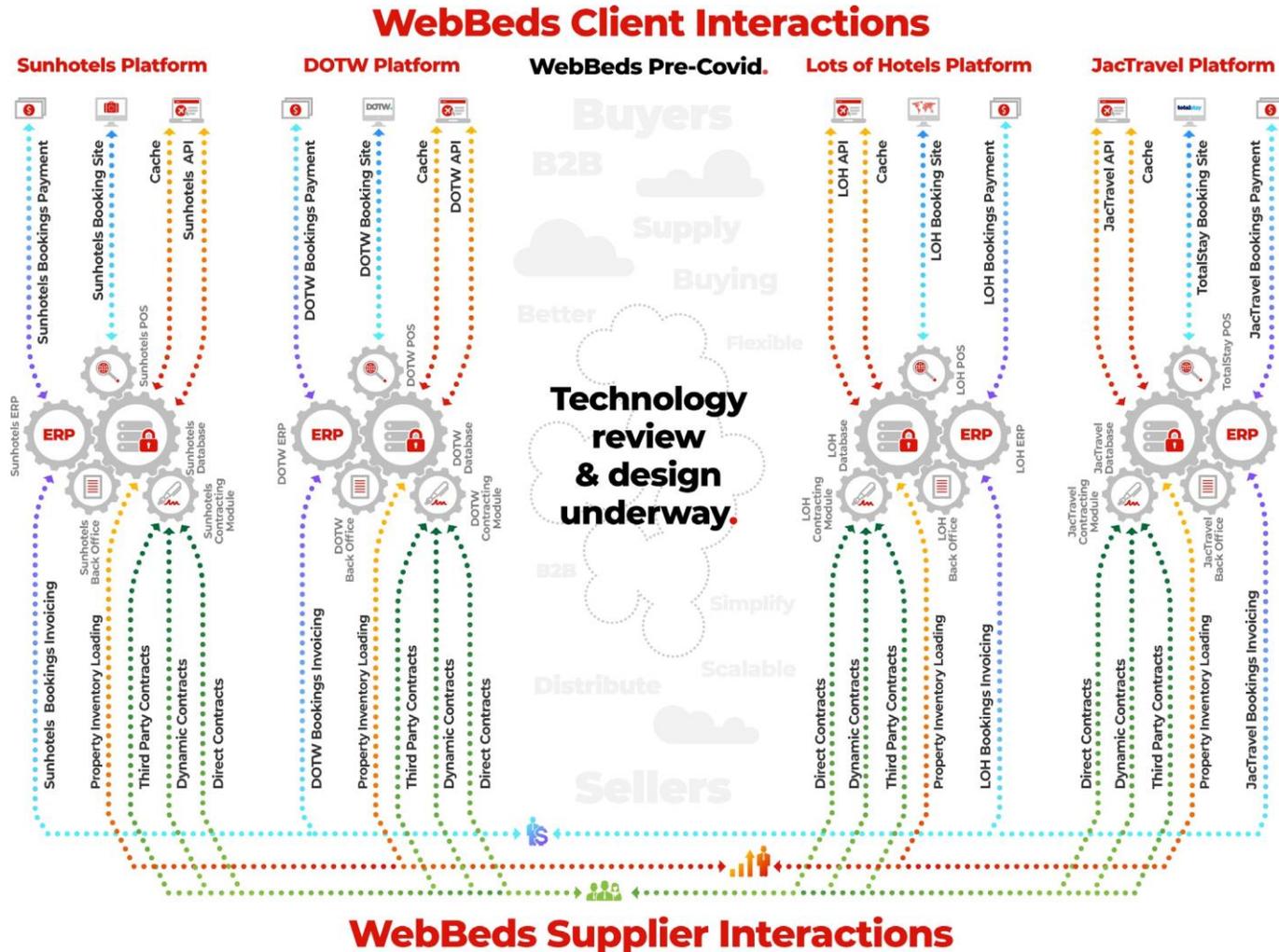


**Multiple touch-points, several ways to do the same thing** & **maintenance overhead running all platforms** ensuring WebBeds product is available across the marketplace.

**Four commercial trading platforms** leveraging a rich content base & wide reaching client distribution to create the initial global marketplace

# Tomorrow: End of CY2021.



**WebBeds Client Interactions**

Sunhotels Platform | DOTW Platform | Stage 3. | Lots of Hotels Platform

Continued support of connections...

...yet simpler & less resource heavy.

**WebBeds Supplier Interactions**

---

**Opening our new sales channels, API, Retail Website and Cache to the** WebBeds Global Marketplace.
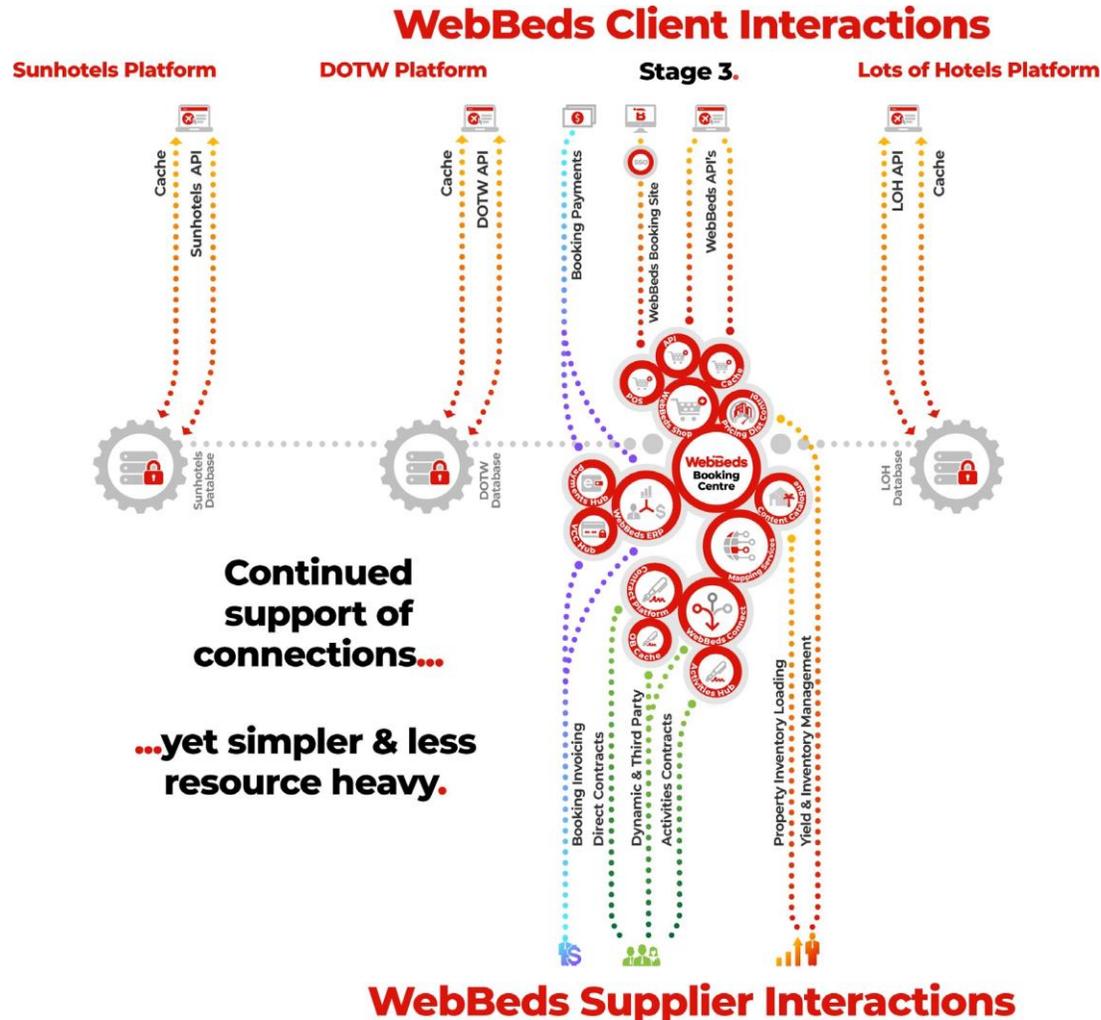
**WebBeds API.**
A flexible, fast & reliable client API offering the WebBeds suite of products (hotels, vacation rentals, transfer & activities)

**WebBeds Cache.**
Ability for API clients to access an up-to-date WebBeds portfolio for packaging & onward distribution.

**WebBeds Retail Booking Website.**
Our showroom to empower travel agents with flexible search and browsing options, informative content & shopping basket to efficiently design safe & exciting holidays.

**WebBeds Content Catalogue.**
Detailed, high quality and up-to-date hotel & room information to give the client correct expectations on what they book.

**WebBeds ERP.**
Simplifying & automating our billing & payment processes, unifying our distribution platforms in one ERP platform.

# WebBeds

**Aspirations** from 2021**.**

## Summary of what we have told you previously**.**

🎯 **Goal is #1 in our market.**

📊 **Achieving A$10bn TTV.**

🚩 **Targeting 8/3/5.**

👨‍💻 **Simplified technology platform.**

☁️ **At least 20% efficiency.**

🌎 **Invest in North America.**

WebBeds

In today's episode.

Getting closer towards A$10b TTV, 8/3/5 & more.

# WebBeds

**Rethink How We Do Business.**

**Streamline Technology.**

**Increase Leverage of Data Analytics.**

**Sharpen Focus on Cost Reduction.**

**Refine Risk Management Processes.**

# Content for today.

- **Smart Technology Enhancements.**

- **Data Analytics.**

- **Automation.**

- **Insights.**

- **Summary.**

# WebBeds

## Facts & Figures: Our global presence & performance.

### WebBeds Global Presence & Team
WebBeds supports our global distribution network through:

**We are now in all** major markets worldwide.



WebBeds Europe

WebBeds Americas

WebBeds MEA

WebBeds APAC

Cities we have **people**

Locations of **key premises**

**1,500+** people

**in**

**120+** cities

**across**

**50+** countries

**speaking**

**50+** languages

# WebBeds

**Worldwide hotels, accommodation including global chains and** independently managed & contracted properties.

# Facts & Figures: Our product.

## Hotel Product
Worldwide hotels including global chains and independently managed and contracted properties.

**Hotels by region**

69,220

3,911

16,358

157,833

5,195

24,997

12,330

149,416

**430,000+** hotels

**16,000+** destinations

**190+** countries

**31,000+** directly contracted independent hotels

**62,000+** directly contracted chain properties

**77** integrated 3rd-party wholesalers
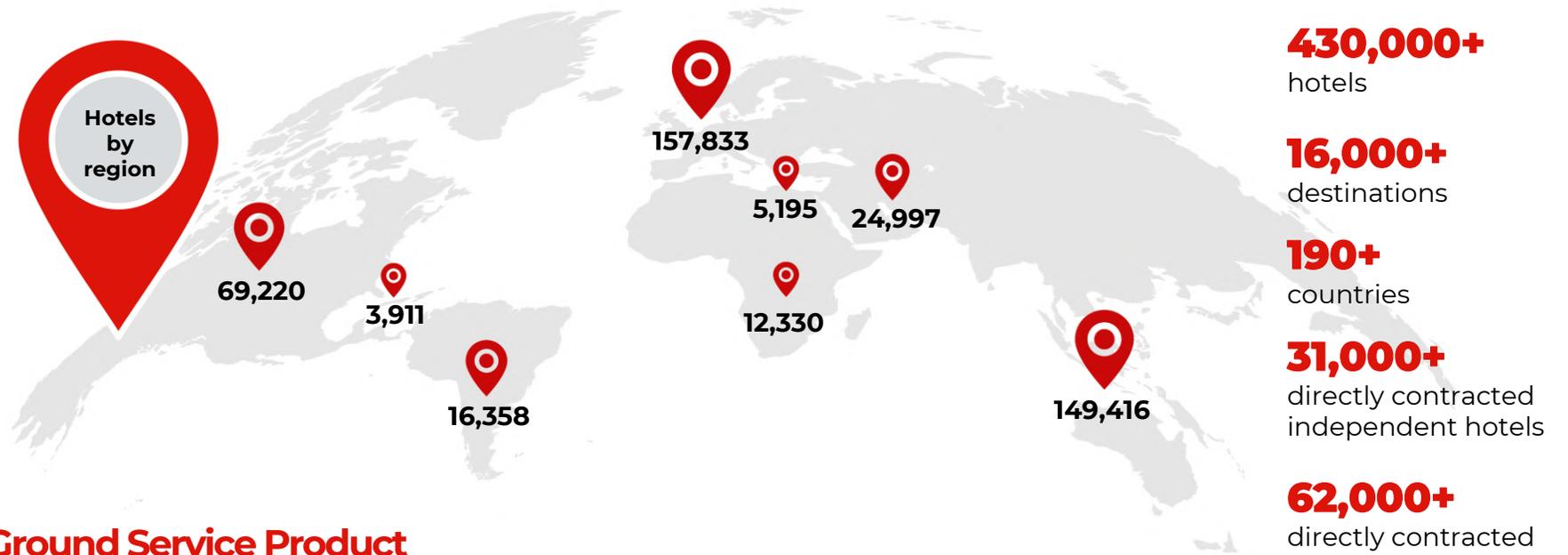
## Ground Service Product
We provide destination services such as transfers, entertainment, attractions and more...

**12,000+** global DMC services

**18,000+** transfer products offered

**1,100+** worldwide transfers destinations
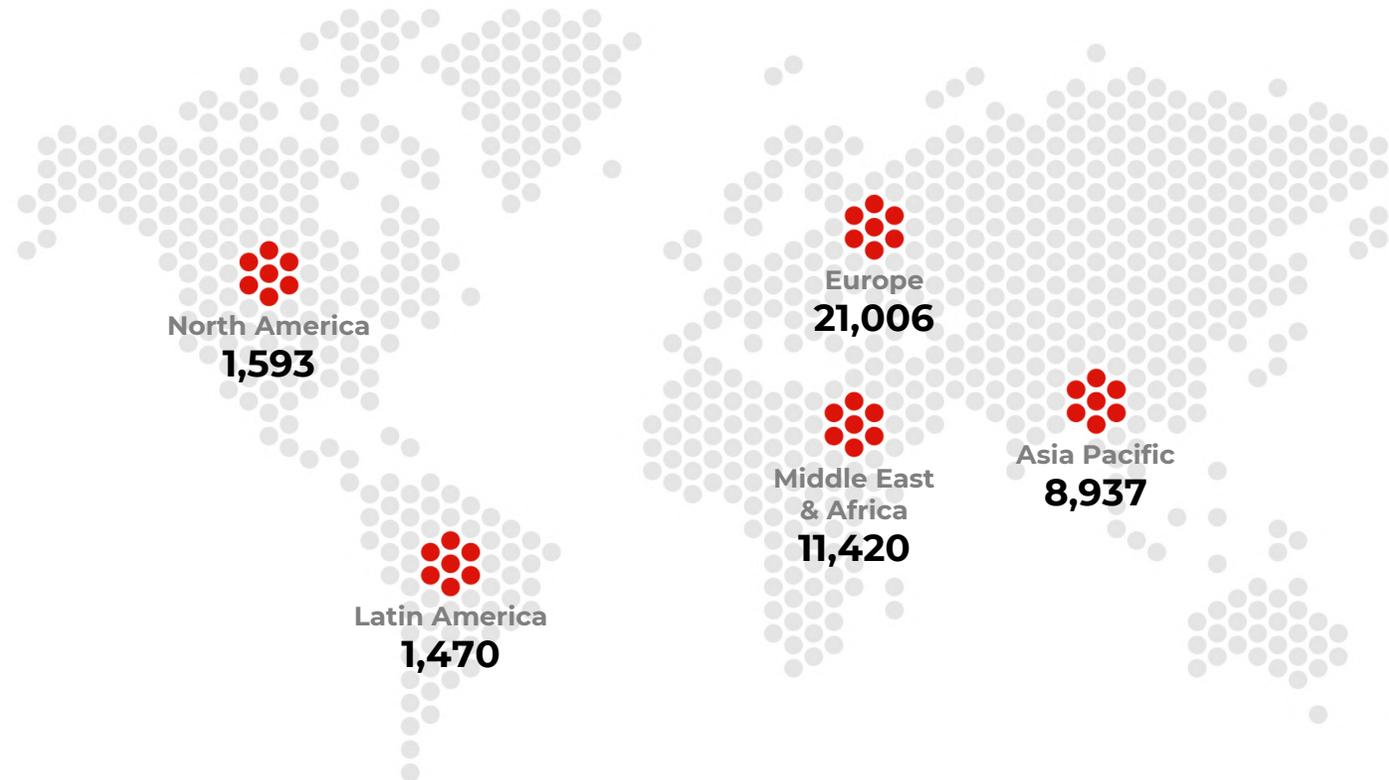
**3,900+** direct contract destinations

# WebBeds

## Our global network of travel selling clients generate 5.8m room nights in the current FY23 (Apr – Aug).

# Facts & Figures: Our network & reach.

## Network & Reach
We distribute our products through a global network of travel selling clients.

**North America**
**1,593**

**Latin America**
**1,470**

**Europe**
**21,006**

**Middle East & Africa**
**11,420**

**Asia Pacific**
**8,937**

**44,000+**
active client users

**139+**
source markets

**Generating** [1]

**5.8 million+**
room nights

**1.2 million+**
room nights per month

**420,000+**
bookings per month

**6.3 secs**
average time a new booking is made

# Smart Tech Enhancements.

WebBeds

# WebBeds Single Platform.

**Sources**

**Content Aggregation**

**Streamlined & Optimized**

**WebBeds Suppliers**

**WebBeds Clients**

Hotel Suppliers

Wholesalers

DMCs

Switches

Country Code

Destination Code

Hotel Description

City Code

Hotel Address

Hotel images

Hotel Amenities

Rate plans

Room Types

Board Types

Promotions

Aggregated

Verified

Deduplicated

Optimized

## Our Suppliers

450,000+
Products & Services

## Complex Data Points

There are over 1 trillion aggregated data points from all our hotel partners and third-party suppliers.

## Streamlining and Optimizing

These data are indexed, tagged, optimized and streamlined for our clients.

## Our Clients

Clients pull accurate and updated information from our systems.

No need to go through the tedious process of mapping multiple sources.

# WebBeds

**Search volume capacity increased with smart tech enhancements** allowing the system to handle more demand**.**

# Increased search capacity, lowered response time.

**Search Capacity vs Response Time**



**AI modules moved to cloud**

**Single platform**

**4 platforms**

**Streamlining work**

2019                2020                2021                2022

Search Capacity        Response Time
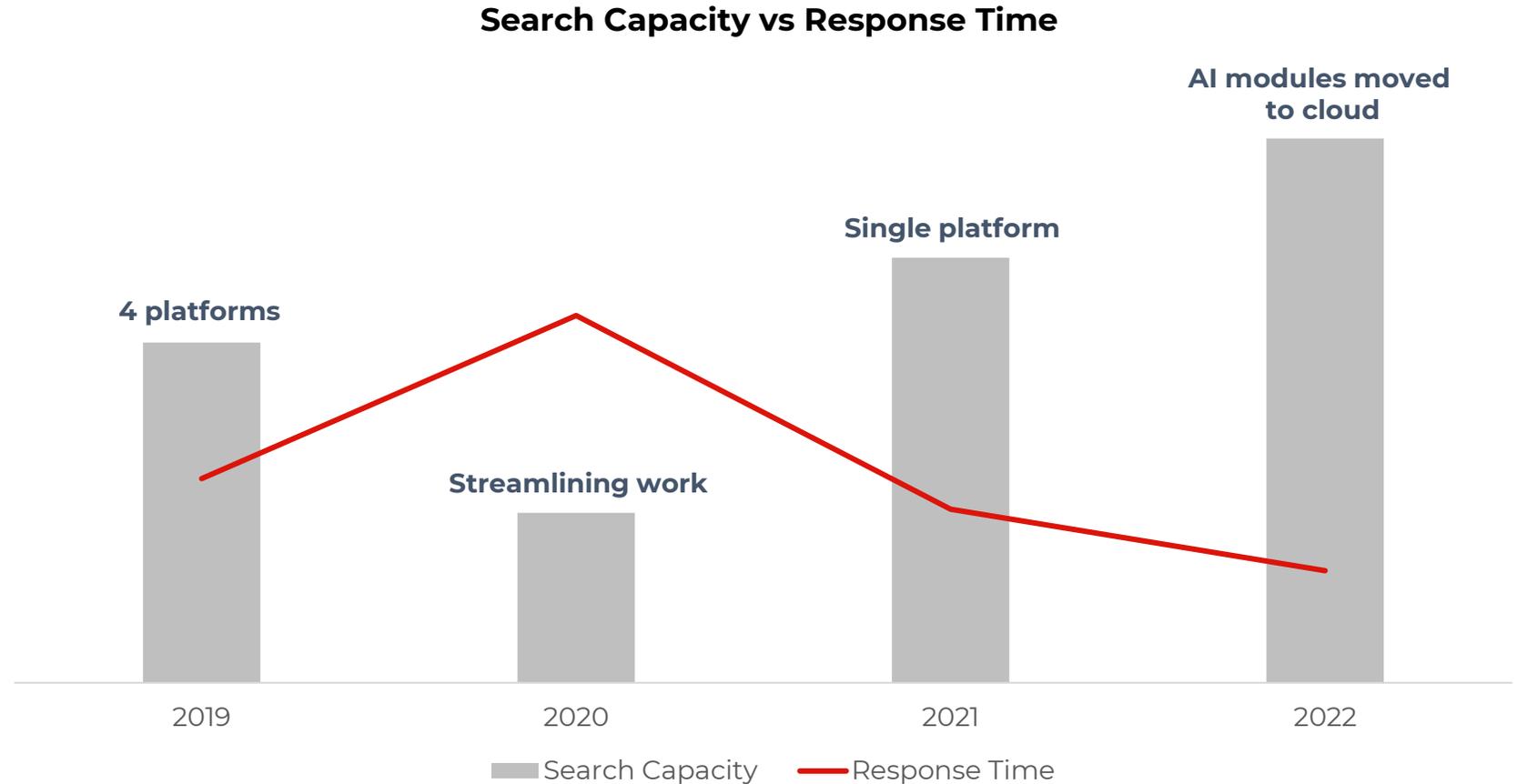
**We now have the agility to scale capacity further when needed.**

# WebBeds

**More than 1 trillion complex** price data points**.**

# Various data points that affect pricing.

**Price Point**

- Leisure
- Room Types
- Meal Inclusions
- Promotions
- Non-Refundable
- Dynamic
- Refundable
- Bedding Configuration
- MICE
- Membership
- B2B
- Tour Groups
- Static
- Cancellation Policy
- Corporate
- B2C
- Length of Stay
- Seasonality
- Lead Time
- Bundle
- Last Minute
- Early Bird
- Surcharge for Events

# Streamlining room types.

**An example of the same room type can be logged under different names by different suppliers** and how the WebBeds Smart Engine catalogs and streamlines content.

| Master List Grouping ||
|---|---|
| **Rooms** | **Count Rooms** |
| Club 2 double beds partial sea view | 5 |
| Deluxe 2 double beds tub accessible, accessible hearing | 5 |
| Deluxe, family 2 double beds | 11 |
| Deluxe, suite 2 double beds accessible, accessible hearing | 5 |
| King city skyline view | 3 |
| Luxury 2 double beds accessible | 4 |
| Premium club dbl or twin sea view | 7 |
| Studio, suite double accessible, accessible hearing | 6 |
| Suite 2 bedrooms 2 double beds sea view | 4 |
| Suite 2 bedrooms 2 double beds, king ocean front | 3 |
| Suite 2 double beds 1 bedroom, executive level | 3 |
| Grand Total | 56 |

| WebBeds System ||||
|---|---|---|---|
| **Room Type** | **Bedding** | **Others** | **Inventory** |
| Club Suite | 2 x Double | Sea View | 56 |

WebBeds

Our massive depository
of data points enables
limitless opportunities.

# WebBeds Smart Engine.

**Organic Searches**

**All Inventory**

**44k+ travel clients**
**Extensive Search Requests**

**WebBeds Improved Engine**

Room Type

Length of Stay

Lead time

Client Segment (B2B, B2C, B2B2C)

**430k+ hotels**
**+**
**77 third party suppliers**

Multiple providers organized into a catalog

**Improved Conversion**

**Response**

Refined Rate Plans

Targeted Price

Requested Room Type

**AI Improved Distribution Module**

# Improved Distribution Process Leading to Increased Bookings.

**WebBeds**

## Outperforming the market, with bookings exceeding pre-pandemic levels since May 2022.

**Bookings** - % of Pre-Covid [1]

| | | | | | |
|---|---|---|---|---|---|
| 39% | 52% | 69% | 83% | **106%** (1Q23) | **116%** (2Q23) |
| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23* |

*% of Pre-Covid*

**TTV** – % of Pre-Covid [1]

| | | | | | |
|---|---|---|---|---|---|
| 20% | 36% | 60% | 70% | **93%** (1Q23) | **105%** (2Q23) |
| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23* |
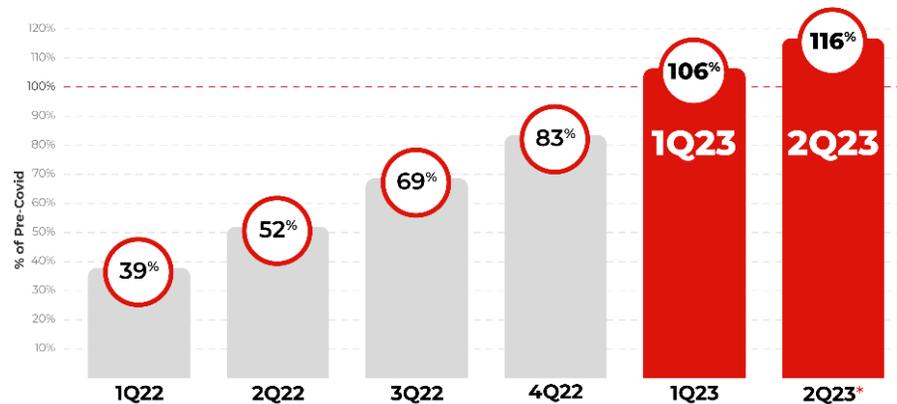
*% of Pre-Covid*
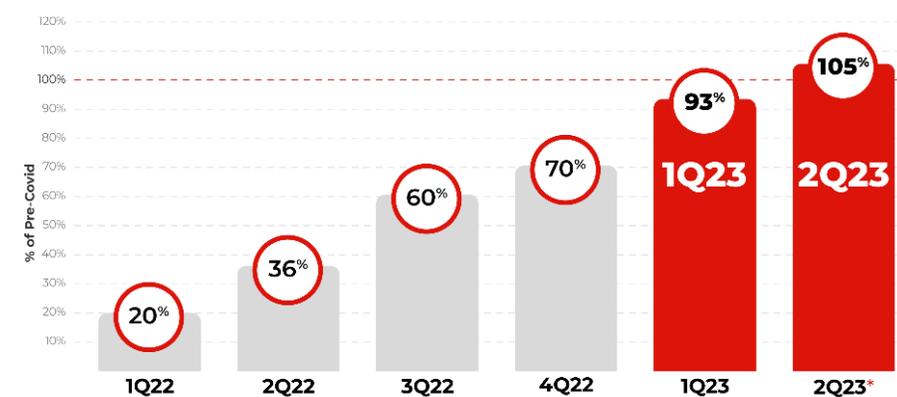
- 2Q23 represents actuals for 1 July 22 to 28 August 2022
1) Shows Bookings and TTV (based on EURO functional currency) as % of comparable period in 2019 – ie 1Q22 shows April 2021 to June 2021 vs April 2019 to June 2019
2) Source: www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-monthly-analysis/

# **WebBeds**

## **More than sufficient supply to capture demand.**

## **Selling more hotels** in more destinations and cities.

**Cities/Destinations**

- 2019: 7214 (Cities)
- 2022: 9275 (Cities)

**Hotels**

- 2019: 91209 (Hotels)
- 2022: 106210 (Hotels)
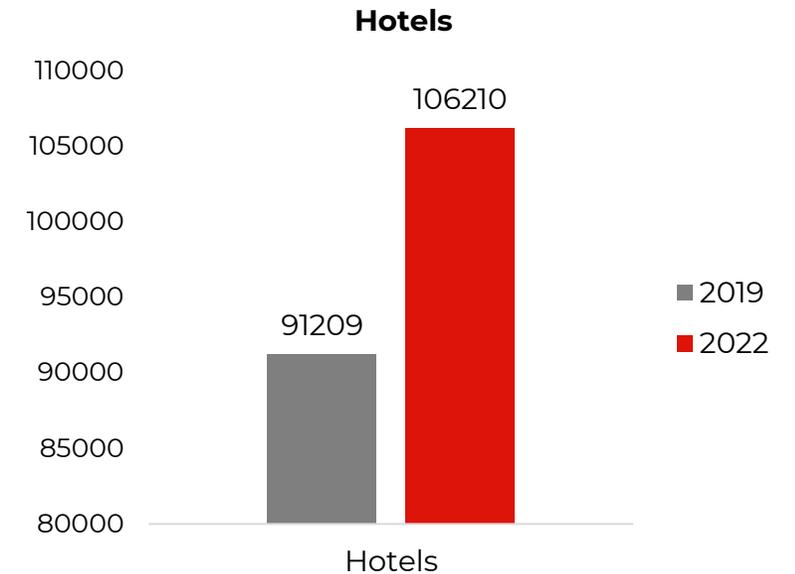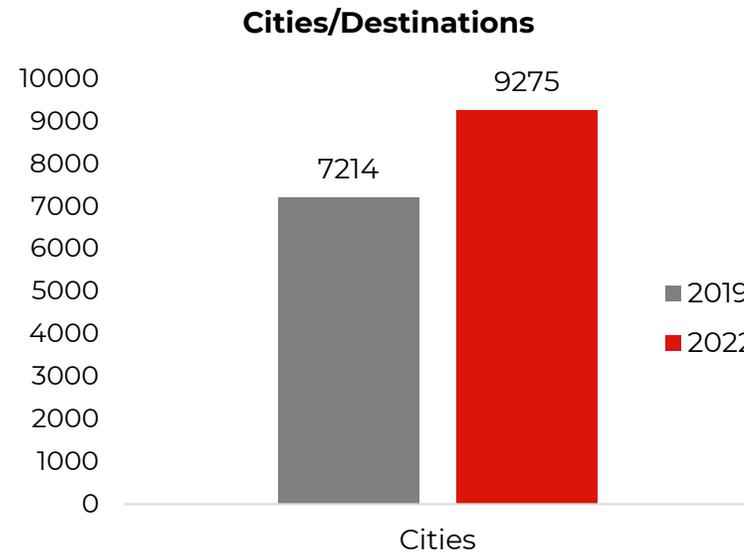
1. Our performance for the year has been supported by an increase in more relevant supply, selling more hotels to more cities and destinations.

2. The diversification of our supply profile reflects our ability to offer more hotels to more clients and we have access to supply quicker than before.

3. Improving relevance with significant headroom for growth

WebBeds

Automation.

# WebBeds

## Automation programs that increases the efficiency of the organization.

# Automation Program.

**7 Automations Deployed – 3 in-flight**
Contract Renewals, Stop Sales, Property Mapping and Hotel Reconfirmations.
+ a new machine powered vetting process to read all customer requests before a human agents review the requirements.

**Improving the quality of our results – Room Type Mapping**
New tools have improved our abilities to convert search into bookings with more relevant results.

**Cost Savings/Avoidance to date**
Automated process reduced our reliance on staff availability for labour intensive processes such as Room Type Mapping, Re-bookings and Reconfirmations.

**Robotics Operating Model & Managed Service Establishment**
Continued investment in the **WebBeds Automation Target Operating Model** consisting of enterprise automation at scale incorporating UiPath and Microsoft Power Platform capability.

**Coming Soon**
An automated **client facing portal** as well as **chatbot solution** with enhanced **knowledge sharing applications**.

# Booking per FTE: An indicator of organizational efficiency.

## We are 27% more efficient compared to pre-Covid.

**Booking per FTE Trend**

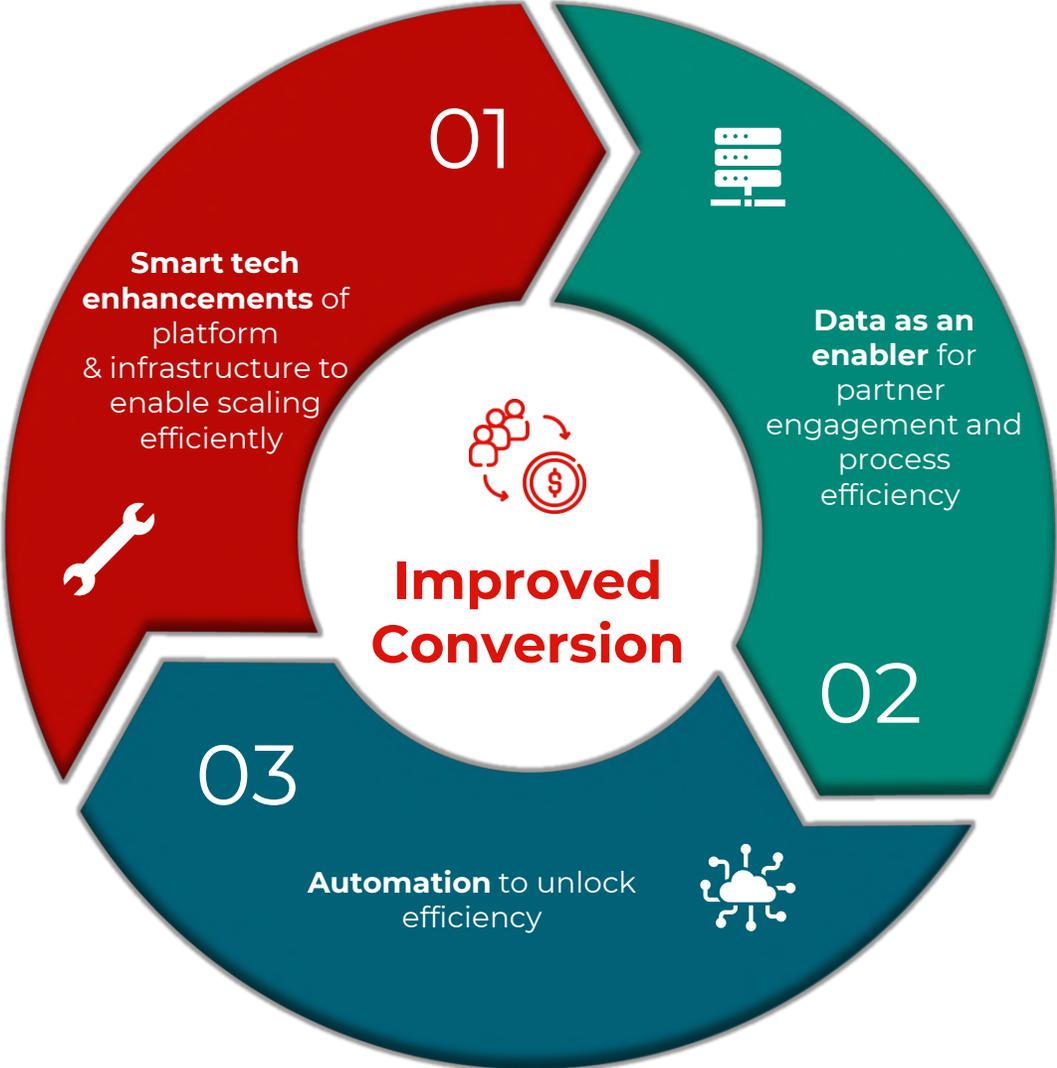**Increase of 27%**



Legend: 2022 (red), PreCOVID (grey)
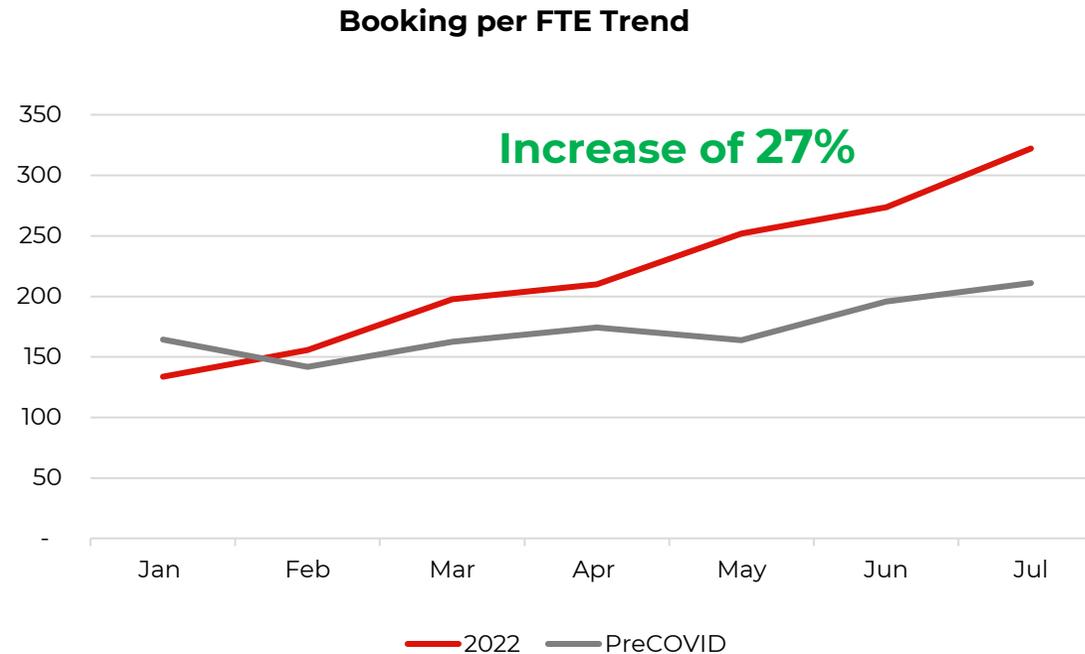
1. Booking generated per FTE has improved in 2022 over pre-COVID. Starting off lower than pre-COVID in Jan and improving steadily over the next few months to **over 300 bookings** per FTE.

2. The **27% increase in booking per staff** over the same period pre-COVID provides confirmation that our performance and growth have been achieved with some measure of efficiency gain, and not through sheer increased in manpower.

3. **8/3/5 delivered in July & August 2022**

# How did we improve conversion?

3 key things that helped us drive conversion.



01 — Smart tech enhancements of platform & infrastructure to enable scaling efficiently

02 — Data as an enabler for partner engagement and process efficiency

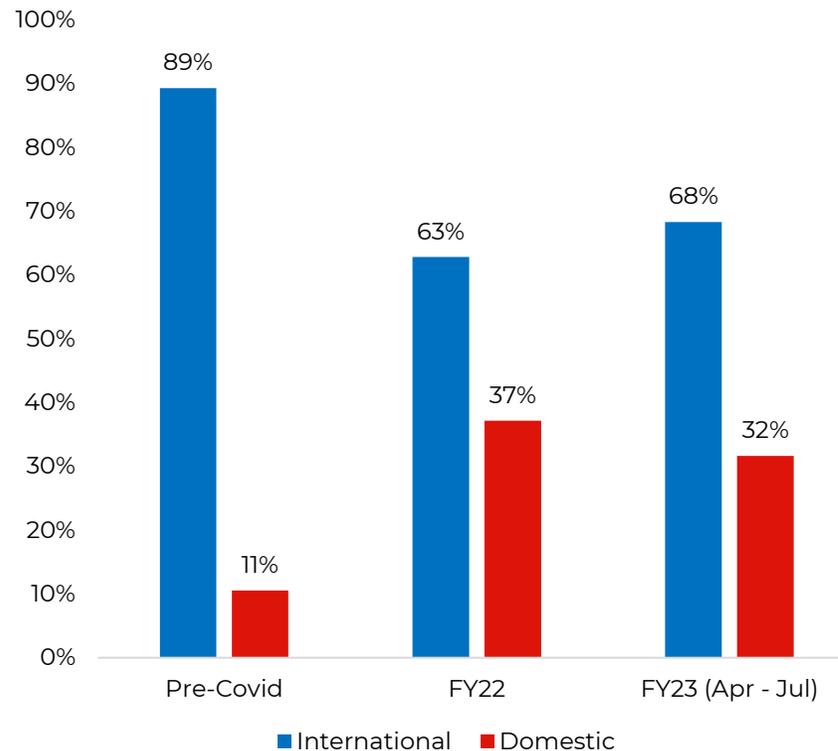03 — Automation to unlock efficiency
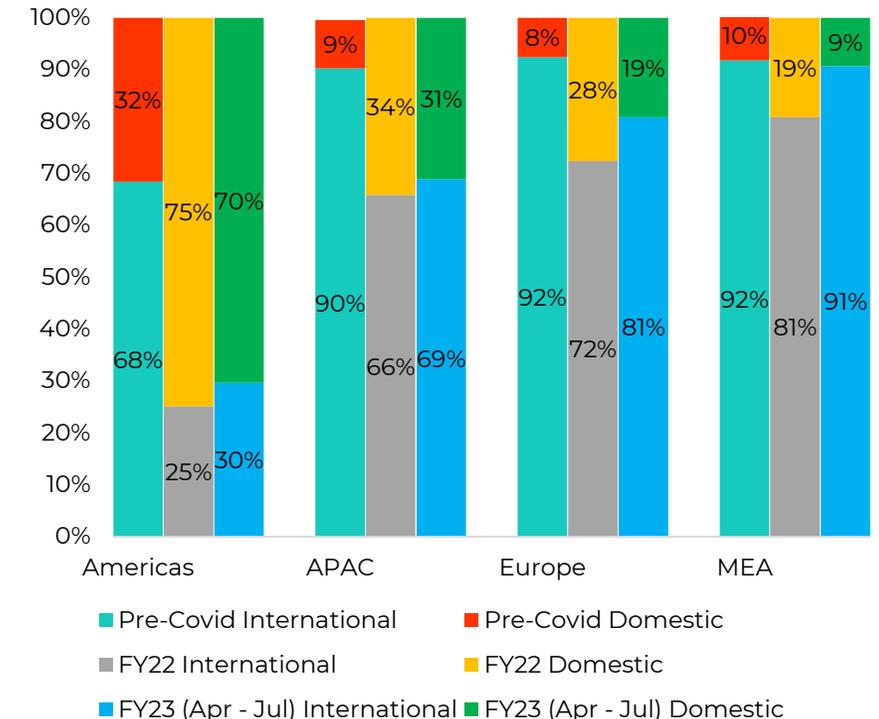
Improved Conversion

# Insights.

# **WebBeds**

## **Our strengthening of domestic market distribution during the pandemic** provides a healthy diversification even after borders opened.

# Diversification Of Market Segment: Strengthening Domestic Foothold.
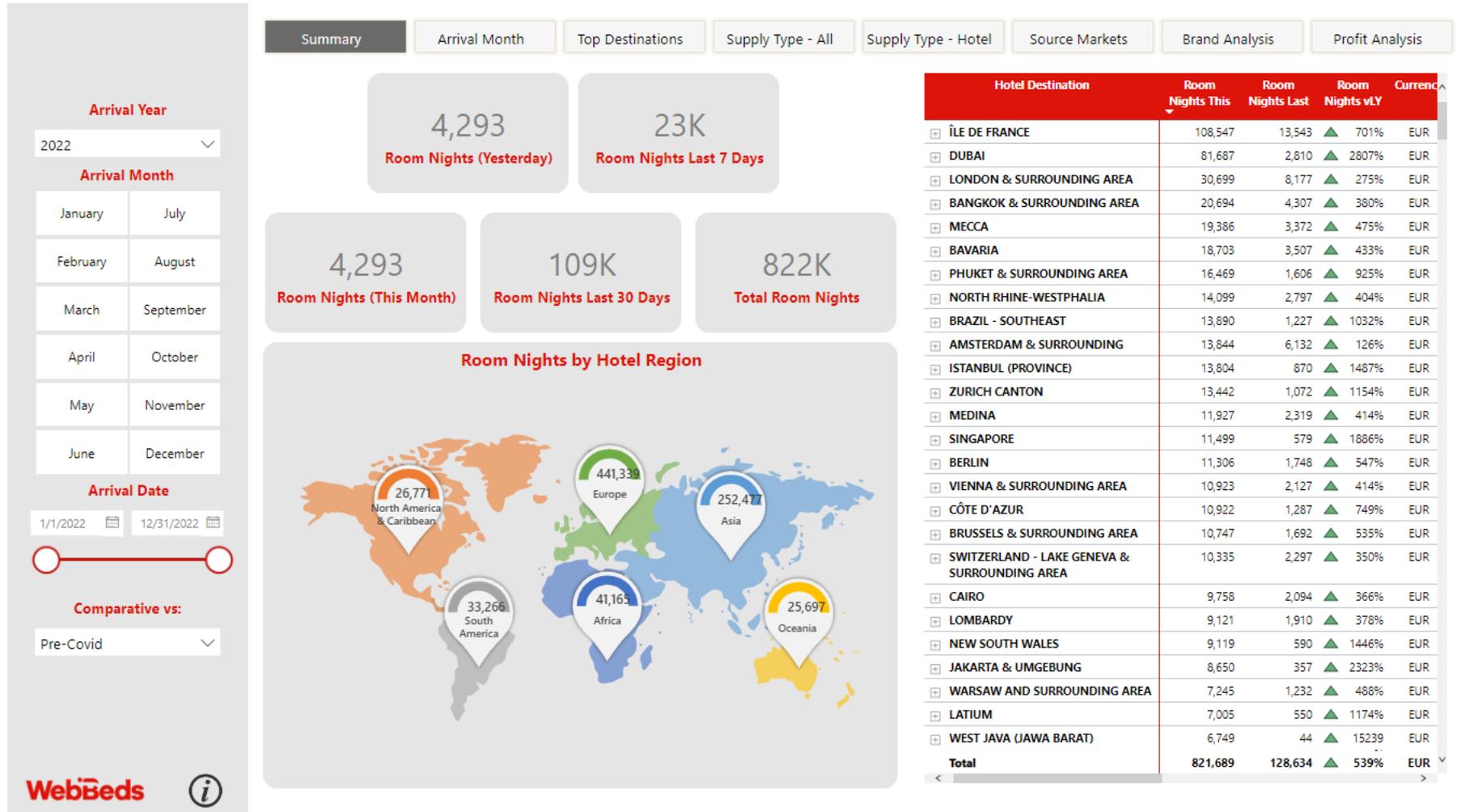
### Share of International vs Domestic Sales



### Share of International and Domestic by Region (Pre-COVID vs FY22)



1. Our higher contribution of domestic volume achieved in FY22 has remained intact into FY23 even when international travel resumes.

2. By regional breakdown, the share remains healthy for all regions except the Middle East.

**Business Intelligence Dashboard.**

Another step closer to our suppliers and partners.

# Market Trend and Insights.

| Europe | APAC |
|---|---|
| • Changing consumer trends, more trips, shorter haul<br><br>• Sizeable new market focus: Eastern Europe | • Region partially open<br><br>• Shift of commercial efforts to support different border situations in the region<br><br>• Strong breakthrough in domestic South Korea, China and Southeast Asia will continue to be key focus |
| **Middle East & Africa** | **Americas** |
| • Largest re-balance of domestic vs international travel<br><br>• Market leader in airline programs<br><br>• Stringent credit management as risk profile changes | • Our youngest addition to the family<br><br>• Our best performing region vs pre-COVID |

**WebBeds**

**Insights into the different regions.**

# WebBeds

**The North American market is complex and unique** and requires a different approach compared to our other regions**.**

## Unique Marketplace**.**

- Single geography with common language and borderless travel

- Pervasive airline loyalty programs

- Deep penetration by Hotel Chains

- Independent hotels need support in distribution and marketing

- Complexity of pricing (Taxes and Fees)

- Vibrant offline customer channel

- New segments developing, such as travel/fintech

# WebBeds

**We have already grown 3x and expect the momentum to continue.**

## North America: Our Commercial Strategy.



Growth of more than **3x**

TTV in 2019    TTV in 2022
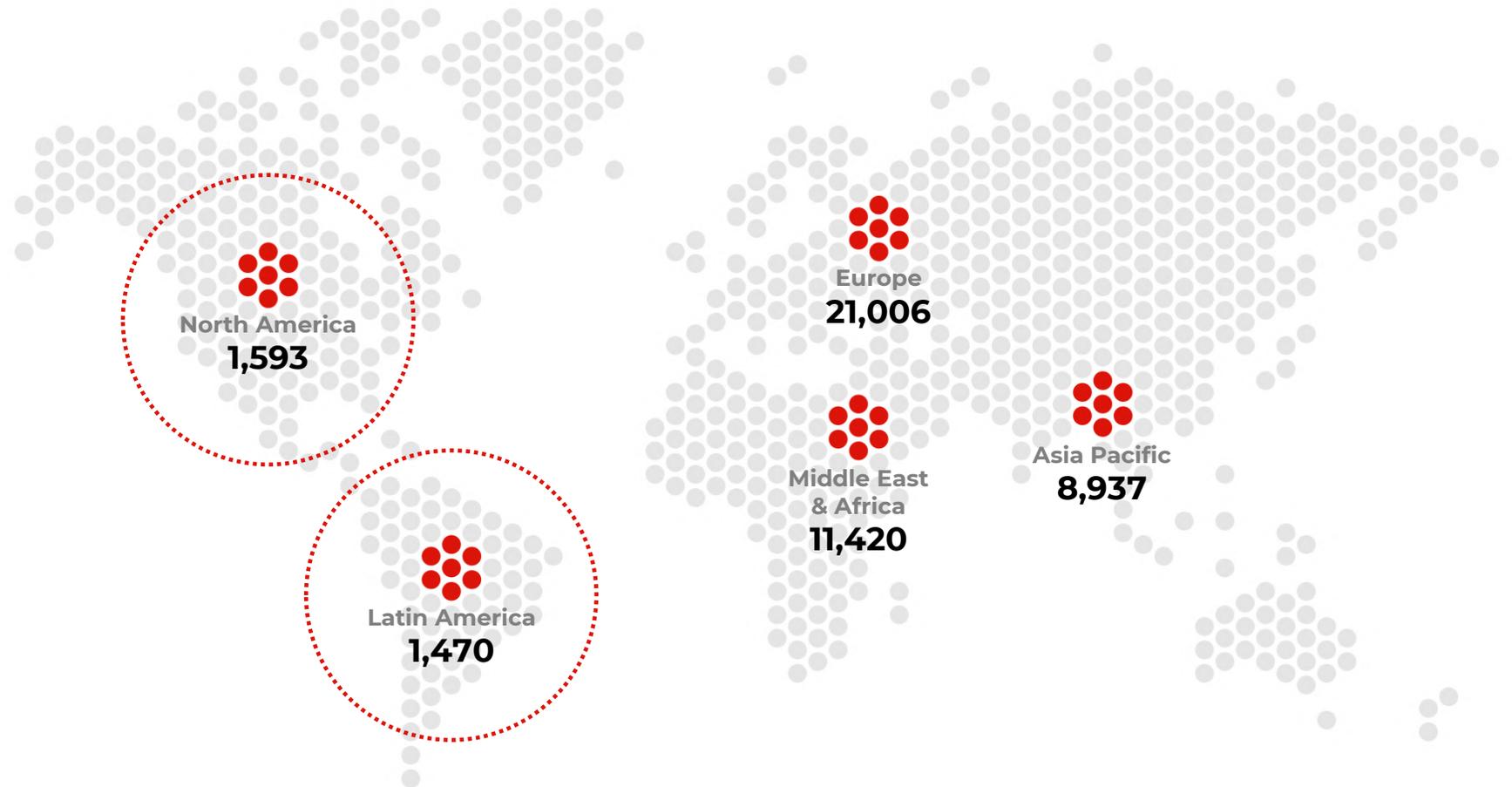
(x-axis: Apr, May, Jun, Jul, Aug)
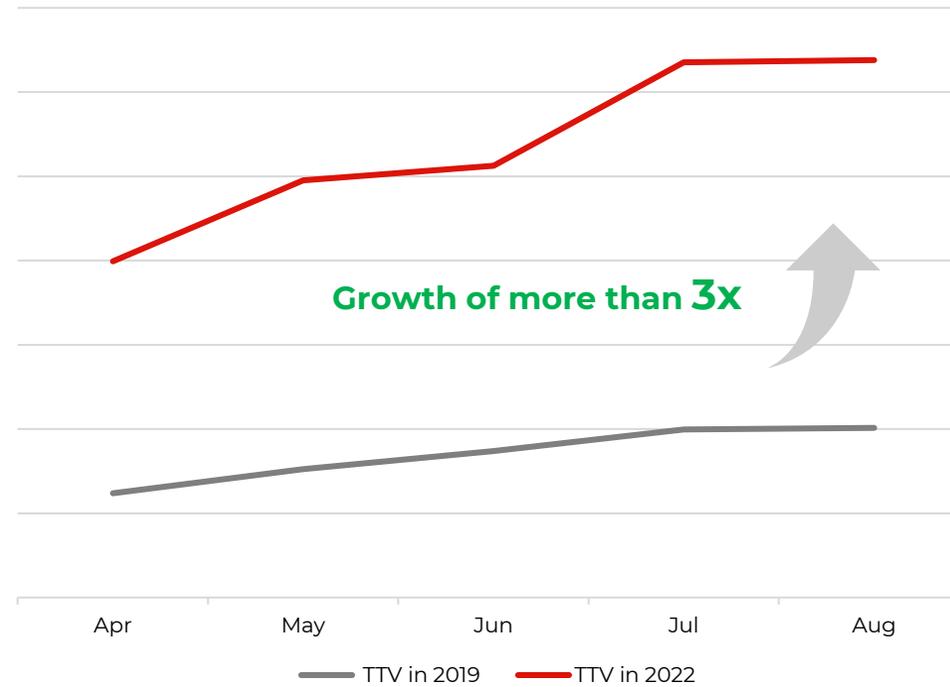
**The US was a really challenging market for us in the past; but not anymore.**

- From Apr to Aug 2022, our TTV grew **more than 3x** vs the same period in 2019.

- Monthly trend indicate a continuation of the growth momentum as we extend the returns from our data driven playbook and smart tech enhancement efficiencies.

**WebBeds**

**North America** will continue to expand our customers pool in proportion to the other regions.

**North America not at scale** in comparison to the other regions.

North America
**1,593**

Latin America
**1,470**

Europe
**21,006**

Middle East
& Africa
**11,420**

Asia Pacific
**8,937**

# Core NAM B2B segments and addressable opportunity.

**WebBeds**

**The addressable North America opportunity is now more than A$20 billion.**

| | B2B Loyalty | B2C Loyalty | Retail | Airlines |
|---|---|---|---|---|
| **Segments** | Loyalty redemption platforms which are typically white labeled for consumer facing brands | Consumer facing platforms enabling customers to earn or burn loyalty points for travel | Agent and consumer facing platform with many direct contracts and 3rd party connections | Major airlines that also sell ancillary travel products |
| **Destination Focus** | USA & Mexico | USA & Mexico | International | USA, Mexico & Caribbean |
| **Status** | Ongoing | Ongoing | Pending | Pending |

| | Membership | OTA | Corporate | B2B Downstream |
|---|---|---|---|---|
| **Segments** | Member based programs that offer discounted travel and other services in a closed user group environment | Online travel agencies that provide packaged and individual travel products directly to consumers | Major travel management companies and small "disrupters" providing full or limited corporate travel services | Aggregators that make direct sourced and 3rd party travel products available to other B2B channels |
| **Destination Focus** | USA | International | USA | International |
| **Status** | Ongoing | Ongoing | Pending | Ongoing |

# **WebBeds**

**Further smart enhancements will continue** to power future growth in North America.

# **More enhancements are underway in North America.**

- **Projects in-flight** for technology improvements and solutions specific to North America.

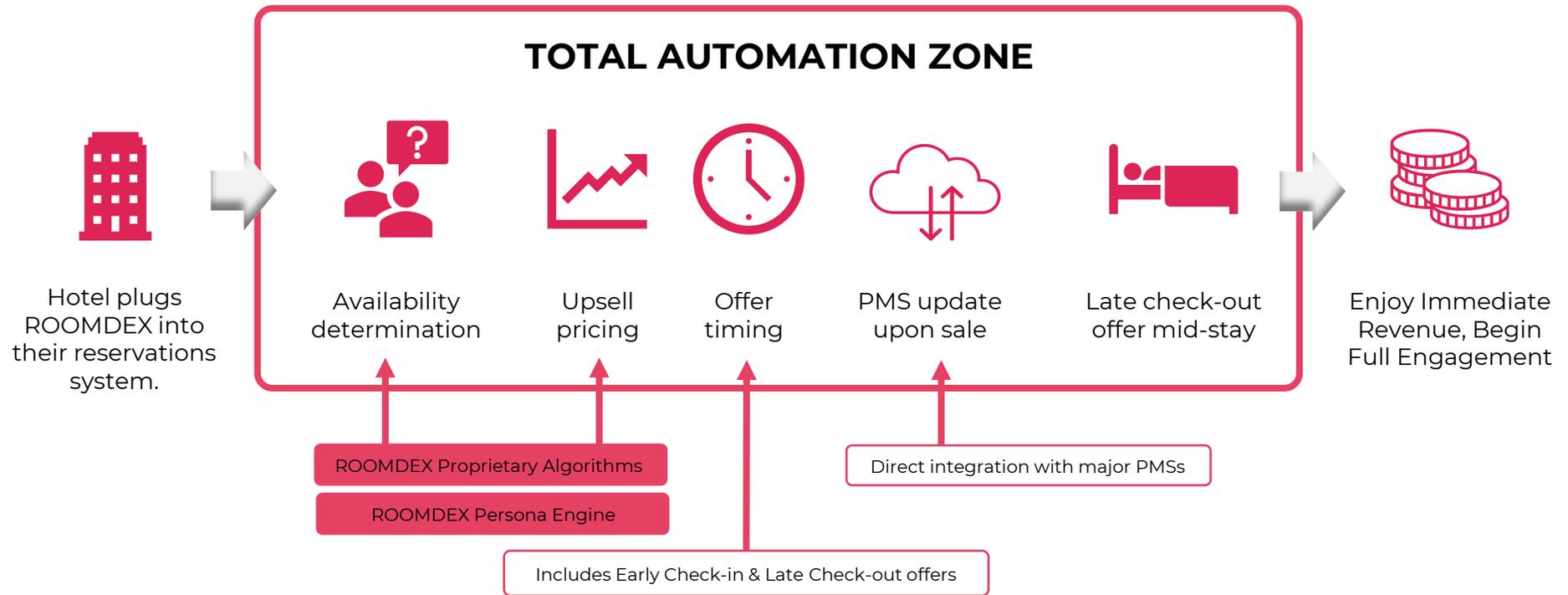- Our approach will give us a **playbook to replicate in similar markets** such as LATAM.

# WebBeds

## ROOMDEX

**Market leader in automated upselling solutions** with **100% success rate.**
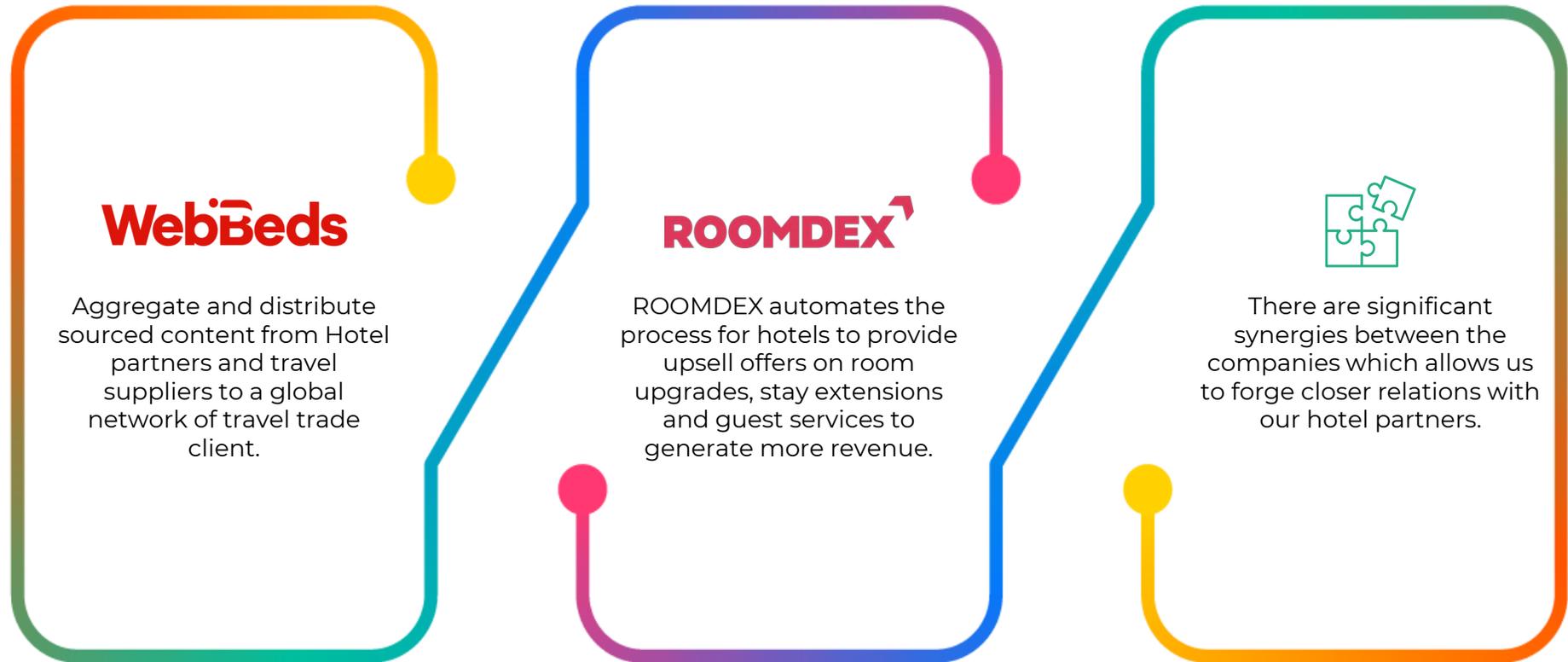
# Our latest investment – ROOMDEX.

A team of passionate hotel techies who create hotel automation tools to maximize revenue and reduce cost by fulfilling guests needs with zero manual intervention.



**TOTAL AUTOMATION ZONE**

Hotel plugs ROOMDEX into their reservations system.

Availability determination

Upsell pricing

Offer timing

PMS update upon sale

Late check-out offer mid-stay

Enjoy Immediate Revenue, Begin Full Engagement

ROOMDEX Proprietary Algorithms

ROOMDEX Persona Engine

Includes Early Check-in & Late Check-out offers

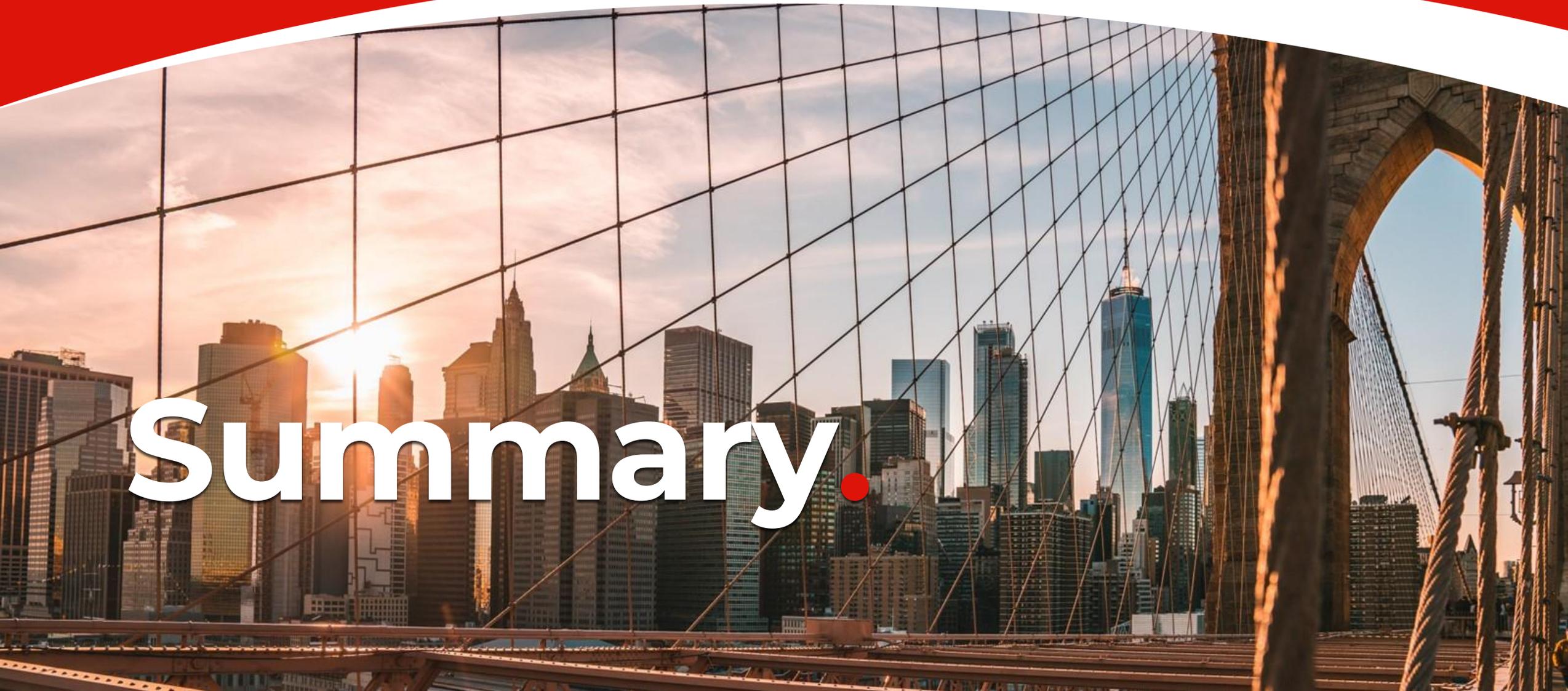Direct integration with major PMSs

# WebBeds

**The distribution solutions offered by WebBeds and automated upselling technology by ROOMDEX** creates a synergy that greatly benefits our hotel partners.

## Synergies Benefitting Hotel Partners.

**WebBeds**

Aggregate and distribute sourced content from Hotel partners and travel suppliers to a global network of travel trade client.

**ROOMDEX**

ROOMDEX automates the process for hotels to provide upsell offers on room upgrades, stay extensions and guest services to generate more revenue.

There are significant synergies between the companies which allows us to forge closer relations with our hotel partners.

# WebBeds

# Summary.

# WebBeds

## Status update on key strategic initiatives.

# What we have covered today.

| Key Strategic Initiatives. | Actions. | Status |
|---|---|---|
| **Rethink How We Do Business** | Expand domestic offerings; penetrate North America. | ✓ |
| **Streamline Technology** | Enhance our technology to increase conversion. | ✓ |
| **Increase Leverage of Data Analytics** | A.I, robotics and data driven decision making. | ✓ |
| **Sharpen Focus on Cost Reduction** | Increase bookings per FTE. | ✓ |
| **Refine Risk Management Processes** | Tighten credit processes & risk exposure to protect cash. | ✓ |
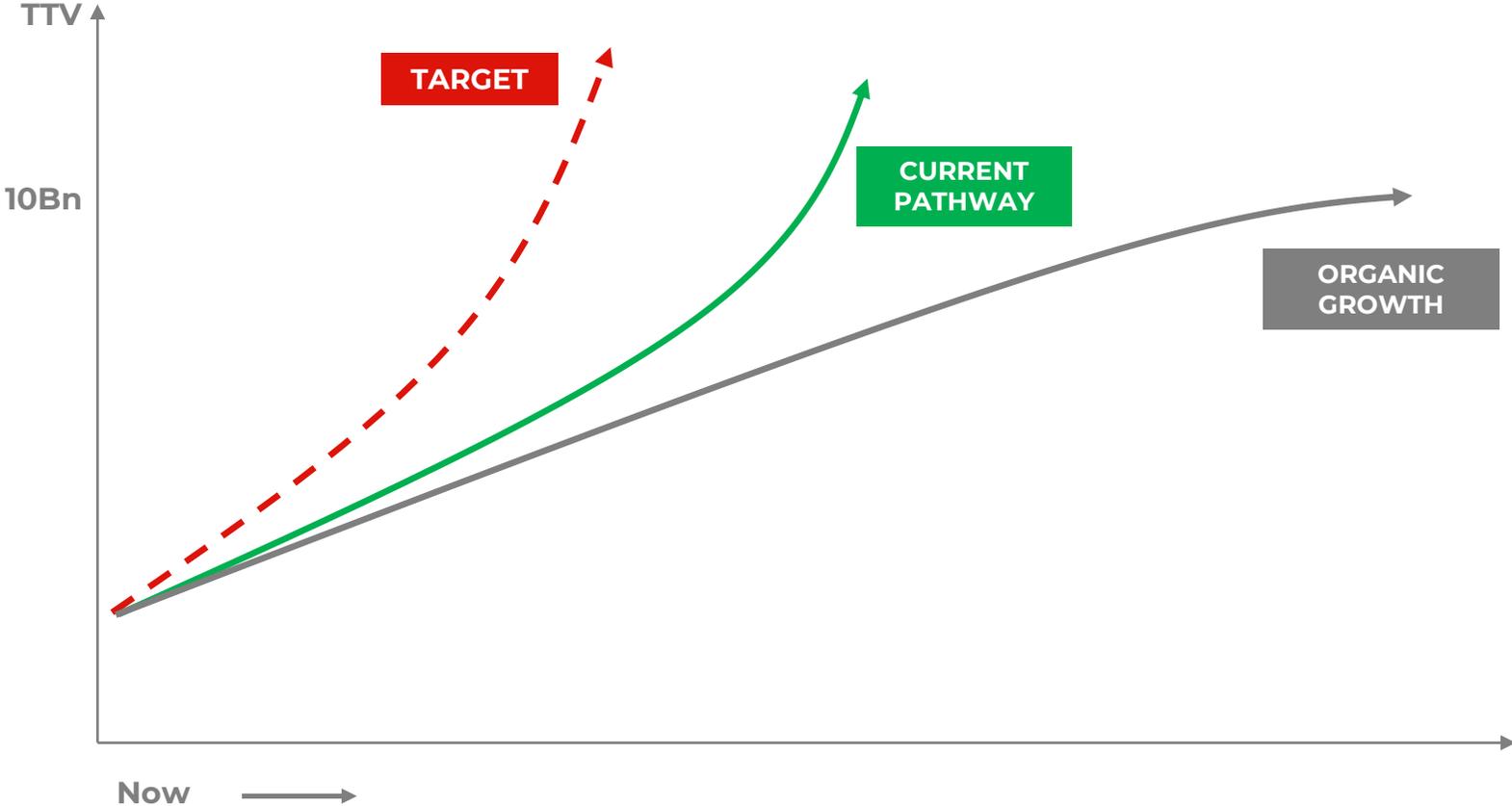
# WebBeds

## Areas we will focus and continue investing in.

# Preview of the next season.

| Improved Conversion | Accelerated Growth in North America |
|---|---|
| **More bookings by more clients more often.** | Increased client segments. |
| Technology Enhancements | AI Data Analytics |
| More automation through machine learning and robotics adaptation. | Further monetization of our data. |

# Thank you.

WebBeds