

GDS Research Summary

Company Overview

Global Distribution Systems are the main booking systems for airline and hotel bookings worldwide. This channel is an agent channel or a B2B channel and so requires different levels of sales and revenue management.

Given that it is a B2B channel means that hotels should have in-depth trade relationships to allow for volume delivery on this channel.

Travel Management Companies (TMC'S) and Consortia Agency Networks use GDS to book travel on behalf of their corporate and leisure clients.

There are 4 main GDS bookings systems worldwide, Galileo, Sabre, Amadeus and World span. Each of these has a strength or market share in a geographic region.

In 2013 the total number of hotel bookings made via GDS totalled 59 million.¹

Research Highlights

Cost of Membership

A hotel must work through a representation company or a soft brand to be loaded on the GDS systems, as they do not allow independent hotel loading.

Therefore the cost of representation in either of the above ways is the cost of subscribing to GDS for an independent hotel.

Depending on the route chosen by a hotel to access the GDS, as above, and then the transaction costs for bookings delivered via GDS can vary.

Feeder Markets for this channel into Ireland

London, New York and West Coast America are the TOP 3 key feeder cities for hotel bookings delivered via GDS into Ireland.

This then underpins our primary research findings that 52 % of Hotels surveyed receive more than 40 %+ of their business from international markets via this channel ²

¹ Source – Travel Click – September 2014
Source

² Source – Primary Research – Hotels September 2014

Key Insights and Learning's

- This channel continues to grow as corporate companies seek to manage their travel and accommodation requirements on a more global and cost effective way.
- Understanding the potential and in turn the relevance of this channel for your property is key.
- Understanding the complexity of this channel in terms of selling via this channel is also important, as relationships need to be developed on a multi layer basis to ensure success.