

### How it all started - the idea

June, 20 - 2024 - At the magnificant French Riviera, a group of friends gathered around a rustic wooden table, their faces lit by the warm glow of a fireplace. The air was thick with the scent of mulled wine and freshly baked bread, and the atmosphere buzzed with the excitement of an idea that had been simmering for months.

They were hoteliers, B&B owners, and small business operators—people who had dedicated their lives to offering travelers a taste of genuine European hospitality. But they had a problem, a growing frustration that had been gnawing at them for years.

As the conversation flowed, stories emerged of their struggles with the dominant online booking platforms—how the high commissions were eating into their already slim margins, how the impersonal nature of these platforms clashed with the intimate, personal experiences they worked so hard to create for their guests.

They spoke of feeling powerless as their businesses were squeezed by algorithms and hidden fees, their destinies increasingly controlled by faceless corporations located far away.

Then, one of them, a tech-savvy entrepreneur, proposed an idea that caught everyone's attention.

"What if we created our own platform?" he suggested. "A place where guests could connect directly with us, where the essence of European hospitality could thrive without the interference of middlemen."

The room fell silent as the idea took root. They envisioned an app, one that would embody the very spirit of Europe—diverse, authentic and deeply rooted in tradition. An app that wouldn't just list hotels and B&Bs, but would also serve as a hub for promoting regional tourism, local events and artisanal products. It would be a digital marketplace where visitors could book their stays directly with the owners, browse local products from wineries to craft shops and discover hidden gems that only the locals knew.



They called it **HOTEL.EU**. Greetz, Jan & Diego

## The main problem: the cost and impact of Online Travel Agencies

Traditional booking platforms like Booking.com, Expedia and Airbnb typically charge commissions ranging from 10% to 30% of the total booking price.

Here's a breakdown of the commissions these platforms charge:

- **Booking.com**: This website charges a commission of around 15% for each reservation. In some cases, such as in markets where Booking.com has a stronger presence or for certain deals, the commission can be as high as 25% or even more.
- **Expedia Group**: This platform, which also includes websites like Hotels.com and Vrbo, typically charges commissions between 15% and 20%. The exact commission can vary depending on the location of the property and the type of listing.
- **Airbnb**: Airbnb has a different fee structure. Most hosts charge a standard service fee percentage of around 3% per booking. Airbnb also charges guests a service fee that ranges between 14% and 20%, depending on the host's terms and the total amount of the booking.

These commissions represent a significant portion of the accommodations' revenue, which has led some owners to seek alternatives, such as direct bookings through their own websites (which are sometimes hard to find).



### Let's talk numbers...

An average hotel in Europe pays approximately €48,043.13 per year to OTA's if 30% of bookings go through these kind of platforms, assuming an average room rate of €110 per night, 30 rooms, an average occupancy rate of 65% and a 15% commission charged by the OTA's.

In 2022, Booking Holdings, the parent company of Booking.com, reported a revenue of approximately \$17.09 billion and a net profit of approximately \$3.06 billion (18%).

#### source:

https://www.hotrec.eu/media/static/files/import/wp\_post\_47032/HOTREC-European-Hotel-Distribution-Study-2022.pdf





## Why do some people avoid direct bookings?

Travelers often choose **convenience** — and who can blame them? With **no single platform that lists all European hotels along with their direct booking links**, they turn to OTAs for speed and simplicity.

But that convenience comes at a cost: higher prices, less flexibility and missed opportunities for personal service. It's time for a smarter, fairer way to book, with full price transparency, personalization and direct connection.

Isn't it time we rethink the way we book our stays — and bring the power from online bookings back to travelers and hotels alike?









# Why do people choose to book directly?

More and more travelers are choosing to book directly with hotels — and for good reasons.

Direct bookings often come with lower prices, since there are no OTA commission fees.

Hotels also tend to offer more flexible cancellation policies, better customer service and accurate, up-to-date information.

Guests who book direct are often rewarded with perks like room upgrades, discounts or special offers.

And perhaps most importantly, booking directly builds a more personal connection between guest and property – something OTAs simply can't match.









## Why should you **choose** to book directly? 6 reasons

#### **Best Price Guaranteed**

We guarantee no site has lower prices for our hotels, book with confidence you are getting the best deal.

### No Hidden Charges

We make it clear how much your room will cost, the price you pick is the price you pay, we are not hiding anything.

### **Quick Easy Booking**

The booking process is one of the quickest in the industry; it only takes as fewsteps to make a booking

### Full Range Of Choice

The websites of hotels on Hotel.eu are the only place you can find the full selection of packages and extras to enhance your stay

#### **Book With Confidence**

Hotels on Hotel.eu handle all of our booking details securely and you will receive a confirmation instantly after making a booking

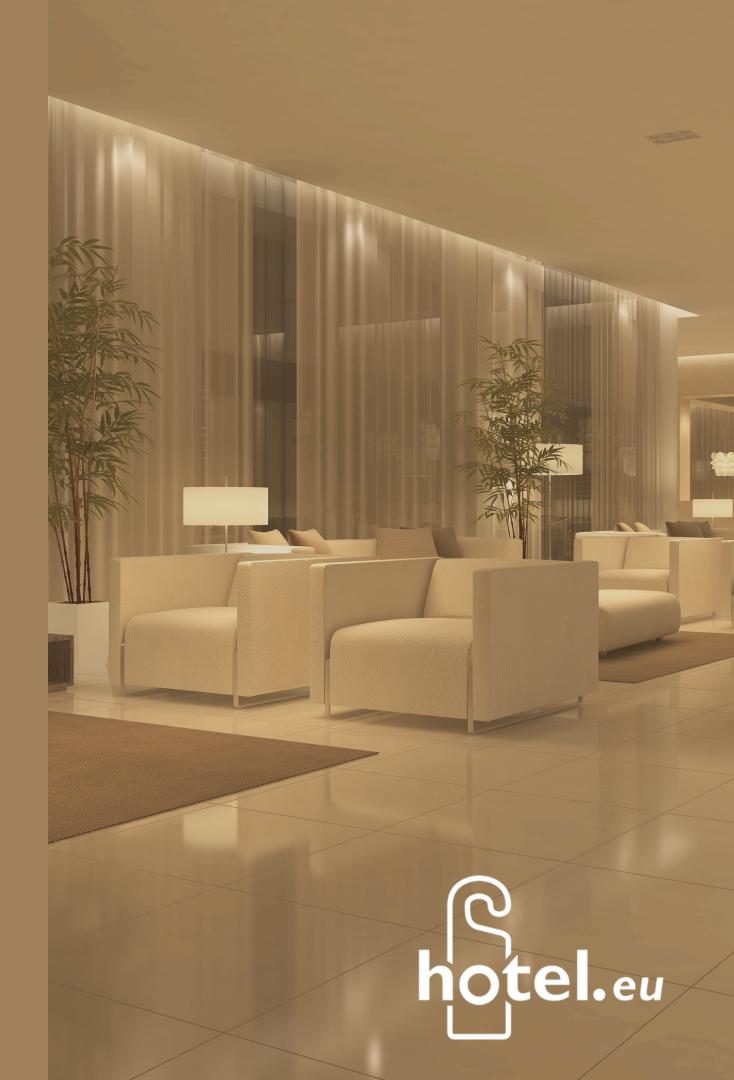
#### **Cut Out The Middleman**

Booking with an online travel agent adds an extra layer of complexity to your booking, keep it simple and come direct and we give you the best price and service

# Our Mission is simple and clear...

Reduce the number of bookings made via OTAs to 22.5% or less in a period of 5 years, thereby increasing the number of direct bookings.

This would save an average of €24K per year per hotel or more than €4 billion for the European hotel industry.



## Our Solution

Hotel.eu = the combination of a social network app + interactive map + Al Travel Agent

### Benefits as a hotel

Direct booking at the hotel

No commission on bookings

Direct communication with the travel community

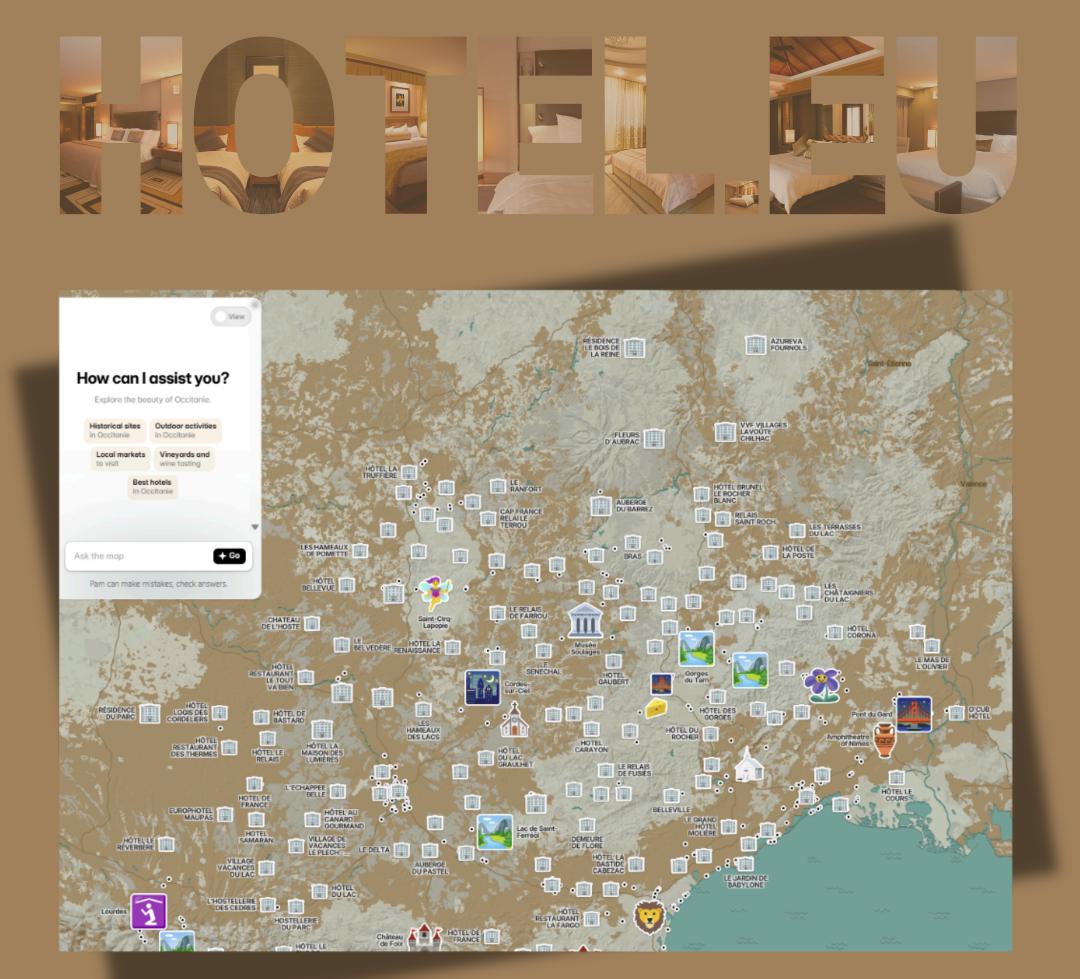
Full control of all content, prices, comments...

Promote your perks to attract and reward travelers

Last minute deals – easy to communicate

Promotion of local economy and events

Promoted by travel influencers, and local, regional and national travel offices



## Why do travelers use Hotel.eu?

### Benefits as a traveler

Totally FREE to use

Clear map with hotels, sights, events, museums...

Direct communication with the hotel

Enjoy offered perks and last minute deals

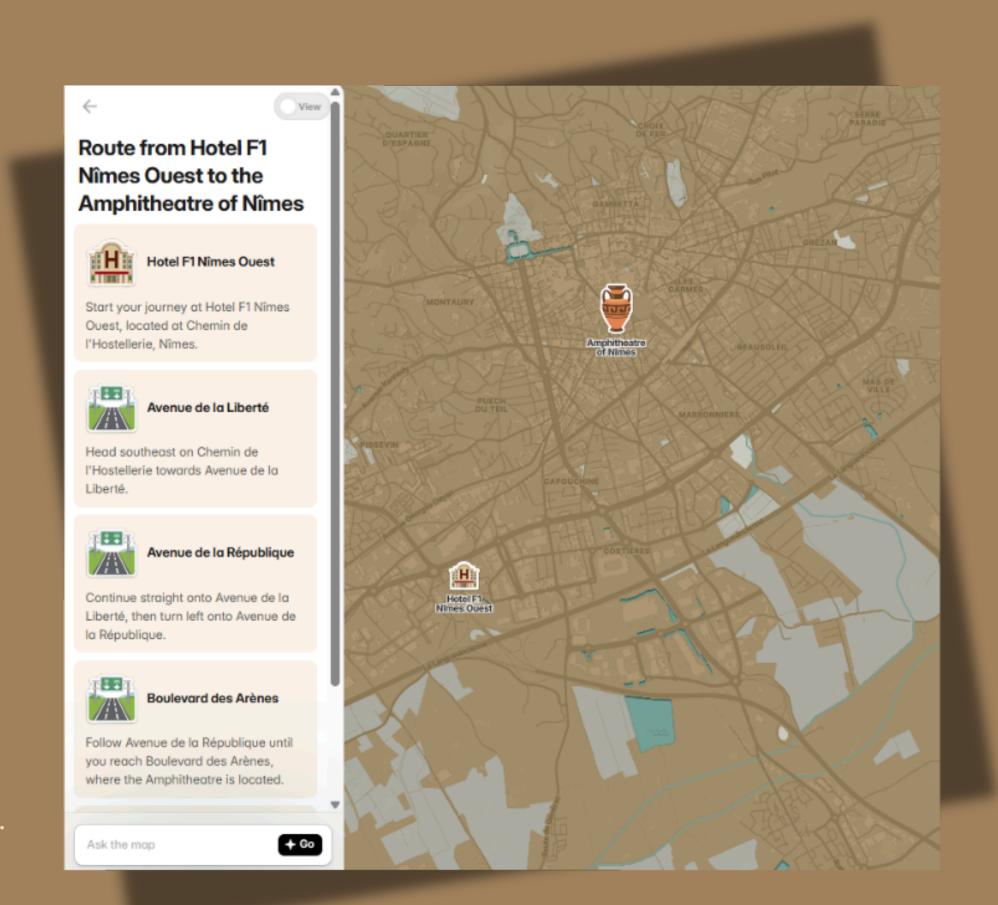
Shop online at the integrated local shops

Be part of the travel community and share experiences

Get inspired by the Al Travel Agent about regions, hotels, things to see and to do...

Find your way in the region you stay and make bookmarks, plannings... your own travel map

Book your hotel, museum ticket, concert ticket, restaurant... all in one place





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