JACKRABBIT SYSTEMS, INC.
PROVIDING SOFTWARE SOLUTIONS THAT GENERATE PURPOSE-DRIVEN INSIGHTS Since 2005

➔ **Book › Direct** technology is used by more than 240 DMO websites in U.S., Canada & Caribbean

➔ Launched **Insight › Direct** in 2015, a robust intelligence reporting platform

➔ 307 direct connections to hotel reservation engines

➔ 60,000+ lodging in the JackRabbit network

➔ **Meta › Direct** advertising platform partnered with Google HPA, TripAdvisor, Trivago and SkyScanner for strategic meta channel distribution

➔ Acquired **Zerista**, the ultimate event app, in 2016 and shortly after released **Event › Direct**, adding a complete city guide to the Zerista app
THE NON-BOOKING ENGINE FOR DMOs

Our goal is to outline and demonstrate why we believe Book › Direct, our non-booking engine, is the best possible solution for your destination.

Why a non-booking engine?

• No inventory management required by lodging in GDS or in booking extranet
• No booking service fees or commissions to hotels
• Responsive template for all devices screen sizes
• Custom search widget and search results interface
• Real-time reporting and metrics of consumer engagement
• Free online reservation engine provided for lodging partners without a system
• Direct bookings equals greater value and dollars in your community
JACKRABBIT’S 100% DIRECT BOOKING MODEL

70.6% OF ROOM NIGHTS BOOKED IN Q1 OF 2017 WERE DONE SO THROUGH DIRECT CHANNELS, COMPARED TO ONLY 29.4% THROUGH THIRD PARTY OTA & GDS CHANNELS

Source: TravelClick
EARNED, OWNED AND PAID CHANNELS

OWNED

BOOK DIRECT
- DMO Website

EVENT DIRECT
- Custom Event Website & Mobile App

OWNED PAYED

META DIRECT
- Google • Trivago • TripAdvisor • SkyScanner

EARNED

BOOK DIRECT
- Facebook App

INSIGHT DIRECT
THE IMPORTANCE OF DYNAMIC AVAILABILITY & LIVE RATES CONTENT ON DMO SITES
DESTINATION SELECTION
THE IMPORTANCE OF CONTENT

“What types of travel content are the most important in helping you decide to visit a destination?”

Immediate lodging rates & availability is the most important piece of content to DMO website users

Source: Destination Analysts, January 2016 Study
Accommodations, activities, and Comparison shopping top the list!

Source: PhoCus Wright’s Destination Marketing: Understanding the Role and Impact of Destination Marketers
MOST IMPORTANT TRAVEL WEBSITE FEATURES
CONSUMERS DEMAND DYNAMIC RATES & AVAILABILITY CONTENT ON TRAVEL WEBSITES

- Able to immediately check lowest rates: 83%
- Lowest price/rate guarantee: 80%
- Photos of rooms/facilities: 78%

- Easy to use booking feature: 74%

- Ability to compare rates of multiple suppliers: 73%
  - Photos of the destination area: 73%
  - Ability to preview room locations: 68%
  - Ability to check last minute availability: 62%
  - Ability to download coupons for savings: 58%
  - User-generated reviews: 51%

Source: MMGY/Harrison Group, Portrait of an American Traveler
DMO WEBSITE VISITOR ENGAGEMENT WITH JACKRABBIT’S PLATFORM
DESTINATION WEBSITE CONTENT VISITORS UTILIZE MOST

➔ Book › Direct is the best online technology to help your destination combine the stories, connections and adventures your visitors crave with the availability and live rates they need to make a decision.

➔ Nearly 18% of DMO visitors go on to use JackRabbit’s Book › Direct platform to book their stay.
For leisure and bleisure travelers, the first step in planning a vacation or extended getaway is to research the destinations that align with their travel budget.

Book › Direct is the most in-depth content engagement tool for destination websites on both mobile and desktop devices. And the data proves it:

- Travelers look at an average of seven (7) properties before booking an accommodation.
- On Avg. 17.64% of DMO visitors utilize Book › Direct to search for their desired travel dates.
- Over 93% of searches generate highly qualified referrals to lodging sites.
- Bounce rates are on average 10Xs lower on JackRabbit’s platform compared to the DMOs website and lodging directory listing pages.
ENGAGEMENT REPORT

DMO Website vs Book › Direct Platform

ENGAGEMENT

DURATION

BOUNCE RATE

DEVICE BREAKDOWN
ENGAGEMENT REPORT

Lodging Directory vs Book Direct
Search Results

ENGAGEMENT

BOUNCE RATE

DURATION

DEVICE BREAKDOWN
HOTELS WANT DIRECT BOOKINGS
HOTELS ARE DEMANDING DIRECT BOOKINGS

• Hilton and Marriott have both funded marketing campaigns aimed directly at consumers, appealing them to “stop clicking around” and telling them “it pays to book direct”

• “This is the year that they have all stood up and said “We’re going to spend millions to educate consumers and tell them direct booking is better,” said TripTease’s Osmond

• Hilton’s “Stop Clicking Around” global marketing campaign, its largest ever, which represented the company’s entry into the direct booking wars against third-party distribution sites and OTAs

“For a lot of guests, direct booking is preferable: They know who they are dealing with, we get rich data, create and engage them with the brand and obviously, again, for owners it’s much more profitable”
– IHG CEO, Richard Solomons, Feb. 28, 2017

“Hotel CEOs aren’t slowing down their push for direct bookings”
– Deanna Ting, Skift, Feb. 28, 2017

Source: Skift.com - August 2, 2016 “This is How Hotels Could Win the Direct Booking Wars”
DIRECT BOOKINGS HAVE 76.5% HIGHER HOTEL AVERAGE RESERVATION THAN 3RD PARTY CHANNELS

THE AVERAGE BOOKING VALUE ON HOTEL WEBSITES NEARLY DOUBLE THAT OF THIRD-PARTY CHANNELS

➔ The average 3rd party OTA booking is $340 VS $600 for direct booking (76.5% higher)

➔ Properties receive almost double for accommodations booked via their own direct website than via OTAs and other third-party channels

➔ Direct bookings not only achieve higher value overall but there is no commission payable on them so they are much more profitable

Source: SiteMinder study of 43.5 million reservations over 12 months that generated US $16 billion in revenue for 22,000 hotel customers around the world.
CONSUMERS HIGHLY PREFER BOOKING DIRECT
HOTEL GUESTS SATISFACTION STUDY
BOOK DIRECT VS. BOOKING WITH AN OTA

**DIRECT BOOKING** vs. **BOOKING WITH AN OTA**

→ Customers were **45 points more** satisfied than those who booked via an OTA.

→ Guests tend to:
  ◆ Be less price sensitive
  ◆ Have higher levels of satisfaction with their stay
  ◆ Be more loyal to hotel brands
  ◆ Report less problems

→ Hotel rewards members are far more likely to book directly with a hotel or on a loyalty member site than those who are not members (75% vs. 47%, respectively), and their satisfaction is higher.

→ Guests are more likely to experience a problem and to be **less satisfied** with their stay.

→ Guests tend to:
  ◆ Be more price sensitive
  ◆ Have lower levels of satisfaction with their stay
  ◆ Are less loyal to hotel brands
  ◆ Report more problems, compared with guests who book through the hotel website or call the hotel directly.

*Source: North American Hotel Guest Satisfaction Index Study, J.D. Powers*
RESEARCH SUGGESTS BOOK › DIRECT

Visitors want to book direct

Hotels want direct booking

DMOs engage visitors and increase travel spending your market
THE VALUE OF DIRECT BOOKING TO DMOs AND THEIR HOTEL/LODGING PARTNERS
VALUE OF DIRECT HOTEL BOOKINGS TO YOUR MARKET

A DIRECT BOOKING CONSUMER

➔ **Ancillary Revenue:** Spends 38% more in your market than an OTA customer*

➔ **Repeat Stay Revenue:** 100% more than OTA customers

➔ **Average Length of Stay and ADR to Your Lodgings:** Worth 25% more than OTA customers

➔ **OTA Fees and Commissions:** Saves your lodging partners 15-25%

➔ **Lodging Tax:** Keep 100% in your market

*Source: American Hotel & Lodging/Smith Travel Research*
DIRECT CONNECTIVITY PLATFORM
BOOK › DIRECT VS. OTA MODEL TECHNOLOGY

**DIRECT**

➔ 100% of lodgings participate
➔ No inventory management required by your lodging partners
➔ Connects to over 300 reservation engine partners
➔ Less work which increases lodging partner participation

**OTA MODEL**

➔ Inventory management is required into the booking engine or GDS by your lodging partners
➔ More work which reduces lodging partner participation
BOOK › DIRECT FEATURES AND ADD-ON OPTIONS
RESPONSIVE SEARCH RESULTS WITH LIVE RATES

Our responsive UI!

• Fully responsive optimized for visitors to view your search results seamlessly on any device

• Completely customized to match your website, and a super-fast load time keeps visitors on your site

• Live Real Time Rates to provide your visitors with the best content to trigger action to plan their trip(s)

• Mobile activity increased over 500% from 2016 through 2017
TEASER WIDGET
INCLUDED AS PART OF A STANDARD BOOK › DIRECT PACKAGE

Want to provide a different call to action for your DMO website visitors to find lodging in specific markets?

JackRabbit can now display rates within the widget to showcase rates for a specified time period each month.

Additional Uses:
Use this widget with unique campaign tags to add to content pages of your site.
JRES
FREE RESERVATION ENGINE

Links:
➔ Live Demo
➔ Overview Document
JackRabbit has implemented technology to insert our Book › Direct engine directly into your Facebook environment, allowing all ‘Fans who ‘Like’ your Facebook page, to search for lodging rates and availability, and directly book with any and all of your lodging partners

➔ Book › Direct Search form embedded in pages
➔ Search results within DMO Facebook page
➔ ‘Like’ button to facilitate viral marketing
➔ DMO promote in the Facebook community
➔ Increase user engagement when you feature a hotel story in Facebook
MIX & MATCH OPTIONAL EXTENSION ENGINES

- Special Offers & Packages
- Events & Attractions
- Restaurants with OpenTable
- Flights with Skyskanner
- Interstitial & Retargeting
- Reviews with TrustYou and TripAdvisor
- Vacation Rental Engine
- Airbnb Integration
ADVERTISING - INTERSTITIAL & RETARGETING

POSITION YOUR INTERSTITIAL TO PROMOTE SPECIAL EVENTS AND ATTRACTIONS IN YOUR MARKET, OR EXTENDED STAY OFFERS AND DRIVE VISITORS BACK TO YOUR DMO WEBSITE

In-market example:

Bloomington, MN CVB

→ Live Demo

Click on the link above to experience the DMO brand delivery. Click anywhere on the interstitial to engage DMO brand.
ANALYTICS AND METRICS
INSIGHT DATA REPORTS
STANDARD ONLINE REPORTING AND METRICS

OUR STANDARD REPORTING ALLOWS CLIENTS TO LOGIN AND ACCESS OUR REPORTS 24/7
Robust tourism and hospitality marketing intelligence solution that transforms consumer travel data into meaningful insights and reports.
BOOK › DIRECT CONTENT ENGAGEMENT FOR PARTNERS

(Report Provided Monthly)

BOOK › DIRECT ENGAGEMENT REPORT

YOUR WEBSITE

ENGAGEMENT
Unique Visitors: 725,037
Searches: 152,386
Unique Visitor to Search Ratio: 21.02%
Global Visitor to Search Ratio: 18.82%

GLOBAL VISITORS

Engagement:
- Desktop: 75.6 Properties Viewed on Average
- Mobile: 94.1 Properties Viewed on Average
- Global Desktop: 45.6 Properties Viewed on Average
- Global Mobile: 45.3 Properties Viewed on Average

DEVICE BREAKDOWN
- Desktop: 43.29%
- Mobile: 56.71%
- Global Average on Desktop: 37.34%
- Global Average on Mobile: 62.66%

DURATION
- Overall Time on Site: 2.0 min
- Desktop Time on Site: 3.6 min
- Mobile Time on Site: 9.4 min
- Global Overall Time on Site: 1.4 min
- Global Desktop Time on Site: 2.5 min
- Global Mobile Time on Site: 5.4 min

GLOBAL VISITORS

GLOBAL VISITORS

TOTAL REFERRALS TO PROPERTIES: 511,747
- Overall Search to Referral Ratio: 335.86%
- Desktop: 862.35%
- Mobile: 66.35%

GLOBAL SEARCH TO REFERRAL RATIOS
- Overall: 93.36%
- Desktop: 179.02%
- Mobile: 29.66%

INDUSTRY TREND
- In Oct 2016, 65.7% of all leisure travelers used mobile phones to book travel. This is up 11.1% from the year prior.
- Destination Analytics
INVESTMENT AND IMPLEMENTATION
Lodging demand on keywords for Jacksonville, OR

**Value:** Google average cost per click/referral $2.87

**Ranking:** jacksonvilleoregon.com ranks #4 organically on “Your City Hotels”

**KWD for Lodging:** 1,620 average monthly searches

**Traffic Share:** Mobile 70.47%, Desktop 29.53%

Top 20 converting lodging keywords for Jacksonville, OR
PROPOSED INVESTMENT

THE PROPOSED INVESTMENT FOR jacksonvilleoregon.com IS OUTLINED BELOW

**Book Direct Core annual license:** $3,500 (includes mobile, facebook application, JReS (Free) Reservation Engine and 24/7 online access to standard reports + Engagement report and Insight › Direct Summary report (see below)).

**One-time Setup cost:** $1,500 + $20 per connection/listing (For lodging or Activities) = $1,820 one-time implementation fee for 16 lodgings

**Options:**

- **Additional JackRabbit engines:** $1,500 annual license per year, each (Set-up Cost TBD)
  - Flights
  - Special Offers and Packages (up to 25)
  - Restaurants (up to 100)
  - Vacation Rentals

- **OnceThere Activities & Attractions**
  - Activities and Attractions (up to 50) $TBD

- **Airbnb Integration option:**
  - API integration - Airbnb separate tab with Airbnb listings only - $1,900 annual license fee plus $600 one-time set-up fee (up to 300 listings)

- **Interstitial ad costs - annual programs:**
  - $1,000 for one creative for the entire annual period
  - $1,500 for up to 4 creatives for the annual period

- **Additional connections** added after set-up at $75 per connection/listing

- **Partner sites:** $1,200 each annually

- **Retargeting:** TBD
THANK YOU!

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