

Business Model Canvas **Booking.com**

Key partners

- Hotel/property owners
- Major hotel chains
- Affiliates
- Travel agents
- Corporate travel managers
- Technology partners
- Meta search engines
- Lobbyists

Key activities

- Manage network effects
- Customer experience
- Customer support
- Grow the platform
- Observe external factors
- Enhance technology
- Guide customer journey

Key resources

- Number of hotels
- Number of locations
- Great content
- User data/algorithms
- User experience
- Global network
- Skilled staff

Value proposition

For travellers:

- Cheapest prices
- Amount of choice
- Reduction of risk
- Customer service
- Useful app
- Useful travel content

For hotels:

- Incremental revenue
- Ability to react
- Global reach
- Risk reduction
- Additional web traffic
- Market intelligence

Customer relationships

Hotels:

- Commissions
- Ease of joining
- No booking, no pay

Travellers:

- Customer service
- Accuracy

Channels

- Website (mobile, desktop)
- App
- Partner channels
- Ad channels (meta search engines, etc)
- Comms channels

Customer segments

Hotels:

- Property types
- Room types
- Star & user ratings
- Amenities, facilities
- Proximity
- Type of hotel
- Locations
- Type of infrastructure

Travellers:

- Travel motivation
- Demographics
- Booking details
- Employment
- Spending behaviours

Cost structure (FY 16)

- capitalised costs: \$54.2m

Operational

- Performance advertising: \$3.4b
- Brand advertising: \$0.29b
- Sales and marketing: \$0.43b

Balance sheet:

- Property & equipment: \$347m
- Intangible assets: \$2b
- Goodwill: \$2.4b

Revenues (FY 16)

- Agency business model: $\$7.98b/\$10.7b = 74\%$
- Merchant business model: $\$2b/\$10.7b = 19\%$
- Advertising and other revenues: $\$0.7b/\$10.7b = 6.6\%$