

# 6

## The Impact of Third-Party Internet Sites on the Hotel Guest Journey

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### Learning goals

This chapter focuses on the sustainability challenges that arise from the increased influence of Third-Party Internet sites on the guest journey, in particular during the gathering of information and judgement of alternatives phase. After studying this chapter, readers will have the ability to:

- 1 Define the growth in the use of online information communication technology from a hotel perspective;
- 2 Describe the guest journey focussing on how a hotel guest uses a Third-Party Internet site (TPI) as a booking tool;
- 3 Describe the main technology for data gathering behind TPIS, and the resulting bubble effect;
- 4 Explain the sustainability challenges connected with the bubble effect;
- 5 Identify tools to address the challenges of the bubble effect considering also best-case examples.

### Introduction

Reservations are essential for hotels to plan their operations. When considering reservations for their planning, hotel departments usually refer to the reservation horizon, that is the number of rooms booked on a day in the future, and the predicted pick-ups, that is the number of room reservations a hotel expects to get confirmed over a certain period. These figures are used to decide upon, for exam-

ple, the number of employees needed in the F&B department for the breakfast shift or in Housekeeping to clean the rooms; the volume of ingredients needed for breakfast; and planning hotel rooms' maintenance during less busy periods.

Nowadays hotel reservations are highly dependent on information technology. Most of the reservations enter the hotel's Property Management System (PMS) via interfaces linked to different booking websites. These are owned and controlled by Online Travel Agencies (OTAs) and are generally referred to as Third-Party Internet sites (TPIs), because OTAs are independent organisations and not directly related to a hotel or a hotel chains, but exist to provide hotels with reservations. These concepts have already been discussed in Chapter 5, to which you are referred if you wish to know more about how TPIs work. In line with this, a TPI is defined as "an Internet Distribution System (IDS) operated by a variety of travel intermediaries not directly controlled by a hotel" (Hayes and Miller, 2011: 289). Chapter 5 also addressed the question of what happens with the information that guests provide while making a booking via an IDS, and have shown that large quantities of data and information are gathered by TPIs. Following up on this discussion, this chapter focuses on the sustainability challenges that arise from the increased influence of TPIs on the process through which travellers gather, select and judge information about their next trip.

It is important to know that this chapter, if not otherwise stated, is written from the guest perspective. We generally agree with the statement that the use and abuse of a tool is in the hand of the user, although the developer or owner of the tool can nudge its users towards a more sustainable practice, and a more sustainable selection, and that is exactly where the sustainable challenges are.

In closing this brief introduction we wish to share a word of caution. Considering that developments in innovation technology are quick and continuous, and that regulations impacting the use of technology are inevitability changing, the authors would like to acknowledge that from a future perspective the issues discussed in this chapter might seem obsolete, and that in a few years and even in a few months more urgent issues might occur.

## Main sustainability challenges

During the *Guest on Earth* conference held at Stenden University of Applied Sciences (Leeuwarden, The Netherlands) in 2015 one of the attendees raised the issue whether staying at home would not be the most sustainable form of tourism. An interesting question, and this person might be right that, at least from an environmental perspective, no-tourism may qualify as the best option. On the other side, going on a holiday can potentially change guests' perspectives on the environment and open up their mind regarding different cultures and customs (Falk *et al.*, 2012; Cavagnaro *et al.*, 2018). The transformative power of tourism can help guests to understand that different cultures should be nurtured and natural beauty protected. This understanding, in its turn, may motivate tourists to behave

more sustainably even when they are back home. Moreover, as other chapters in this book show (e.g. Chapter 4) tourism has the potential to impact positively on the socio-economic conditions of local people. It would therefore be a pity to forego tourism, and the transformational, positive opportunities it might bring to tourists, local people and service providers. Yet, as all chapters in this book show, to achieve sustainable tourism several daunting challenges have to be addressed. Also sharing data online while booking and experiencing a trip presents challenges to sustainable tourism. The points we will make below are twofold. First, we will argue that TPIs use the information that they possess about their users to make to potential travellers offers that suit their needs so perfectly, that travellers are pushed to travel more often – with all consequent environmental damages. Second, we will argue that by following the hassle-free offer of TPIs, travellers are caught in their own bubble thus missing, for example, the opportunity to truly get in contact with other people and cultures. The transformative power of tourism is therefore impaired while the environment is negatively affected. Under these circumstances staying at home is surely the most sustainable form of tourism.

The section on challenges is divided in four subsections. The first subsection offers a historic overview of the development of the World Wide Web, and the implications of this development for marketing in hospitality and tourism. If you are already well aware of these issues, you may wish to skip this part and go directly to the following subsection, on the impact of TPIs on the guest decision-making process (page 97). The third subsection is dedicated to the impact of pre-set filters on the guest journey, the so-called bubble effect, and the final subsection addresses wearables.

## **The development of the World Wide Web and its implications for hospitality and tourism marketing**

Currently we find ourselves in an era where almost all communication between hotels and their guests is computer mediated, meaning that computers are the main medium through which information is shared. This era has been labelled Web 3.0. Yet, how did we get here? We need to answer this question to better understand not only the link between online marketing and the guest journey, but also the sustainability challenges that arise from this link. This section first gives a short explanation about how the sharing of information between hosts and guests has evolved over time, and then looks more in depth into the implications of this evolution for the guest's journey.

Let us start this brief history of (online) marketing by giving an overview of the different distribution channels used by hotels nowadays (Figure 6.1). As you can see, hotels have a vast number of options to choose from, including old-style but still very useful options such as a phone call.

From the present, depicted in Figure 6.1, let us then step back to the good old days before 1993 when guests gathered information by visiting a travel agency or a booking agent (both brick and mortar style companies), by consulting hotel