

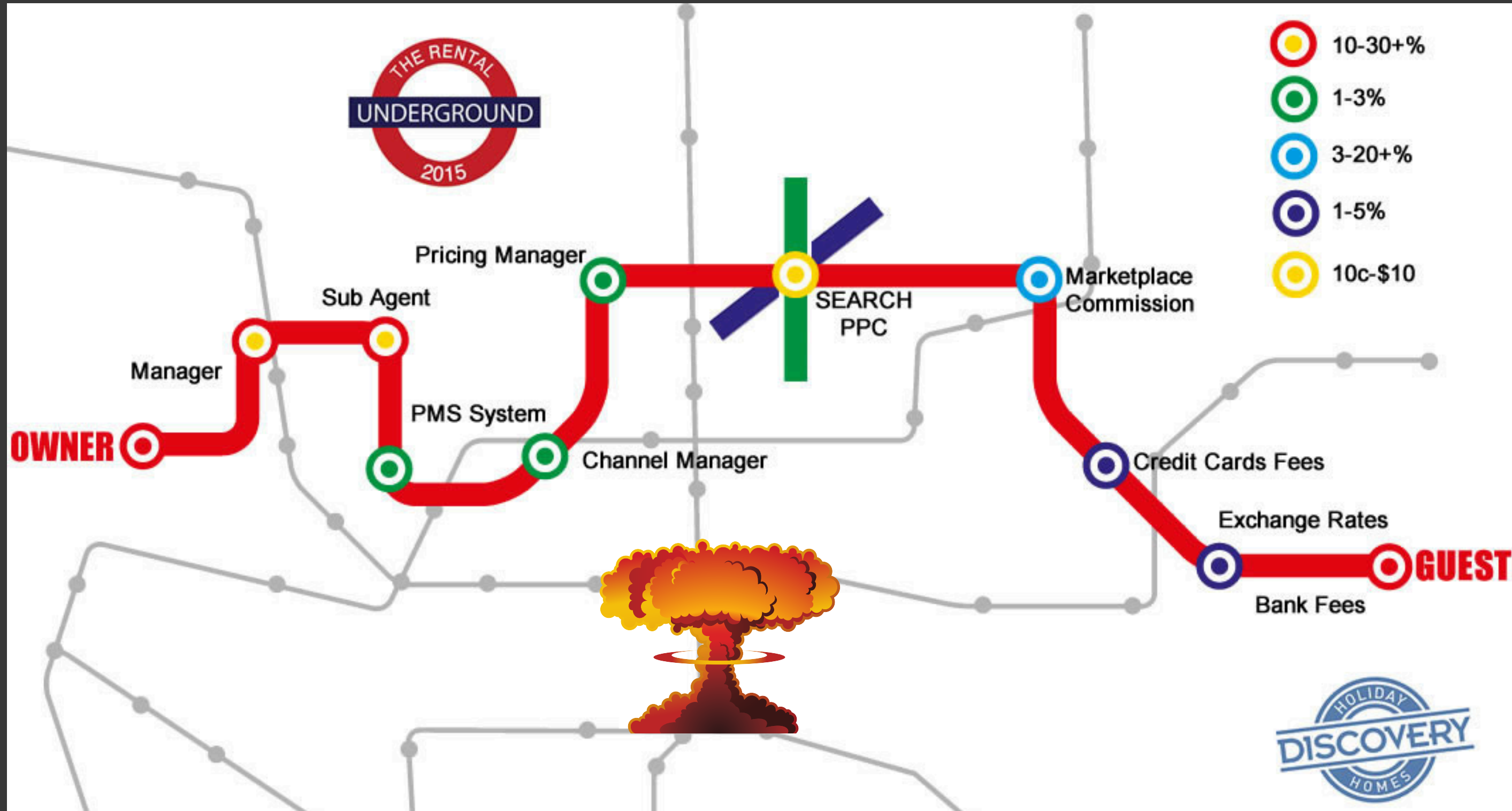


**YES** CONSULTING 

# THE REVENUE RAID

An in-depth look at property management costs – Including why no-frills tech might be a false economy, where money is made and lost and the next squeeze on your booking revenue.

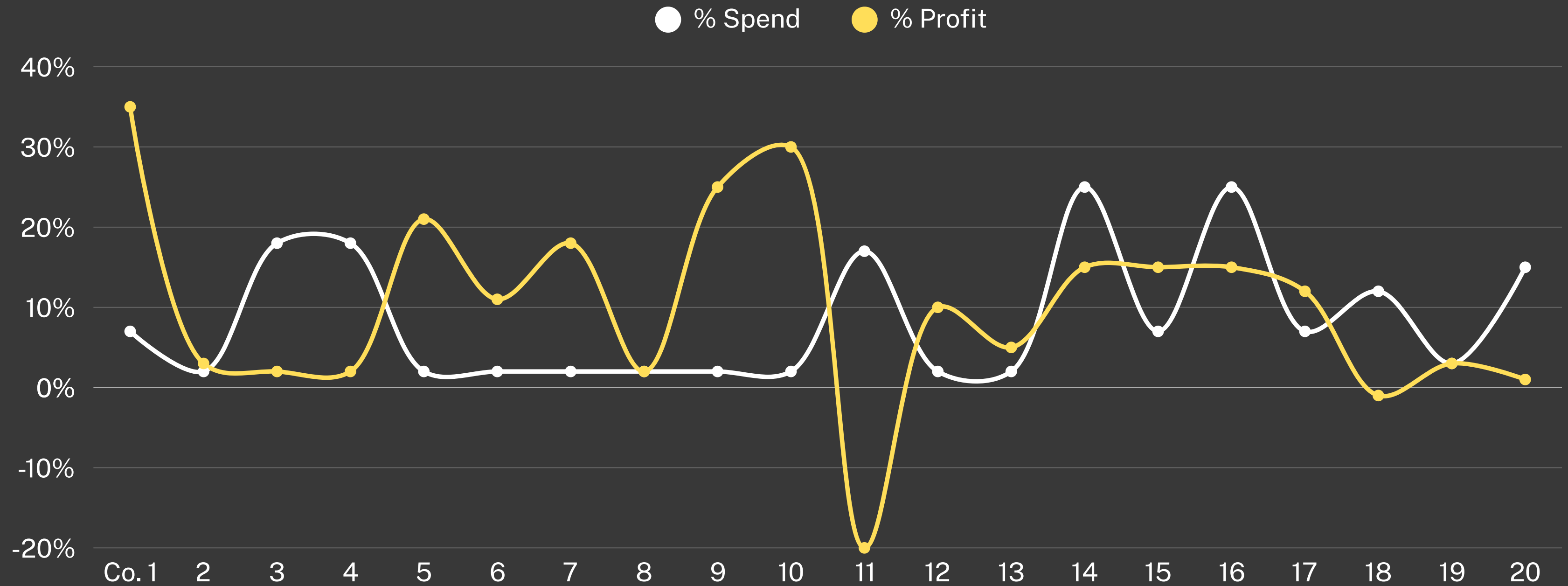
# 2015 PREDICTION - 10 YEARS AGO



# TECHNOLOGY SPEND AS A % OF GROSS INCOME

All models. excl devs but incl admin

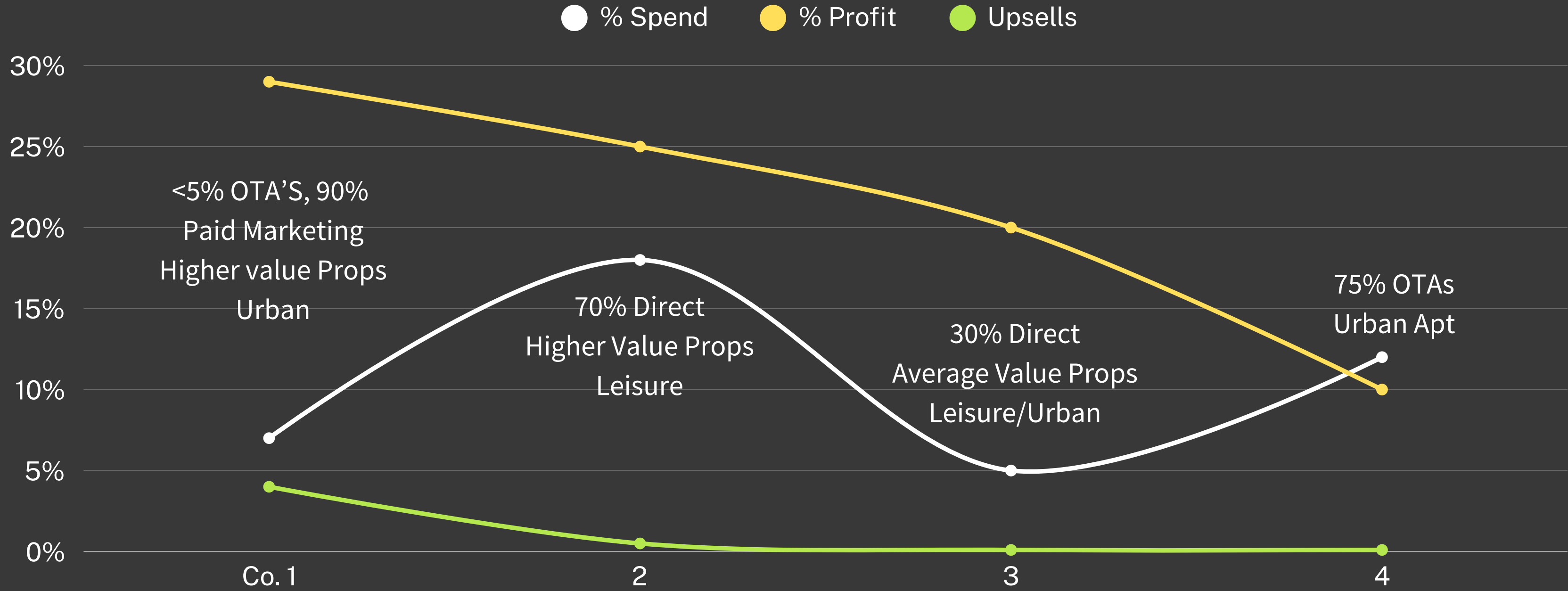
50 - 300 Properties - EU average is 70



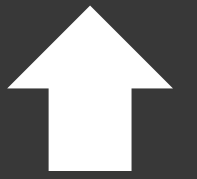
# MARKETING SPEND AS A % OF GROSS INCOME

All models. excl devs but incl admin

150 - 300 Properties



# 1. INCREMENTAL TECHNOLOGY COSTS



## Payment Solutions

Credit and debit cards rule the booking flows and transaction management.

## Automation Tools

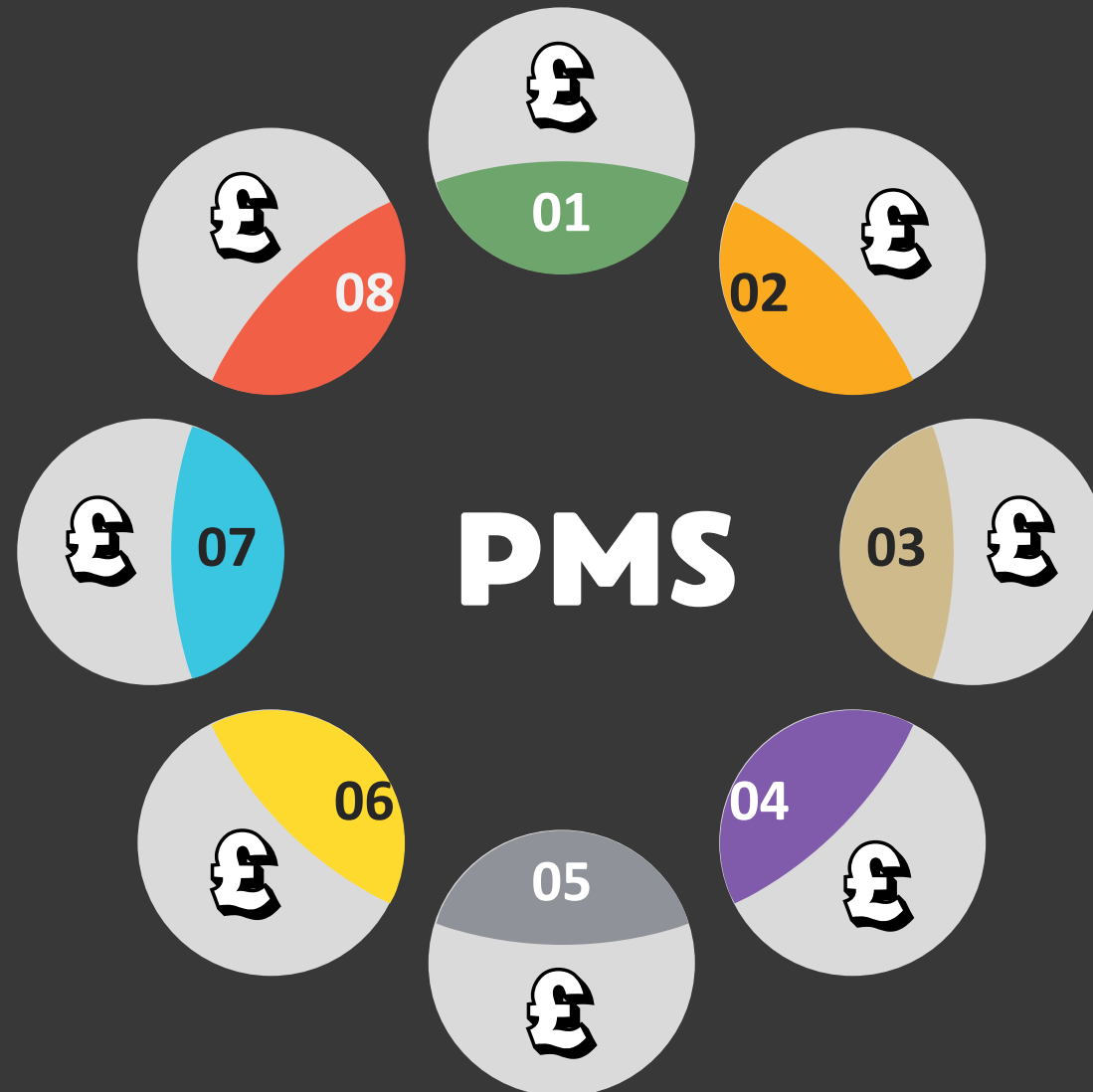
For communication, guest information, email/whatsapp and voice comms

## Websites

Book Direct and for guest information and referral business

## Distribution

Few companies can live without distribution and the increasing dependence by guests on the three big Co's



## Guest Apps

For information, chat, rebooking, local information etc

## Pricing & Data Tools

Dynamic pricing and revenue management tools for local and national data.

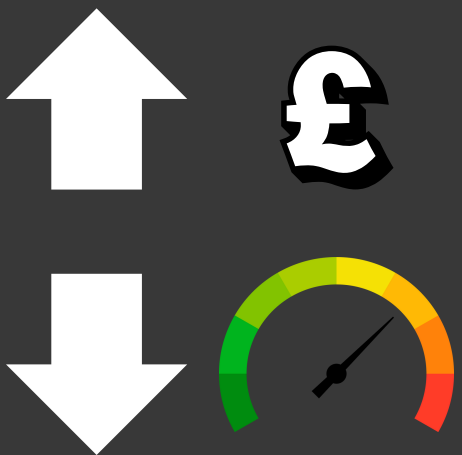
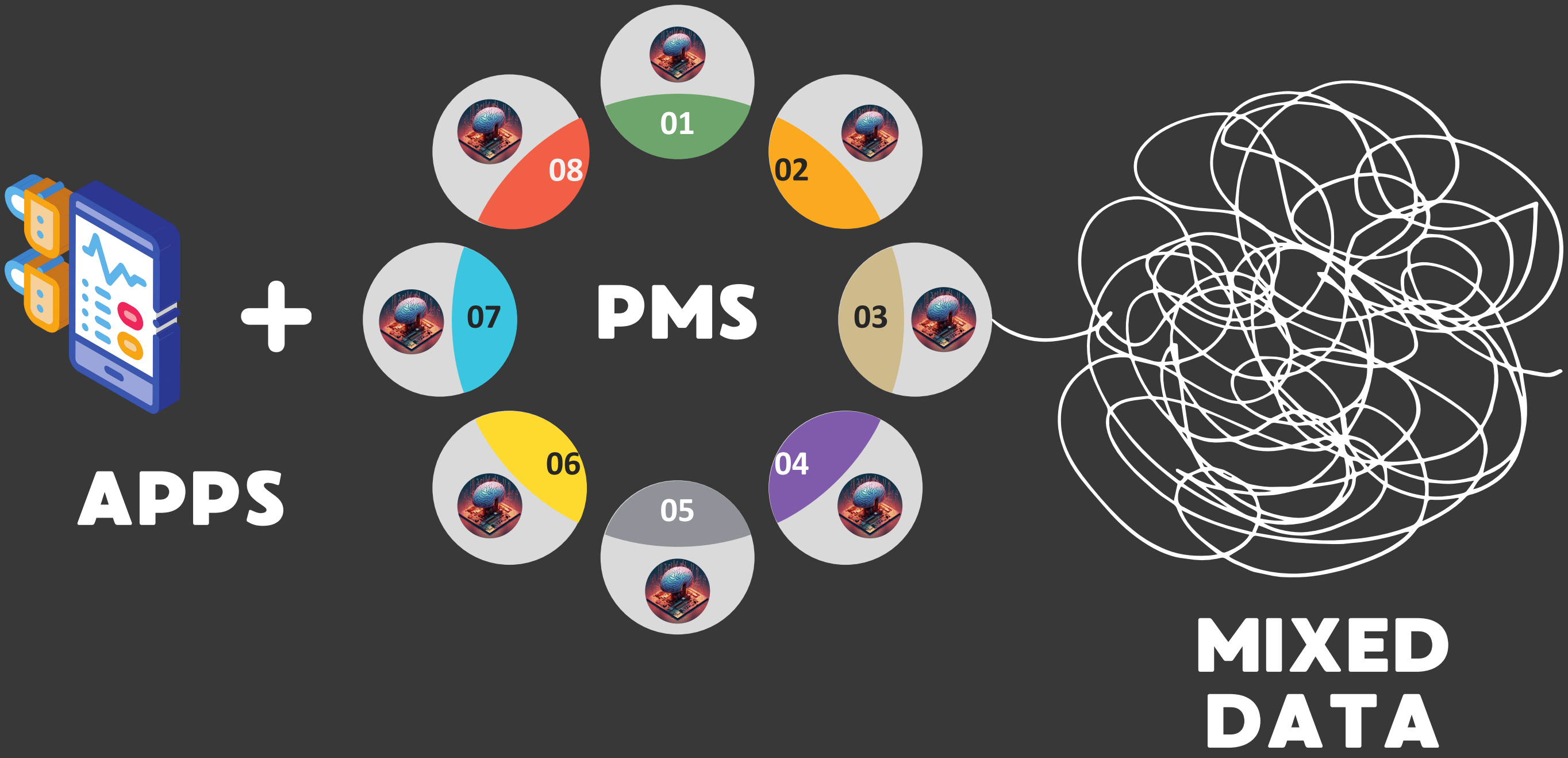
## Operational Software

For cleaning and maintenance scheduling, costs controls and statistics

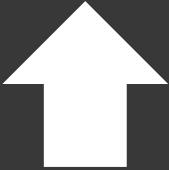
## Insurances/Checkins etc

Third party tools that are guest orientated for ease of travel

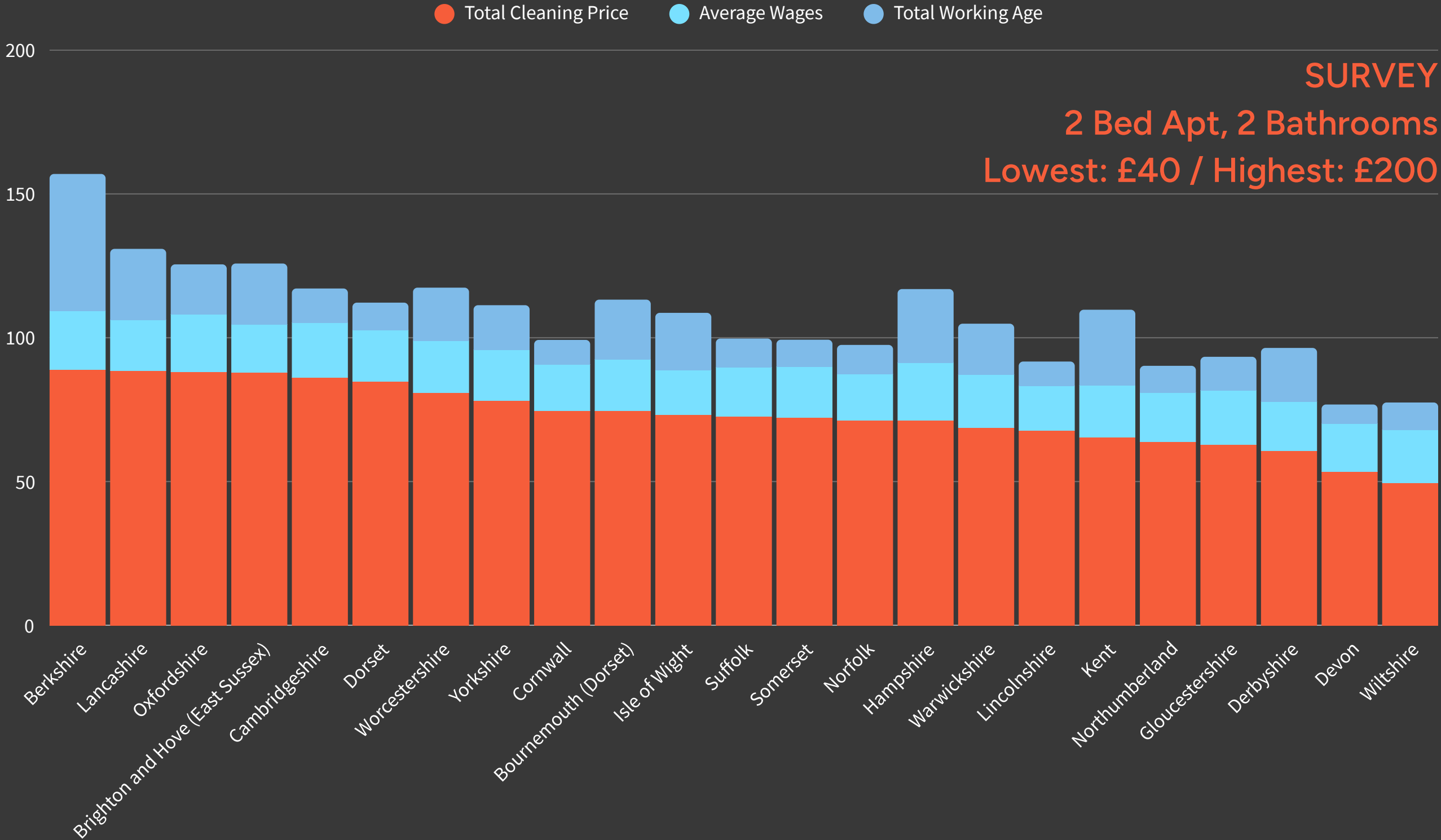
# 2. NO CHANCE OF AI AT SCALE



# 3. CLEANING & STAFF COSTS



AIRBNB DATA & GOV STATS



# 4. OTA INFLUENCES



- Increasingly dominant in search.
- Leakage & leachage constantly a focus.
- Reverse price parity is happening.
- Loyalty schemes increasingly used.
- Bundling products.
- Controlling the payment flows.



6 nights, 2 adults, 1 child

~~€ 3,446~~ € 3,175

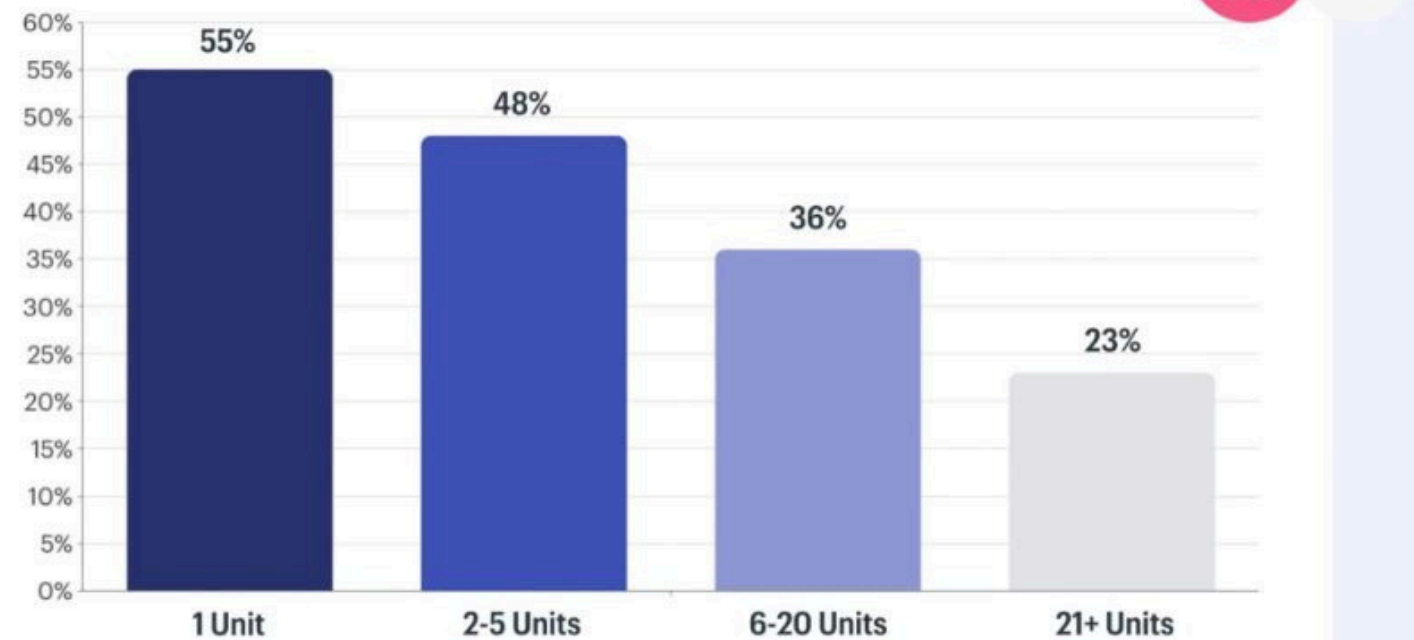
€ 574.40 × 6 nights	€ 3,446.40
Booking.com pays	- € 271.87
You're getting a reduced rate because Booking.com is paying part of the price.	
<b>Total</b>	<b>€ 3,174.53</b>



# 5. MANAGERS OR OWNERS?

## The More Listings You Manage, the *Lower* Your Chances of a Guest Favorite Badge

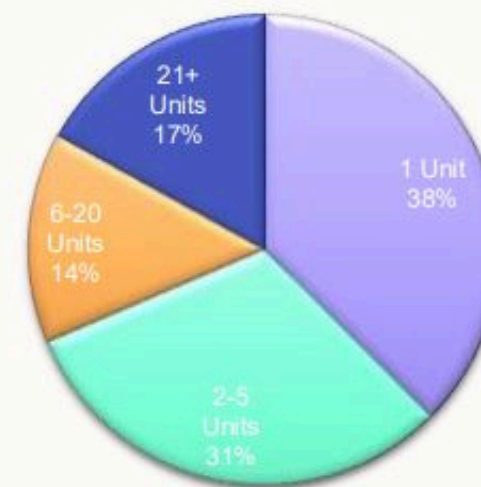
Percentage of listings within each portfolio size category that have Guest Favorite Badges.



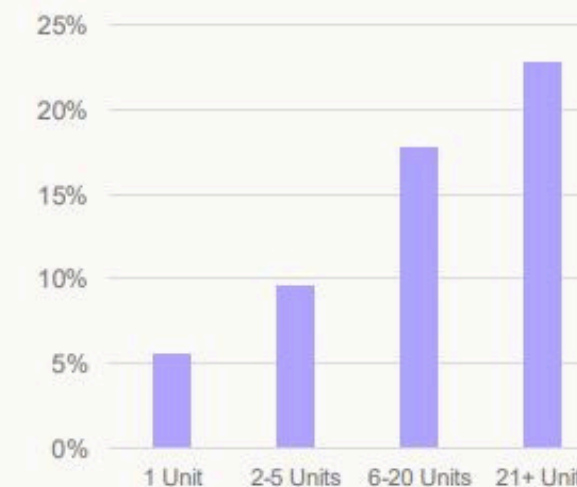
AIRDNA

## Large Hosts Account for 17% of Listings, growing Units at 20+%.

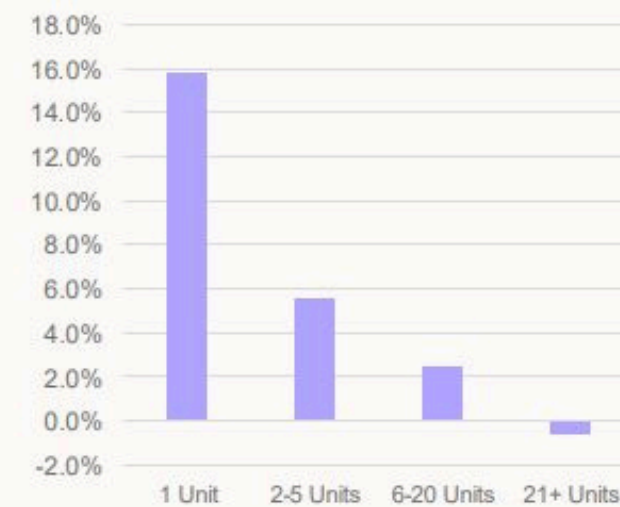
Share of Active Listings by Host Unit Count



YoY Change in Active Listings by Host Unit Count



YoY Change in by Active Hosts by Host Unit Count



Feb 2025

**21+ UNIT COMPANIES ARE 17% OF TOTAL INVENTORY  
BASED ON OCCUPANCY %'s AND INCOME MANAGERS ARE IMPORTANT.**



# 6. OTA LOYALTY



**Genius discounts**  
Enjoy savings at 390,000 participating properties worldwide and save on select rental cars

<b>Level 1</b> <b>10% discounts</b> Applied to the price before taxes & charges	<b>Level 2</b> <b>10-15% discounts</b> Applied to the price before taxes & charges	<b>Level 3</b> <b>10-20% discounts</b> Applied to the price before taxes & charges
<b>10% discounts on rental cars</b> Applies to cost of car only	<b>10-15% discounts on rental cars</b> <small>New</small> Applies to cost of car only	<b>10-15% discounts on rental cars</b> <small>New</small> Applies to cost of car only

170m members



**Why Book With Us**

HotelTonight	\$396
Expedia.com	\$439

Expedia.com rate last checked less than 1 hour ago.

**Receive \$40 in Airbnb credit**  
This credit is earned after your HT stay.

**OneKey™**  
Expedia Hotels.com Vrbo

**Rewards on any way you travel**

Earn OneKeyCash for every dollar spent<sup>5</sup> on eligible hotels, vacation rentals, flights, car rentals, and more when you book across our family of brands.

[Go explore](#)

170m members



**MARRIOTT BONVOY**  
REWARDS REIMAGINED

228m members



**All ACCOR LIVE LIMITLESS**

100m members

## A GOOD IDEA FOR STRs?

# 7. OTA POWER

Airbnb, Booking.com & Expedia/Vrbo control 71% of global STR Global STR reached \$183 billion

## Market Share Shifts (2019-2024):

- Airbnb: Largest growth, 28% → 44%.
- Booking.com: Moderate growth, 14% → 18%.
- Expedia/Vrbo: Decline from 11% → 9%
- Long-tail providers: Significant decline, from 47% → 29%

## Post-Covid Changes (2022-2024):

- Booking.com fastest growth: 15% → 18% (20% incr.)
- Airbnb steady increase: 40% → 44% (10% increase).
- Expedia/Vrbo slight decline: 10% → 9%.
- Long-tail providers hit hard: 35% → 29%

**OTAs & PMS systems will focus on managing your payments**

# RAID SUMMARY



## Compound Software

- Heavy Investment
- AI single data access
- Scales of economy
- Control of the eco-system

**Squeeze the booking chain.  
ROI and Exits - AI Centric**

## Increasingly Powerful

- Bundling works
- App focus
- Payment controls
- AI & Data advantages

**Will add more fees and  
control money flows**

## BOOK DIRECT

- Search is changing
- Skills need to be far reaching
- Technology is struggling
- PMS systems don't like webs

**Needs a strategy rethink.**

# SUCCESSFUL CO'S MAKE MONEY!



**25%**

## **NET PROFIT – IT'S HARD**

**Major overheads:** Staff, operations, marketing, technology & properties/owners

**200+ PROPERTIES**

## **HAVE SCALE**

Allows amortisation of costs, especially in an “agency only” model

**+5-10% MARGIN**

## **WELL MANAGED**

Focus on business management to ensure efficiency and focus. Add value through extended fees and business. Good companies add margin.

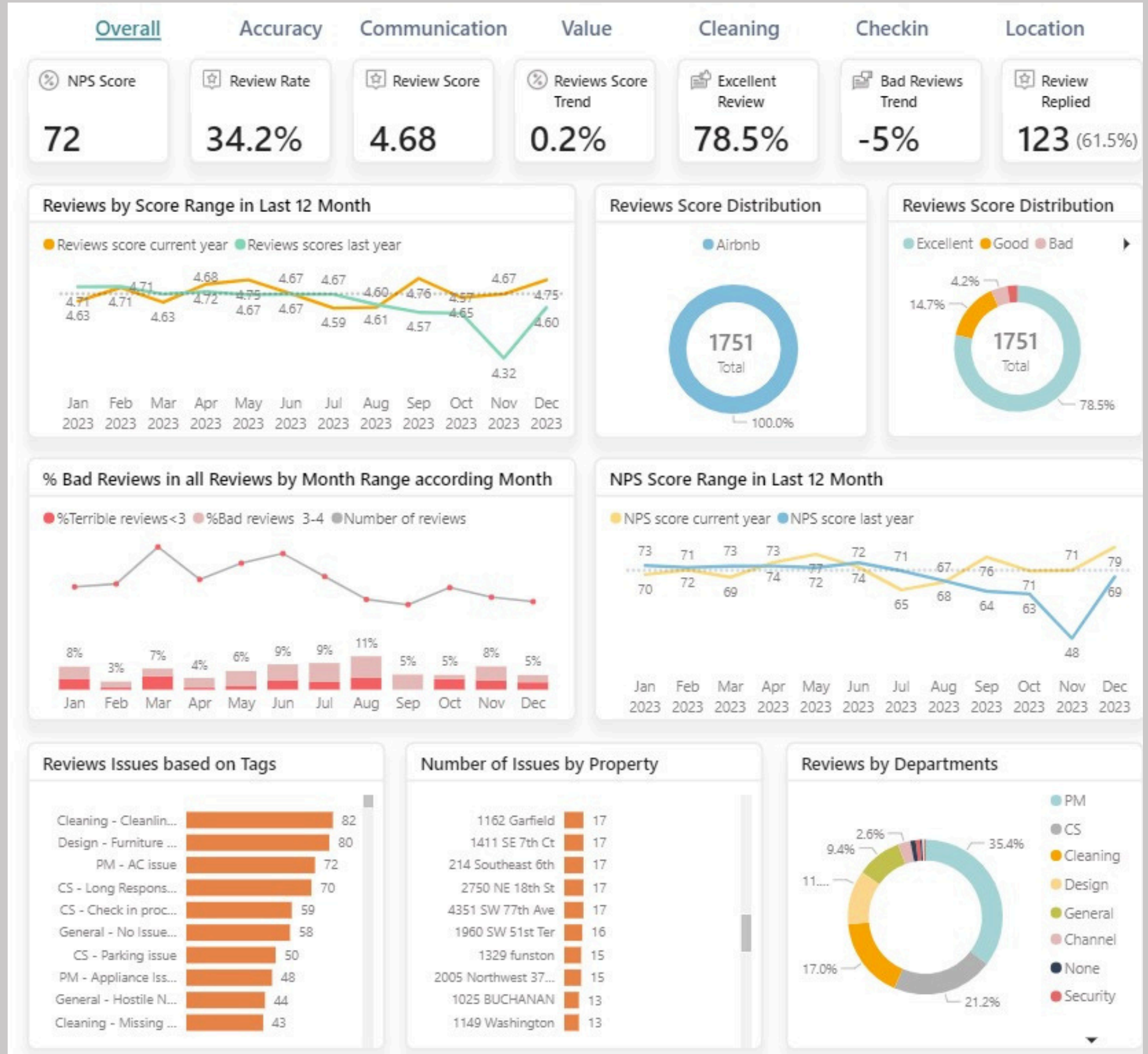
**PLAN**

## **SMART TECH & OTA STRATEGY**

Tech = efficiencies, controls and knowledge  
Marketing & distribution needs strategy

# MONITOR CONSTANTLY

## YOUR DAILY DASHBOARD





Share your data and see a much bigger picture!

# THANKS FOR LISTENING



<https://yes.consulting>

**YES**CONSULTING 

+  
**THE AVIO GROUP**

# STRATEGY IS NEEDED

