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Hotels.com

# Stakeholder's guidance report <br> Design Research Project for Price Comparison 

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## Introduction and overview

This report is to provide further insight and recommendation to stakeholders based on design research conducted by Fhios for a price comparison feature within the Hotels.com website. To a lesser extent, the report also covers research based on price matching.

The primary aim of the design research is to discover the best way to provide a price comparison and price matching feature on the Hotels.com website that is useful and valuable to customers whilst retaining users on the Hotels.com website.

The primary business objectives of the Price Comparison project are:

- Encourage users to stay within the site
- Increase conversion rates
- Instil trust in compared prices
- Increase the Hotels.com brand image
- Make it easier for users to see Hotels.com prices and the prices of the competitor

The key objective of the study is to:

- Explore the proposition of price compare and to discover what elements might comprise a compelling price compare experience.

The secondary aims of this research are to discover:

- How users are currently doing price comparison? For example, do they google hotel name, already are
familiar with price comparison sites, competitors sites, meta search engines.
- What features are users looking for, such as a direct comparison tool with links to other sites?
- What benefits are they looking for? Such as: saving time, ease of use, efficiency, reassurance or trust in the prices shown?
- What would make users stay on the website? What incentives should be offered?
- How much is price a factor within the overall decision-making process. For example, are they looking for an overall good deal, looking for the best price?
- Overall, what are user's motivations and end goals?

Based on the research in order to:

- Provide recommendations for the best course of action to stakeholders
- Determine whether or not to include a price comparison feature
- Provide recommendations for what should be included in the price comparison feature and how the interface might be approached
- Provide recommendations for the best point at which to display price comparison or hotel detail of booking pages.


## Executive summary and key findings

## Price Comparison feature:

- Users appreciated that price comparison made their lives easier
- Aspects of the chart were not understood
- Benefits such as no booking fees or no cancellation fees made little difference in the decision making process
- All things being equal, for the same room in the same hotel, most participants exhibited degrees of price sensitivity.


## Price matching feature:

- Generally thought of as a good concept
- Participants assumed that you needed to call a charged 0871 number however did not realize they could bypass the 0871 number via a form
- Most deemed this 'too much work" for the reward particularly if the price difference was only $£ 10$
- Price match needs to take place before booking
- Doubtful that users would take up the offer in its current form.


## Trust and loyalty:

- Did little to install more loyalty in an otherwise unloyal marketplace
- Although participants indicated trust the Hotels.com brand and prices shown, there still a need to see the prices "with my own eyes" suggesting a subconscious need to double check to be sure
- Independent prices from Travel supermarket was not spontaneously recognized or appreciated.


## Proceed with caution:

It must be noted however that there are areas of caution:

- Users who had not completed the research phase of their search for a hotel will leave, regardless
- Tended to leave doubt in participant's minds, as if they had not done enough checking
- Tended to trigger users to shift from potentially finalization/ commitment mode back into research mode
- The booking page should be the last point of call or final destination for a user who is interested in booking a hotel
- A higher proportion of users were inclined to shop the competition after being provided links to competitors, more than the Web QI report in 2008 suggests.


## Resource limitations:

- Developing a precise solution is technically challenging and time consuming from a resource standpoint
- A high degree of accuracy would be required to get like for like data for the exact room
- It may be difficult to get live time prices from enough competitors consistently


## Recommendations:

The price comparison feature may work, provided that:

- Show prices as a total and let users assume it is an all inclusive final price
- Hotels.com must appear to be the cheapest, within at least a $£ 5-£ 10$ price difference with competitors
- The total price range/price difference should be no more than $£ 10$ from the lowest to the highest price
- Include well-known brands were included, such as Lastminute.com
- Avoid allowing users to link directly off to competitor sites
- The actual hotel brand should be included
- Price matching need to be done prior to booking
- Remove the 0871 number for price matching
- Ensure prices are accurate and up-to-date
- Have about 5-6 competitor listings.

Ultimately, will this feature reap the hoped for financial benefits (reduce deflection and increase bookings) considering the investment that will be required?

## Expectations

Before conducting the study, there was an expectation that the price comparison feature was useful to the customer and could help the business to retain customers. The findings and subsequent end results are of significant interest, as it tended to cast doubt over whether the feature actually met the business objectives.

## Design Research Findings:

Provided are some of the findings from the design research as well as highlights of the key issues derived from the test sessions.

## Consumer behaviour and attitudes towards price comparison

Shopping around for a better price or deal has become prevalent and ingrained in modern society, especially as it is easy to do on the internet.

For products such as electrical and also services, such as insurance, comparison meta search engines have been in existence for a few of years.

Consumers who are accustomed to searching for the best price for other items may exhibit the same mentality when approaching booking a room in a particular hotel.

Potential customers who already shop around on the internet feel that this is normal and accepted practice, in addition to this being a smarter way to shop.

It is highly likely that this type of behaviour will be more prevalent due to increased mass market television and radio advertising of comparison sites such as comparethemarket. com and moneysupermarket.com (travelsupermarket.com) being promoted to the UK consumer. There may be less of an inclination for this type of behaviour in European countries due to lack of media coverage.

In this way price comparison has almost become normal. This tends to dilute larger brands and marginalise services such as insurance.

Additionally, for online products such as electronics and electrical goods (laptops, digital cameras, gadgets, mobile phones and white goods) there already exists a large number of comparison sites and meta search engines which perform a direct comparison of larger brands. Consumers have come to expect

EBay is a well-known and popular auctioning site that encourages price-lead behaviour. Subsequently, price appears to be a main factor in addition to seller's trustworthiness.

## Hotel searching strategies

When it came to searching or finding a particular hotel, participants demonstrated a variety of methods.

- Start with a search engine such as Google and select the top most relevant results
- The Google search may then trigger links to either large travel brands or perceived trustworthy names
- Response to traditional advertising in newspapers and other channels
- Used a previously known price comparison site or meta search engine
- Go to well-known travel brands such as Last minute, Expedia, and Trip Advisor and to a lesser extend Laterooms and Opodo.

A small minority of users $(2 / 13)$ were loyal to a particular chain, for example Marriot or the Holiday Inn a part of the InterContinental Hotels Group knowing they can obtain discounts if they stayed with one particular brand or brands within the group of hotels.

One savvy participant indicated a range of tactics used to secure the best price, including using a combination of telephoning the hotel directly for offers, using travel agents, and waiting for a good price online due to inventory fluctuations.

## Overall time spent researching and booking a hotel

Most users would at least spend 3-5 hours if not days and sometimes a total of weeks researching holiday and hotels requirements to find exactly what they wanted.

Some of these decisions were made jointly with a partner, which added to the overall amount of time.

Participants did not seem to mind doing research on hotels, even if this meant more time. If it meant saving money (11/13) participants would shop further. The research is viewed as both a "pleasure and pain".

## Price flexibility

All participants are flexible about the price. The amount of flexibility depended on the type of trip, location and whether or not they wanted to treat themselves.
"I'm flexible about budget, it would depend on the occasion, I'm generally flexible.. to give yourself a little bit of that extra luxury"
"We don't stick to a strict budget, were quite flexible"
"I've booked in hotels from $£ 25$ in Thailand to $£ 400$ in New York"

Once a target price for a hotel room per night was established, the indicated the range would be about $£ 30$ either side of this figure.

However, when they narrow down to a preferred hotel, or a shortlist of one or two hotels, all things being equal "if it's the same room in the same hotel" then they then would shop around to see if they can get the hotel room at a cheaper price.

## Value benefits had little influence

Unless prompted by the tester, almost all users skipped the value proposition messages and went straight to the relevant data or to the price comparison matrix itself.

The proposition of no cancellation fee, booking fee or price patch promise made little to their final decision on whether or not to book with hotels.com or not.

```
£139. We Price Book with us, in addition to the lowest price, get peace of mind:
    Ho cancellation fee - Lowest prices guaranteed
    Price match a phone call away - Secure online booking
    Ho booking fee
    - Lowest prices guarantee
    - We're just a phone call away: 0871 2000171
```

Although there was little reason to suggest that these had any impact, participants may have taking these points into consideration had the price chart been removed form the page.

The "No cancellation fees" may be misleading, as some hotels do in fact have cancellation fees.

## Previous familiarity with price comparison

Almost half of all customers were already familiar with price comparison websites. Sites that were noted were Orbitz (1) Travel supermarket (2), compare the market (1), hotwire (1), indicating that "a lot of them compare prices"

Participants who were already with price comparison sites would start with these sites as a primary destination, not an
end destination. Participants who are on the Hotels.com site should be viewed more as end destination customers.

Apart from two participants, all the other participants would either go to comparison websites or Google the hotel directly with the intention of comparing the price.

## Participants tended to lack of loyalty to booking/travel websites

Almost all participants lacked loyalty, which is hardly surprising due to the nature of the travel and accommodation industry. Installing loyalty will be one of the on-going biggest challenges faced with Hotels.com.
"No, I'm not loyal to a particular site"
"Loyal? no.. I go to difference place,. there's usually the price as well"
"No loyalty exists at all"
The two price comparison versions did not tend to encourage loyalty at all, instead casting doubt upon their decision to go ahead and book and be more inclined to do further research to placate any lingering doubt.

## Prototype Versions

When shown the two prototype versions $A$ (with prices) and version $B$ (no prices and a value matrix), participants reactions were mixed.


Prices version $A$

| Booking sites Room | Room types |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Booking Site |  | Room type | Availability | Cancellation Fee | Booking Fee | Book |  |
| Hotels.com | Hotisom | Standard Double <br> Breakfast Included | Avalable | No Fees * | No Fees | ¢139 | Book |
| Reserveiravel.com | (1) ${ }^{\text {reservetravel }}$ | Standard Double room <br> Breakfast Included | Not Ave | Fees | Fees | We price matc | Go to stre |
| EasyClickTirvel.com | toryoliohtrovel | Standard Double Breakfast Included | Avalable | Fees | Fees | We price match | Goto stie |
| Travelocity.com | **tavelocity | dard Double Breakfast Included | Avalable | Fees | Fees | We price match | Go to stie |
| HotelClub.com | CHotelclub | Standard Double Breakfast not included | Avaiable | Fees | No Fees | We price match | Goto stre |
| Booking.com | Booking.com | Double Room Ereakiast not included | Avalable | No Fees | No Fees | We price match | Goto stre |
| TotalTourist.com | toutist | Premier Double. <br> Breakfast not included | Avalable | No Fees | No Fees | We price match | Goto site |

Value Matrix version $B$

## Prototype version A (with prices shown)

11/13 participants voted for the version with prices because they had all the figures
" Version with prices... I trust it more,...because I'd wanna see figures" and also "definitely this one".. it hasn't got all this price match business"

## Value Matrix Prototype versions B (without prices)

Almost all participants who were shown the prototype version without prices were inclined to question why prices were not shown or felt it did not give them the level of detail they needed to make an informed decision.

## Incomplete data in the chart

Participants thought the booking and cancellation fees data was missing. Rather than just have "fees" participants indicated they needed to have the exact amount of fees.


Most participants indicated they would then need to go to the competitor's site to check what the fees are.

This tended to leave users feeling as though they have to do more research, they were unable to make a decision, therefore not committed to booking.

It is recommended, therefore to create a chart with only a total fee, or put in the actual fees. However, this may be legally and technically challenging for Hotels.com

## Participants expressed a need for the total price

Almost all participants indicated they would like a total price shown, they expressed that they would still go to other sites if the fees were ambiguous or unknown. They would go "just to check what the fees were"

When just one price was shown (as per travelsupermarket. com option) participants just assumed it was the total price. Participants did not question whether or not fees, or taxes were included in this price.


Travelsupermarket.com
It is recommended that there be a total price, with no indication whether fees were included or not.

## Incorrect prices provoke a negative reaction

If prices were not accurate, then most participants would be inclined to mistrust the site. Two participants indicated a strong inclination to never go back to the site again.

## Introducing previously unknown competitors

One of the dangers coupled with producing a price comparison chart is that it brings to the forefront of participants minds competitor booking sites which may have been previously unknown.
Participants who were previously aware of comparison websites would have already searched other sites before arriving at Hotels.com website.

Therefore, those participants who land on Hotels.com after exhausting all other booking sites would mean that they are ready to book.

## Charts require well-known brand comparisons

Most participants wanted to feel reassured that Hotels.com have price matched against large enough brand sites, rather than obscure relatively unknown sites. Last-minute, and Expedia were at the forefront of their minds. Others included Opodo and Lastminute.com etc. The comparison chart needed to have the correct number of listings, three four listings were deemed too few, and six listing or more were about right.

## Participants would like chart items compared need to match

Some participants express frustration that the room type were not an exact match, that there were light variations. For example most participants recognised a premiere double without breakfast was different from a standard double with breakfast. The comparison chart needs to have the exact matching features to be useful.

When performing competitor analysis, participants did not comment on wide variations in room types, suggesting that most participants tolerate a certain amount of discrepancy.

It should also be noted that the data derived from travelsupermarket.com shows extreme variation in terms of room types. Therefore third party data should be used with a degree of caution.

| Room type | SUPERIOR ROOM NONSMOKIN... |
| :---: | :---: |
| Standard Double Breakfast Included |  |
| Standard Double room Breakfast Included | Standard Room - Advance |
| Standard Double Breakfast Included | Superior |
| Standard Double Breakfast Included |  |
| Standard Double Breakfast not included | Superior |
| Double Room <br> Breakfast not included | King Or Queen Bed Superior ... <br> Board: Bed \& Breakfast |
| Prernier Double. <br> Breakfast not included <br> Hotels.com | Travel Supermarket.com |

Most participants indicated preference for the chart to have exact room comparison on the price chart to make it useful to participants comparing apple to apples.

## Inclination to still do more checking after shown a price comparison chart.

It is typical consumer behaviour is to shop around until satisfied with a product and price that reflects value for money.

After being shown the comparison chart, almost all participants were inclined to click on one other link to a competitor site.

The participants, who did not previously display inclination to shop around, up until this point in the booking process now more hesitant to book.

Instead, it triggered a need to re-check, to "still look" because they wanted to "see with their own eyes" what the prices on the competitor's websites were in order to validate that they have made the right decision.

This hesitation and need to perform further research will only lead users away from the site and into another cycle of research and checking on competitors and comparison sites.

There is only a slim chance at this stage for users to come back to the Hotels.com website.

## Participants would deflect for a price difference as low as $£ 5$

Displaying the price comparison chart appeared to shift participants into a different mode of behaviour. Although
almost all participants indicated quite a bit of price flexibility, within a range of less or more than $£ 30$, after narrowing in on a particular hotel or a shortlist of hotels, then they became sensitive about the price of that particular hotel. Also, participants were still very price sensitive when checking on price comparison sites.

Although most participants indicated a $£ 10$ difference would be enough to encourage then to look elsewhere for a better price.
"Id probably say I wouldn't bother if its anything between $£ 5-£ 10$. Anything over $£ 10$ then I probably would check
"If the room that they had on the other site was say $£ 10$ less and the conditions were the same, then I would yeah ... I mean $£ 10$ is $£ 10$ I think"
"I would have gone to the other websites to see what the booking fees and cancellation fees that's all I could see....if they were include there and I can see immediately that's what the fees are, then fair enough, if it was $£ 10$ more and I could see, I'd just go ahead and book it"

Only two participant indicted trust was a more overriding factor in a $£ 10$ difference in price.

Most worryingly of all, although most (11/13) participants would be inclined to deflect for a difference of $£ 10$, some would be willing to shop further for a difference of $£ 5-£ 6$ (6/13).
"to be honest I'd book it with reserve.com"
For the sake of $£ 5-£ 6$ difference in price, participants demonstrated a desire to research further in order to save money and did not appear to mind doing more work.

The reward was worth the extra effort. Ironically, the same participants would not put the same effort into price matching.

## Participants who leave would not be inclined to come back

There was little incentive to come back to hotels.com after clicking on a competitor link where the price was lower.

When asked whether they would come back to the Hotels.com website again some participants did not indicate they would

> "It's like they've shot themselves in the foot... you can't be arsed to go back and look again"
> "You wouldn't put a competitor on your website would you?"
> "It could backfire, especially if people are acting irrationally"

## Price chart layout, column titles and content

None of the participants had issues to do with the layout of the price comparison table/ chart. It was generally seen as clear and well laid out. However, some of the column data
was confusing with some participants mis-interpreting the data.

## Price data supplied by third party made little difference to trust

Participants did not spontaneously indicate they were aware that prices were sourced from an independent third party, travelsupermarket.com.

Of those who did notice this, it made little difference to the perceived trust in prices nor did it provide strong encouragement to make a booking.

## Trust in prices shown

Some of the participants were either inclined to trust prices on website, regardless of the source, until proven otherwise.

These participants naively believed the prices shown were accurate "because they were there" and some were aware that companies are legally obliged to provide accurate prices on their website.

However, the majority of participants were still slightly sceptical about the prices shown, primarily as they suspected that they may still hidden fees and charges somewhere.

Highlighting that cancellation charges and booking fees existed made participants even more wary about additional fees that some may have simply been ignored.

A few participants expressed mistrust in hidden taxes and charges, extra fees, or small print. Many feel these should be simplified so that they "don't feel like I'm being tricked".

| Independent prices from | travelsupermarket.com part of moneysupermarket.com |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Room type | Per Night | Booking Fee | Cancellation Fee |
| eservetravel | Standard Double Breakfast Included | £129' | Fees | Fees |
| ClickTravel | Standard Double room Breakfast Included | £132.29 | Fees | Fees |
| ravelocity | Standard Double Breakfast Included | £138.99 | No Fees | Fees |
| bels.cm | Standard Double Breakfast Included | £139 | No Fees | No Fees * |
| otelClub | Standard Double Breakfast not included | £161.13 | No Fees | Fees |
| KING.COM | Double Room Breakfast not included | £182.85 | Fees | Fees |
| total <br> ourist | Prernier Double. <br> Breakfast not included | £187.35 | Fees | Fees |

Prices version A
These participants indicated would still click on at least one, if not several links to "see with my own eyes". The doubt in prices may have been due to the fact that the chart in deemed incomplete, without the actual booking fee or cancellation fee from competitors.

## Variation in price range

The large variation price range may also have been a factor for participants, with a significant low end of $£ 129$ to the highest price of $£ 187.35$ this $£ 58$ difference may had lead participants to believe that a better price could be found if they shopped around.

It is recommended that the price difference for prices on the graph have a variation no greater than $£ 10$.

## Shopping the competition

The design research appears to re-enforce the Web QI Survey for UK and EMEA conducted in 2008. In these reports, $25-44 \%$ of participants indicated participants would leave the site to "shop the competition".

When participants were presented with a price comparison chart, almost all participants ( $12 / 13$ ) would at least click on the link to check the competitor's sites, and effectively shop the competition. A price comparison chart with competitor links made it easier for them to do this.

Since all participants demonstrated no loyalty to an online booking site (as opposed to a hotel chain) the likelihood of these participants coming back to hotels.com is slim.

The price comparison feature seemed to leave participants uncommitted, as if they had to check further to see either whether the prices were accurate, what the booking fees or simply as a double check.

The feature may also change the behaviour of current hotels.com customers who were not inclined to use price comparison features as a first point of call

There is a distinct danger of leading participants into price comparison, whereby at this point in the booking processes they may have been inclined to book on the particular hotels.
Providing links to competitor booking sites simply made the task easier for participants to leave the site and book elsewhere, without clear benefits to Hotels,com

## Price matching

## Although price match was a good idea, participants found the procedure of price matching lengthy.

Most participants thought price match was a good idea, and that in principle they may use it.
"Pricematch? Useful yeah I cant see why not?"
"probably I would I don't see why I wouldn't [use this feature]"

However, when asked specifically to read the instructions on how they would go about redeeming the offer, most expressed reluctance to proceed with the price match offer. Most participants deemed the process was too much effort for the reward. It appeared doubtful any of the participants would actually go through with the offer

```
Price Match
Guaranteed to be the lowest rate you can find. Found a lower rate, we can price match in these easy steps
Step 1) contact us within 24 hours of booking
Step 2) Fill out your contact details here
Step 3) We will either refund you the diff
*)
The price match information at the bottom of the prototype page
```

There are several reasons why:

- The 0871 number would cost them money
- Participants assumed that you needed to call a pay per minute 0871 number to redeem the offer, presumably because of the "contact us within 24
hours of booking" instructions. However, they did not realize they could bypass the 0871 number by entering their details in the contact information form Participants may not have understood the message "fill out your contact details here"

- It should be noted that interested users who clicked though instructions would most likely read the full procedure for redeeming the offer.

Reaction to the 0871 number were generally negative, with $10 / 13$ participants expressing emotions ranging from annoyance to disgust.

One participant indicated he would not call the number out of principle. It was viewed that the call would cost them money to call, and that participants mentally included the cost of the call to weigh out the benefits.
" $£ 10$ difference, that telephone number, you don't know how much it would cost, you'd have to weight it up"

- The entire price match process appears quite difficult to do.
Price match is viewed an unnecessary and timeconsuming activity, even after having read the process. The majority of participants thought it was too much effort for apparently the difference of either $£ 5$ or $£ 10$. They believed that Hotels.com should just have lower if not the lowest prices.
"That's a hassle for me. Over $£ 10$ ? That a bit long winded for me"
"Its not useful, I would not use it"
- Participants believed that after they had booked the site, that they did not need to check


## further for prices or cheaper prices with which to price match to.

Participants would be indecisive up until the booking process. However after the booking had been made, participants tended to experience a sense of relieve that the task was over and therefore stop looking.

11/13 participants indicated they did not need to cancel a hotel booking once made "why would you book and have to cancel it 24hrs later?"

Participants were perplexed as to why anyone would commit to booking a hotel, pay for it, and then cancel the booking 24 hours afterwards, especially considering they had spent hours researching the best hotel.

2/13 participants indicated "that's what insurance is for"

- Price match redemption time of $\mathbf{2 4}$ hours insufficient.
Some participants assumed they had about a week in order to redeem the price match offer. Participants who were aware of the time for price match offer indicated that 24 hours was insufficient time. The period needed to be longer to be useful.
- A certain amount of skepticism exists in price match or guarantees
Most participants wanted to have all the information with which to make a final decision, such as booking and cancellation fees.

Other participants also suspected there were extra fees, such as taxes and hidden conditions "what's
the small print?"

- Allow price match to be performed before making a booking.

Participants do not want to book on one site (which effectively meant that they have made a real commitment) then have to cancel and rebook through Hotels.com.

Participants indicated that the process needs to be simplified.

The general indication is that they should be able to call Hotels.com before making a booking, inform the telephone operator where the cheaper price is and then they book it at the same price immediately over the phone.

## Version A: prototype price match message

The majority of participants (10/13) understood the price match in the prices version A. The hover over message was read and generally understood to mean "exactly what it says"

| Booking Fee | Cancellation Fee |  | Price Match |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Fees | Fees |  | No | Go to site |  |
| Fees | Fees |  | No | Go to site |  |
| No Fees | Fees |  | No | Go to site |  |
| No Fees | No Fees * |  |  |  | Book |
| No Fees | Fees | We match the prices of competitors. If you have found a lower rate, We can match this price find out more |  |  | to site |
| Fees | Fees |  |  |  | to site |
| Fees | Fees |  |  |  | to site |

Prices version A (Prices shown version)

| Cancellation Fee | Booking Fee | Book |  |
| :--- | :--- | :--- | :---: |
| No Fees * | No Fees | £139 | Book |
| Fees | Fees | We price match | Go to site |
| Fees | Fees | We price match | Go to site |
| Fees | Fees | We price match | Go to site |
| Fees | No Fees | We price match | Go to site |
| No Fees | No Fees | We price match | Go to site |
| No Fees | No Fees | We price match | Go to site |

Prices version B (Value Matrix no prices)

The second version caused much more confusion over what was being price matched

## Lack of clarity around what is being price matched

Some participants $(4 / 13)$ were confused initially with the price match on the second prototype version $B$, where price match was presented in multiple columns. This Value Matrix version had the same message when you hovered over the "We price match" link.

The two points of confusion are:

- Some thought that it meant the competitor also had a similar price matching policy.
- Some thought that the price matching was only available to the hotels listed in the price comparison chart. "It is price match against hotels here or all hotels?"


## Conclusion:

Price comparison needs to be approached with a certain degree of caution. The two strongest arguments against providing this feature are:

- 11/13 participants would defiantly deflect for a price difference from $£ 10$ to $£ 20$. However the more worrying trend is that a high proportion who would deflect for as little as $£ 5$ difference. They would choose the lowest price on the chart ( $£ 129$ ). This is a concern, as it suggests that none of the benefits that Hotels.com provides made any difference to their attitude or behaviour nor did it influence their decision making
- After being shown the chart, participants who may have been previously inclined to book with Hotels.com appeared to shift into price sensitivity mode and exhibited uncommitted behaviour. They doubted their decision to go ahead, but instead want to double check prices again, go through another cycle of research and potentially link off to a competitor site.

Other reasons include:

- Participants either indicated familiarity with existing price comparison shopping sites (compare the market, travelsupermarket, orbitz) or experience in obtaining better prices for hotels through other means
- Comparison shopping is part of the overall accommodation booking/travel process and Hotels.com can't influence, change or prevent this behaviour
- Uncommitted users will leave the site if they have not yet completed their overall research and arrived at a final decision making point
- Potential customers are not loyal by nature, therefore having a price comparison feature would not encourage further loyalty
- None of the price comparison variations shown to participants appears to have any impact on influencing this mentality or changing "shop the competition" behaviour
- In the Web QI 2008 reports, $25-44 \%$ of UK customers would leave Hotels.com to shop the competition anyhow. From the test sessions, 12/13 participants or the majority of customers indicated they would still shop the competition if provided a comparison feature that linked directly to competitors. This is a significantly higher number percentage who would be inclined to either leave the site than the Web QI figures suggest
- The comparison chart did little to instil more trust in the Hotels.com brand
- Participants who were already familiar with price comparison sites or meta search engine (such as kayak) would start with comparison websites as a primary destination, not an end destination.
- Hotels.com customers should not be encouraged to doubt any decision to proceed, check prices further to reaffirm prices, or click away to competitors sites, potentially never returning
- Price comparison may introduce customers to a range of comparison websites that they would not have previously heard of such as Reservetravel.com and Hotelclub.com etc
- The prices must be accurate or else customers will never come back to the site
- The recommended solution needs to be precise, for example the rooms need to match each other, and prices need to be correct and up-to-date. This is technically challenging for Hotels.com and requires substantial developer resource and investment
- Hotels.com may not be able to obtain prices from competitors in the same way it is available to third parties such as hotelscombined.com or travelsupermarket.com
- It is not advisable to obtain data from third party suppliers (for example travel supermarket) because:
- The actual unbiased results cannot be controlled. Therefore we may get lesser known brands such as Reservetravel.com
- We may not be able to request larger wellknown brands, such as Lastminute, Expedia,

Opodo etc, especially if they are unavailable for that particular hotel)

- The results list may include as little as 1 listing to an average of 4 listings which is deemed to be too low to be useful for a comparison feature
- The price range/variation is likely to be high (more than $£ 10$ ) on the 6 top listings.
- Price matching is deemed by almost all participants as too much effort for the reward.


## Recommended Modifications:

Should the price comparison feature be included, there are several change and modifications that are recommended:

## Price Comparison Recommendations:

- Hotels.com needs to appear to be the cheapest price. It is recommended that competitors with higher prices are displayed
- Prevent customers from linking to competitors websites as this will only distract them
- Prices must be up-to date and accurate if actual prices are displayed
- Prices must be simplified with only a total price, preferably inclusive including taxes, booking and cancellation fees)
- All rooms should be exactly the same type, to reduce user frustration
- Give users room type options for example, prices for superior double. Included in this version is a column for "Other rooms"
- Display price match in separate column
- Display a price range variation of only $£ 10$ (or equivalent per localised market segment)
- Include the price of the hotel itself, for example, the Crowne Plaza.


## Hotels.com wake up happy



Design recommendation (Full Page)

## Price Match Recommendations:

- Price matching needs to work in simpler way if customers are to take up this offer
- Simply the wording for price match
- Review the overall process to make it easier for users by:
- Allow price match to occur before users commit to booking and payment
- Allowing customers to telephone operators and show which websites has the cheaper price.
- Telephone operators should have the authority to be able to make a booking on the spot
- Provide extra incentive to book through Hotels.com (such as $£ 10$ off the next booking)
- Provide a local rate telephone number for redeeming.
- Display the price match benefits as a tag for Hotels.com
- The existing cancellation message states "no cancellation fees". This needs to be changed to "we do not charge cancellation fees".


Design recommendation: (with price match hover over explanation tag)

## Guidance for stakeholders:

It is strongly recommended that Hotels.com review its strategy to provide a direct comparison feature on its website. This is based on actual observations, reviewing the test sessions and from the report provided by Fhios.

Although the project was approached with an open mind and with a hope that it will be successful, the design research tended to cast doubt over whether the feature will actually met the business objectives.

It is clear from the research that Hotels.com must appear to be the cheapest option for potential customers to convert.

The price comparison may be successful if the prices on Hotels.com are consistently the lowest price indicated by its position within the price comparison chart.

## In summary:

In conclusion, price comparison may not have lived up the expectations that the project was designed for. It was envisaged that the next phase of the project is actual design.

However, for the reasons previously noted, the business may find that the overall objectives were not satisfied.

The business may find that it may not gain any of the hoped for benefits that price comparison and match would bring, such as encourage loyalty, install trust, retain customers on the site or increase bookings.

## Appendix:

## List of participants:

The following provides an overview of the participants:

- Customer group:
- 2 Empty Nesters
- 2 Business travelers
- However, one of the participants who was listed as 'couple without children' did also do business travels.
- 6 Couples without children
- 3 Families
- All used the internet every day
- All had made a hotel booking online within the last 6 Months
- All had paid online hotel bookings using a credit or debit card


## Gender:

- 4 Males
- 9 Females

Age range:

- 6 between 25 and 30
- 4 between 31 and 45
- 3 between 46 and 65

Household annual income:

- 7 earned between $£ 40,100$ and 50,000 yearly
- 3 earned between $£ 50,100$ and 60,000 yearly
- 3 earned between $£ 80,100$ and 90,000 yearly


Bookings page

Page 26


Page view: Prices version A (With prices)


Page view: Prices version B (Value Matrix no prices)


Enlarged chart view: Prices version A (With prices)

| Booking sites | Room types |  | travelsupermarket.com part of moneysupermarket.corm |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Booking Site |  |  | Room type | Per Night | Booking Fee | Cancellation Fee | Price Match |  |
| ReserveTravel.com |  | (1.) reservetravel | Standard Double Breakfast Included | £129 | Fees | Fees | No | Go to site |
| EasyClickTravel.com |  | Eary ClickTravel | Standard Double room Breakfast Included | £132.29 | Fees | Fees | No | Go to site |
| Travelocity.com |  | travelocity | Standard Double Breakfast Included | £138.99 | No Fees | Fees | No | Go to site |
| Hotels.com |  | trotels.com | Standard Double Breakfast Included | £139 | No Fees | No Fees * |  | Book |
| HotelClub.com |  | HotelClub | Standard Double Breakfast not included | £161.13 | No Fees | Fees | No | Go to site |
| Booking.com |  | BOOKING.COM | Double Room Breakfast not included | £182.85 | Fees | Fees | No | Go to site |
| TotalTourist.com |  | $\begin{aligned} & \text { total } \\ & \text { tourist } \end{aligned}$ | Premier Double. <br> Breakfast not included | £187.35 | Fees | Fees | No | Go to site |

Enlarged chart view: Prices version B (Value Matrix no prices)

## TASK SCENARIOS \& ROUTES

This includes the tasks and possible routes to complete those tasks. All tasks will be completed using the Hotels.com prototype.

## Introduction (5 minutes):

- Ensure participant has completed Enrolment Form, signed Consent Form and Pre-test Questionnaire.
- Remind them that the sessions will be recorded (video and audio) for review purposes only.
- Remind them that the session will take no more than 1 hour.
- Instructions:
- We will be evaluating a test Hotel booking website.
- We were not responsible for the design and development of this site; we are just here to capture what you think about it, so if you are being critical about any aspect of that website we will not take that criticism personally.
- It is important to remember that there are no "right or wrong" ideas or responses. We appreciate any and all feedback you can give us regarding the test website.
- We will be guiding you through the proposed solution with a series of activities which are written down for you.
- Once you have read through and understood the activity, we would like you to try and complete the activity using the site.
- During the walkthrough, we would like you to 'think aloud', to tell us what you think about the website, what is particularly good and/or bad about it [remind participants that it is a prototype site and not all links shown are active].
- Do you have any questions?
- We will now begin the evaluation.


## Tasks

1. [Make a booking] You want to stay at the Crowne Plaza Paris Republique, staying for one night on $29^{\text {th }}$ August. Use the Hotels.com site to find out more information and book it.
2. [Compare prices] You have noticed several booking sites on the search results. Which booking site would you choose to complete the booking?
3. [Booking site comparison] You are interested in looking at 2 sites for booking the Crowne Plaza Paris Republique hotel. Which site would you prefer to book through and why?

| Testing dates | Location | Tasks ORDER |
| :--- | :---: | :---: |
| 21 July | London | $1-2-3$ (Prototype A then B) |
| 22 July | London | $1-2-3$ (Prototype B then A) |

Task 1. [Make a booking] You want to stay at the Crowne Plaza Paris Republique, staying for one night on $29^{\text {th }}$ August. Use the Hotels.com site to find out more information and book it.

## Pre Task:

- How would you expect/want this to work?
- How long (number of steps) would you expect it to take?


## Post Task:

- How easy was it to complete this task?
- If it was difficult, why was it difficult?

User is expected to give feedback on the task end to end. Next we asked them to give feedback specifically about each pages itself, after TASK 1.

## (Step 1 - Homepage)

- Having arrived at this page,
- Is it clear what you can do next?
- What other details/content would be useful on the homepage?
- In comparison with other, similar sites you have used, how does this homepage compare?
(Step 2 - When user sees Search results page)
- Having arrived at this page,
- Is it clear what you can do next?
- What would you expect to see under 'Map view'?
- Which features/content would be useful on this page?
- [Prompt them here to explain why they selected 'Select' or 'Compare price']


## (Step 3 - Property (Hotel) Details)

- Having arrived at this page,
- What would you do next?
- Which features/content would be useful on this page?
- In comparison with other, similar sites you have used, how does this booking page compare?


## (Step 4 - Booking page)

- Having arrived at this page,
- What would you do next?
- Would you expect to see prices for all room types at this stage?
- Which features/content would be useful on this page?
- In comparison with other, similar sites you have used, how does this booking page compare?

1. [Compare prices - to be shown with Price comparison chart/Benefits value matrix] You have noticed several booking sites on the search results. Which booking site would you choose to complete the booking?

## Routes: [Tues 21 ${ }^{\text {st }}$ July - Price comparison chart/Benefits value matrix] <br> [Weds 22 ${ }^{\text {nd }}$ July - Benefits value matrix/Price comparison chart]

## Pre Task:

- How would you expect/want this to work?
- How long (number of steps) would you expect it to take?


## Post Task (General questions):

- How easy was it to complete this task?
- If it was difficult, why was it difficult?
- Is this the information that you expect to see?
- What would you do next?
- Any content/features that are particularly useful? Not useful?
- In comparison with other, similar sites you have used, how does this page compare?
- Thoughts on the layout, including:
- Use of colour
- Use of images
- Content: what do participants think about this content, is it clear, understandable, credible, inline with expectations, etc.
- Navigation?
- Terminology clear?
- Location?


## [Prototype A - Price comparison chart]

- What do you think of the ordering of prices shown in the table?
- Which site shown in the chart would you most likely book with?
- Why is that?
- Is there any missing information that you would need to help you decide?
- Do you trust that the prices shown in the table are accurate? Why?
- What does price match mean to you?
- Did you notice this feature?
- Would you use this feature when making a booking?
- How useful is this feature?
- How would you determine the total price?
- Given the lowest price that you have seen on this site, would you still be inclined to comparison shop on other sites?
- How great would the price difference have to be for you to decide to go to a competitor?
- Any ideas/recommendations for improvements?
- Where would you do next?


## [Prototype B - Benefits value matrix only]

- What do you think of the columns shown here?
- Did you notice the price match column?
- What do you think it means?
- Would you use this? Why is that?
- Any information missing from this page?
- Any ideas/recommendations for improvements?


## Preferences for price comparison chart or benefits value matrix

- If you were to make a booking, which page would you be most useful? Why?
- Would you make a booking from this page or would you be more likely to visit other travel sites before you decide?
- If so, why is that?
- What changes could be made so that you wouldn't have to visit other travel/comparison sites?

2. [Competitor site comparison] You are interested in looking at 2 booking sites for the Plaza Paris Republique hotel. Which site would you prefer to book through and why?
[Show participants screen captures of the search results for:]
Lastminute.com
Booking.com

## Routes: [Tues 21 ${ }^{\text {st }}$ July - Booking.com/Lastminute.com] [Weds 22 ${ }^{\text {nd }}$ July - Lastminute.com/Booking.com]

## Post Task (Competitor sites comparison):

- Was there enough information on the results pages for these sites? Too much?
- Which content/features shown (if any) would you find particularly useful? Why is that?
- What do you think about the layout of the results page?
- What would you do after reviewing the results?
- What do you particularly like/dislike about this site?


## Closing questions (Wrap up - 10 mins)

- Do you have any preferences for the other sites shown and the Hotels.com site? If so, why?
- How useful is the price comparison table on the Hotels.com site?
- Does it add value?
- At what stage would you expect to see this feature when making a booking?
- Do you think using the price comparison table on the Hotels.com site would stop you going to other sites or search engines to compare prices further?
- If the price comparison table was included on the Hotels.com site do you think it would make you more likely to return to the site in future?
- How useful is the price matching feature on the Hotels.com site?
- How does this differ to price comparisons?
- Does price matching add value?
- At what stage would you expect to see price matching when making a booking?
- Do you think using price matching on the Hotels.com site would stop you going to other sites or search engines to compare prices further?
- If the price matching was included on the Hotels.com site do you think it would make you more likely to return to the site in future?
- Are there any additional improvements Hotels.com could do that you have come to think of while seeing the other sites?
- Would you feel confident about completing a booking through the Hotels.com website? If so, why?

If not, what would make you more confident to complete a booking?

