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BOOKING.COM

A CUSTOMER BASED BRAND EQUITY MODEL CASE STUDY

WHAT MOTIVATES CUSTOMERS TO USE BOOKING.COM BESIDES THE ONLINE RATES?

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Abstract

The present work studied the brand equity of Booking.com following the Keller's Customer Based Brand Equity model. Booking.com is one of the main players within the Online Travel Industry, in particular the Online Travel Agencies, which is why it was chosen for an analysis to understand the perception of the customers towards a very well-known brand. The analysis was performed using the Keller's Customer Based Brand Equity Pyramid based on the results obtained from a qualitative interview of 12 Portuguese people and a quantitative survey of 120 people in the Portuguese market.

The results of the analysis showed that the brand has a high salience but there are some possible opportunities to build a stronger position in the mentioned market in terms of Brand Responses and Relationships.

Key words: Brand equity; Booking.com; Customer Based Brand Equity analysis; Booking.com equity diagnosis

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1. Introduction

Booking.com is one of the most famous and used Online Travel Agencies (OTA). Founded in 1996 as a start-up based in Amsterdam, it is currently positioned as the biggest player on the European OTA market (M2 Presswire, 2019). Booking.com main value proposition is to “make it easier for everyone to experience the world” (Booking.com, 2019). They offer more than 6.2 million accommodation options and they also claim to offer the necessary technology to eliminate any barrier that may prevent the end consumer from having a memorable experience and an easy as possible service. For that reason, they have expanded into other categories and have partnered with many new service providers to better satisfy their consumers’ needs. However, there might be some nuances from the customer’s perspective who at the end of the day is the user and brand appraiser.

Analysing a brand that is well-known and one of the leaders makes it harder to understand and recognize the crucial factors that can prevent it from being top of mind and resonate and build an even stronger and sustainable relationship with its customers. Thus, it is important to analyse more deeply how Booking is positioned in the minds of the consumers so that the brand can understand what to improve in the current constantly evolving and ever more competitive industry. Therefore, the purpose of this project is to diagnose the brand current status in the Portuguese market by using the Keller’s Consumer Based Brand Equity (CBBE) Pyramid (2001). This model will help understand what the current potential of the brand is, the main issues that Booking.com is confronting, and to offer possible solutions or recommendations.

2. Online Travel Industry: Booking.com position

Booking.com is the market leader in its segment in the European market (M2 Presswire, 2019). However, being the market leader cannot always be sustainable, especially in today’s OTAs competitive landscape where the Internet and technology make it easier for new entrants to

have a stronger impact on the overall industry (Bearne, 2016). It is then when the consumer's perception can make a real difference and help maintain the leader position. Before the equity analysis the position that Booking.com plays within its industry is presented in order to understand how strong is in the market and how likely the consumer would be to switch to the competitors.

Booking.com is part of the Online Travel Industry (OTI), in particular, it can be classified as an OTA as it follows a brick-and-mortar agency business model as its main source of revenue is by commissions but without any physical agency. Hence, the Internet and new digital trends play a strong role. Nowadays, the online travel industry is constantly growing due to the high development of technology. One of the main drivers of growth is the Internet that allows people to purchase faster and easier their future trips. Today it is estimated that above 57% of all reservations in the sphere of traveling are made online, whether it is accommodation, flights, tours or other journey-related activities (Abramovich, 2018). Also, the new trend of spending money on living experiences such as travelling rather than in material goods. Indeed, it is seen on Millennials and Generation Z, who are also very influenced by social media when choosing their destinations and what to do (Allen, 2016). Another driver is the high level of smartphone usage that is proven to be influencing the online travel industry. For example, 48% of the online travel reservations in the US were made by mobile applications (Valek and Axelsson 2015). This driver is intensified by social media as most of the people travelling want to go to a certain destination because they have seen it on someone's profile or also, they are very engaged on viewing and giving reviews.

2.1. Main risks and competitors

Apart from the continuous growth, this is also an industry that faces high risks. For example, it is highly affected by factors such as political or natural. If suddenly a country is in internal

disturbance or scandal the travelling industry of that specific region will most probably be affected. The same happens with weather or natural disasters. But most importantly, the main risk of this industry is the easiness for new entrants as it has a very common and shared business model easy to copy which constantly increases the number of companies providing very similar services. Right now, there are even big players of the tech industry that are investing on developing services on the travel industry as well, Google and Amazon are examples of that putting the industry at stake.

The main competitors of Booking.com are TripAdvisor, Expedia, Trivago and Ctrip which are considered the main players of this industry (Prieto, 2019). Booking.com also faces other types of competition since they offer an extensive variety of accommodations available and there are some other brands such as Airbnb and Vrbo that compete with it in terms of vacation rental apartments and houses. Although, that category was not the main initial focus of Booking.com it is now becoming a relevant part of its business.

The players of this industry are growing and gaining more market share, as seen in Appendix I. All the groups related with online travelling sales have grown since 2010, some almost 10 percentage, such as Ctrip (Euromonitor, 2019). Therefore, to keep a strong brand equity is essential to maintain a sustainable competitive advantage and avoid losing consumers.

3. Literature Review

Brand equity is defined as “the premium value a company is able to generate from a product with a recognizable name when compared to a generic equivalent” (Hayes, 2019). To achieve a good position both in terms of business and reputation, brands need to build a strong brand equity, which will define that extra value the consumer perceives and that makes him or her choose one brand over another. Otherwise, any effort to build a stronger brand will not have a real impact. If the brand is not top of mind, it will have an impact on the general business profit

and positioning by affecting the profit margin per customer, the sales volumes, and most importantly, the customer retention (Leone et al., 2006) (Kotler, et al., 2006).

This idea of combining a financial concept, equity, with a marketing term was born around the 90s, when many authors saw the need of measuring marketing activities outputs from an economic and financial point of view (Farquhar, 1989) (Feldwick, 1996). There is, therefore, a double perspective about brand equity. It can be studied from a Financial Based point of view (FBBE, Financial Based Brand Equity) or a Consumer Based point of view (CBBE, Consumer Based Brand Equity). The first one refers to the incremental cash flow derived from the branded product or service, in comparison to similar non branded products. This would be the added value a company can charge (Kapferer, 2008: 501-531). The latter refers to the relationship between the consumer and the company, for example the consumer feelings towards the brand.

The CBBE, in which we will focus for our case study, has two main supporters: Aaker and Keller. Aaker defines the brand equity taking into consideration four main attributes: awareness, associations, perceived quality and loyalty (Aaker, 1991). Therefore, he focuses more on the general brand recognition the customer has and that will finally make the customer loyal. He also includes other proprietary brand assets such as patents, trademarks, channel or relationships as part of the assets and liabilities on which brand equity is based (Aaker, 1991). An interesting point that Aaker also mentions is the fact that brand equity can provide a way of creating brand extensions. Once a brand already has a name, expanding to other areas is much easier (Aaker, 1991). Although it does not mean that it will always be simple and profitable, as it will be seen in the present case analysis.

On the other hand, Keller finds the CBBE as the best way to build, measure and manage brand equity. For Keller (2001), “[t]he power of a brand lies in what customers have learned, felt,

seen, and heard about the brand over time” (Keller, 2001: 3). In other words, he focuses more on the feelings that the customers have towards a specific brand and how to measure them.

In the OTA industry, and more specifically in the hotel booking sector, the customer feelings and experiences play a key role not only during the purchase but also during the execution of their purchased trip or service. The customer point of view is key since the company does not only need to consider it to build a better brand, but also to create a good experience during and after the purchase, which in this case is even more crucial and particular since the customers also consider the trip per se as part of their experience with the brand. That is why we believe that Keller’s model (2001) is the most appropriate for the present case study analysis.

Keller identifies four different steps to make a brand strong: brand identity, brand meaning, brand responses, and brand relationships. All of which constitute six different blocks that construct a pyramid, the Customer-Based Brand Equity Pyramid (See Appendix II for Keller’s Pyramid example). The foundation of the pyramid is the Brand Identity that is formed by Brand Salience, the awareness. The second step, Brand Meaning, includes two components, Brand Performance, how functional the brand is perceived, and Brand Imagery, how it is considered. The third, Brand Responses, comprises the Brand Judgments and Brand Feelings. The fourth step, Brand Relationships, contemplates the Brand Resonance, how attached they feel they are with the brand. By fulfilling these blocks, that will be further explained in the Result section, the brand equity can be achieved as they help brands have a more specific picture of how customers perceive them and where to get better.

4. Methodology

To collect data to answer the aforementioned questions, the present work was divided in two parts. First, a qualitative analysis was conducted to gather some insights and list the possible brand associations and perceptions of the customer. This was necessary to understand what the

general perception of the brand is and what needed to be analysed more in depth in the quantitative analysis. Also, this allowed to gather more personal and broad opinions as the qualitative research was done by conducting in-depth semi-structured interviews on a sample of 12 people from Portugal, of which 8 women and 4 men from an age range between 23-60.

Secondly, a quantitative research with a questionnaire was conducted on a larger sample to measure the strength of the associations and feelings gathered in the qualitative in comparison to the Keller blocks (Refer to the first column of Table I in Appendix III for the questionnaire). This allowed us to be able to rate each component of the brand equity model and give a brand diagnosis. The quantitative research was performed on a sample of 120 people with the support of the software Qualtrics XM. First, there were two screening questions: respondents had to be Portuguese or had had to live in Portugal for the past two years, and secondly, they had to had booked a trip/vacation or flight in the last year or were planning to do so in the next 12 months. Then, some demographic questions were asked. Finally, all questions were mandatory. The method of measurement was a 7-point Likert scale in which 1 represents “strongly agree” and 7 “strongly disagree”. There were also some yes/no questions and some open questions.

To examine the data collected the following measures of descriptive statistics were used: 1) Measures of central tendency (mean) and measures of frequency (percent) to rate each question that would represent a component and rate the brand. Also, measures of dispersion (range and standard deviation), to see if most of the respondents had similar or different opinions and validate the rating. For the total percentage, only answers with value 6 (agree) and 7 (strongly agree) on the Likert scale were considered. To rate each component of the CBBE pyramid model, the total percent were summed, and the mean of the responses was considered. Some cross tabulation was also developed to understand the relationship between some data sets.

5. Results & Data Analysis

In the following section, the data collected is analysed dividing it by each component of the model. This allowed to diagnose the brand equity by grading each of the brand equity components. The results of this analysis include the qualitative and quantitative information (Refer to Appendix III to check a detailed view of the results obtained).

5.1. Brand Identity

The first point in our analysis is Brand Identity. Brand Identity studies the brand salience, the extent to which the customer is aware of the brand. To be aware of the brand does not mean the user simply knows the name of the brand but he or she has to have seen it previously and maybe even used it (Keller, 2001). We assessed it using both depth and breadth criteria (Keller, 2001). As a starting point we requested the participants which brands they recognized among many travelling brands and the results show that 98% of the people recognize Booking.com among a diverse set of brands.

In order to measure the awareness, and in specific, the depth, the participants had to identify the brands they recognized. The aim was to understand the brands people associate when asked about different travel categories. The first question was to name some online travel agencies they think of when they need to book a hotel. The most repeated reply was Booking.com with 94 out of 120 positive answers, representing 78% of the total. However, Booking.com also works in other categories and it is trying to expand to new ones. Thus, to observe the customer awareness in other categories it was first asked to name the main brands people would relate to vacation rental apartments, in which only 37% mentioned Booking.com among the answers. Secondly, they were asked about online websites when booking a flight and only 10% of the people mentioned Booking.com. Thirdly, they were asked about which websites they visit for travelling tips or recommendations. Here only 3% of the people mentioned Booking.com. These

results make us conclude that although most of the people know about Booking.com, they relate it with hotel bookings and not with other types of accommodations or categories. To be sure, it was also asked if they knew all the services the company offers. Although some people thought they knew Booking.com very well, the mean was 3.72/5 (SD=1.54) confirming that most of the people, 72%, do not fully know the services of the brand.

In order to analyse the breadth, the “range of purchase and consumption situations in which brand comes to mind” (Keller, 2001, pp. 9), and to confirm the first results, the name of Booking.com was specifically mentioned among different categories, all of them unaided awareness answers. The answers were similar: 75% of the people always think of Booking.com when they plan a trip, 78% always think of Booking.com when booking a hotel, which is the exact same number as before when asked the brand that comes to mind when booking a hotel. However, only 8% think of Booking.com when booking a flight.

Finally, Brand Salience not only includes how the customer recall and recognise the brand but also what associations has created with the brand in his or her mind. Therefore, to find out what category is Booking.com according to them, they were questioned if they considered Booking.com an online travel agency or just a hotel booking agency. The answers show a mean of 2.82/6 (SD closer to 2) so 55% of the people consider Booking.com an online travel agency. On the other hand, when questioned if they consider Booking.com a hotel booking agency, the mean was 1.73/4 (SD close to 1), meaning 87% of positive answers. It is clear that most of the people unanimously tend to think of the brand as a hotel room reservation service, actually in the latter question the options strongly disagree and disagree were not even selected. This result enabled us to conclude that in the consumers’ minds, the category of the brand Booking.com is perceived as a hotel booking agency and that consumers mainly visit the website when searching for a hotel, making Booking.com one of the members of the ‘consideration set’ of brands evaluated when making a purchase decision by the users (Keller, 2001). Moreover, it is

possible to say that the brand is still missing several opportunities at the time to be considered in other services categories such as vacation rental, car rental or even flights.

5.2. Brand Meaning

Once understood if the brand is recognised and in which situations, the second step in the analysis is to discover what are the images associated with the brand, “what the brand is characterized by and should stand for in the minds of customers” (Keller, 2001:9). As mentioned, Brand Meaning considers the Brand Performance (functionality) and Brand Imagery (consideration).

Starting by analysing Brand Performance, the questions were based on evaluating and obtaining information on the opinion of the participants regarding features, reliability, durability, serviceability, price, design, style, efficiency and effectiveness, following Keller’s model (2001). In order to obtain an analysis about the features, the participants were questioned about whether they think the brand has special features. The results show a mean of 3.18/6 (SD=1.19). This shows that only 33% of the people believe that the features of this brand are special. During the qualitative interviews, although some interviewees really like the website and consider it innovative in terms of the variety of online options provided, some of them specifically mentioned that they did not consider Booking.com has having an innovative page, or features. For example, they repeatedly mentioned the lack of personalization or the fact that even though it is very positive to have many different options and filters, those are not well distributed and can create confusion. There was a respondent that explicitly referred to the “boxes” he can click as an “old style and not nice” website setting.

To understand the product reliability, durability, and serviceability, the first question asked was if Booking.com is perceived as a reliable website. The mean obtained was 2/4 (SD=1.03) showing that most of the respondents do consider the brand reliable. Actually, it is possible to

conclude that 80% of the people trust the brand as no one disagreed or strongly disagreed. Also, still on the same component, the participants gave their judgment if Booking.com offers a seamless experience. The mean of the replies is 2.22/3 (SD=0.90). Thus, it is possible to say that the answers were very unanimous, besides the lack of many special features, the service offered is seamless. The present component already raised the question during the qualitative interviews of if the customers do use Booking.com because it fulfills their needs or also because they do think it is very special and innovative. Therefore, some other components were considered.

The service effectiveness, efficiency, and empathy components mainly aim to evaluate “how the brand completely satisfies customers service requirements” (Keller, 2001, pp.10). The first question was if Booking.com was easy to use. The mean obtained was 1.73/4 (SD=0.87). It is possible to conclude that most of the people, 87%, believe it is easy to use the website. Moreover, it was also asked if the website is considered efficient by assessing the speed and responsiveness perceived. The mean obtained was 2.32/5 (SD=1.01). Thus, it can be concluded that 70% of the people believe the brand is efficient. Finally, on this topic, and to review the idea that everyone is very satisfied with the performance of Booking.com in terms of efficiency, empathy and effectiveness, the participants were asked to answer if they felt satisfied after proceeding with a reservation in Booking.com. The most repeated answer was Agree, with a mean of 2.15/4 (SD=0.89) it clearly shows that most of the people who answered, 73%, replied positively. Therefore, there is enough evidence to say that most of the participants have a positive idea towards the brand performance in terms of effectiveness and efficiency. However, those that answered positively on these points, do not always believe that the brand has special features nor is innovative. In fact, only 8 people out of the total sample (13%) do believe that the brand is both efficient and special, which already answer the previous question that the consumer think of Booking.com more from a functional point of view than from a sentimental point of view.

In order to bring up the subject of design and style, that was already asked during the qualitative interviews, the question asked was if the participants believe Booking.com is innovative. The mean was close to 3, 2.92/5 (SD =1.27) showing that only 45% of the people do believe and see Booking.com as truly innovative.

When speaking about Booking.com pricing strategies the aim was to understand what people think of the prices displayed by Booking.com and how competitive they think they are. The first question was if doing a reservation with this company was considered as a cheap way of travelling. The mean obtained was 2.93/5 (SD=1.18) which explains that not everyone is convinced that Booking.com is cheap, only 37% of the total participants think so. Furthermore, to better capture their opinion, it was also questioned if respondents agreed that Booking.com had the best prices available online. The conclusion is that most people are not totally convinced of it either, this time the mean obtained was higher, 3.38/5 (SD=1.14). Only 25% of the people are convinced the best prices available are on Booking.com, in general most of the participants do not perceive that Booking.com provides them with the best available rates which opened the question of why it is then used, as pricing is a very strong factor in the decision making process.

Lastly, since the results regarding the prices were low, we also enquired if the participants think that Booking.com, although it might not be the cheapest, offers really good value for money. The results were more positive, but still more than half of the respondents do not think that Booking.com offers a really good value for money. The mean on this question was 2.57/4 and (SD= 0.86). This question shows that not even half of the sample believes that the brand offers good value for money, with only 47% of the people answering Somewhat Agree and Agree.

Brand Imagery was used to understand the most deep and fundamental properties of the services offered by Booking.com from the perspective of the users (Keller, 2001). We mainly focused on better understanding to what extent people are aware of all the services offered by

Booking.com and if they are aware but they just do not use them. We started by studying the purchases and usage situations, which are related to when are the services of the brand relevant or necessary (Keller, 2001). The first question was asking if they knew all the services offered. The answers were very diverse from one to another, but with a mean of 3.72/5 (SD=1.54), it is possible to conclude that most of the people do not fully know the services of the brand. As mentioned, only 28% are aware of the diverse services the brand offers.

Moreover, in order to double-check who fully knows the services of the brand, as it is one of the main objectives and growth strategies of the company, we requested if they knew the wallet service, a specific service that is not very extended. This “Yes or No” question, showed that only 32% of the people affirmed to know it. Lastly, the people who replied ‘yes’ in the previous question, 38/120, were asked if they think the wallet service is really good. The mean obtained was 2.26/3 (SD=1.12). Just 20% of the surveyed people answer positively, but there was no one rejecting that the service is good, which shows that when people know the services, they are very happy about them.

5.3. Brand Responses

Brand Responses, the third step in our analysis try to answer to what the customers think or feel towards the brand. How they respond to the marketing and other related activities that Booking does in order to attract more customers. Thus, we differentiate between their judgements, what they think, and their feelings, what they perceive.

In order to assess the customer judgements, we asked some questions regarding the brand quality. First, if they believe that Booking.com offers a really high quality. For this case, the mean obtained was 2.33/4 (SD=0.91), we can see that there is not a big difference of opinion amongst the respondents. More than half (67%) believe that Booking.com has a good quality. On the other hand, we also asked how the post purchased service is perceived, as we considered

there is a link between the assessment of the quality and the post-purchase service received. In the latter case, the mean was 3.13/4, one point higher (and SD= 0.99) showing that only 33% of people do believe the brand has a good post-purchase service. This was also proved during the qualitative interviews, many respondents mentioned they did not like the post-purchase service as they only received emails with ads about places to book in the same city they have just booked a place. Some others mentioned the lack of personalisation in sending new ads with new travel ideas, as many times the emails contain the same cities already visited. However, from the 33% of people that think the brand has a good post-purchase quality, 85% also believes that the brand offers good quality, showing that the post purchase service is a point of improvement that will bring positive results.

To assess the Credibility, “the extent to which the brand as a whole is seen as credible in terms of three dimensions—perceived expertise, trust-worthiness, and likability” (Keller. 2001:13), we asked how trustworthy the website is. In this case, the mean is 1.87/4 (SD=0.76), showing that the answers are very aligned, only 12 % of the people see Booking.com as not trustworthy, and as previously mentioned only 20% believed that Booking.com is not reliable. As part of the Brand Expertise, we also analysed how innovative they think Booking.com is. Here the answers are very divided, with a mean of 2.92/5 (SD=1.27), we see that only 45% of people believe Booking.com is innovative which is another point of improvement as the brand claims to be constantly working on bringing innovation to its platform (Booking Holdings Inc. 2019). Also, in terms of Brand Likeability, the mean obtained was 3.38/5 (SD=1.07). In this case, 50% of the people neither agree nor disagree on Booking.com as being fun and only 27% believed it is fun.

The next attribute is the Brand Consideration, which is one of the main points to understand if a brand is strong or not, as it shows not only if the customer does know the brand but also the likelihood that it will be actually included in the brands they might buy or use (Keller, 2001).

Among all the respondents, 70% of them have already booked a trip with Booking.com. The number, although high, was expected to be even higher as all the respondents, as mentioned previously, know the brand, but not all of them consider it.

The next step of our analysis shows the Brand Superiority. During the interviews it was seen that some customers use Booking.com out of simply convenience, just because they do not know other competitors (which after the quantitative analysis was proven that is not the case as all the contestants mentioned different brands when asked about the ones that comes to their mind within the travel industry) or because they do really think that Booking.com is better and more unique than the competitors. To answer this, in our quantitative analysis, we assessed the brand superiority according some attributes that were identified as superior assets when asking how respondents consider the brand.

First, the services offered by Booking.com and the different situations or needs that the customer can fulfil thanks to that broad range. The better served the brand, the more unique and less likely to make customers switch to competitors looking for a service that the brand already offers. In terms of the range of services that Booking.com has and that can be used for different situations, the participants believe Booking.com can be used for many different things. Here the mean obtained was 3.22/6 (SD=1.65). But all the answers were selected (from strongly disagree to strongly agree) showing that the opinion is very broad. Only 45% do consider that Booking.com covers different needs in different situations, such as flights, car rental, guides, (not only hotels). We can see the relation with the previous answer where we realised that the 72% of the people are not aware of the services Booking.com offers. Secondly, the benefits the users believe the brand offers were assessed. The more benefits, the better relationship they can build with the brand. When asked if respondents believe Booking.com gives more benefits than other brands the mean was 2.95/5 (SD=1.12), meaning a total of 33%. Third, the admiration level towards the brand. We also assumed that if the consumer admires the brand, he or she

perceives it highly positioned. When asked if they admire Booking.com, the results showed that the opinions are again diversified. Representing a mean of 3.20/6, the main people are positioned in the somewhat agree/neutral answer range, and again the data show that only 33% of the people do admire Booking.com. Another factor is the fact of comparing different websites and brands to check the offerings and pricing which increases the possibility of switching to the competitor. If a consumer needs to compare one brand with another, it is assumed he or she does not believe the current brand is superior and there is still a need of comparison. Here the data show that 90% of the respondents do compare sites, concluding that Booking.com is not the superior brand within the category.

Following Kellers (2011) attributes to better diagnosed the Brand Superiority, we also asked how customers emotionally feel towards the brand. First of all, since Booking.com offers a service, to understand the warmth, “the soothing types feelings” (Keller, 2001), we asked if they feel satisfied and if they consider the brand special to them. After the qualitative study, respondents would talk well about the brand and feel happy when asked about it if they were satisfied with the service they booked. Also, most of them would consider the brand as something special if it made them feel good and peaceful when using it. When asked if they felt satisfied when booking something on Booking.com the mean was close 2.15/4 (SD=0.89), only 2 people somewhat disagreed, with a 73% of the respondents feeling satisfied. However, in terms of the attribute special, the results were different. The mean was 3.58/5 (SD=1.26), so people felt more neutral, with only a 22% feeling that the brand is special to them. But what it can be affirmed is that those who feel satisfied also feel that the brand was special, so 21.7% of the respondents.

Secondly, positive feelings are also developed when people have fun. We assess the amusement by asking if Booking.com is considered fun. Here the data approaches again the neutral answer with a mean of 3.38/5 (SD=1.07), so we can conclude that only 27% actually believe the brand

is fun. We believe that the results observed in these two attributes can also picture how the excitement attribute is perceived as we asked about fun and feeling special.

The following three attributes, according to Keller (2001), security, social approval and self-respect, help to understand a more private and enduring opinion from the customer. First, the security is a very private feeling that the customer gets once he or she does not worry or is not concerned about anything. In the service industry, especially in our case study, where the customers are sometimes taking a high-involvement decision, the security plays a key role (Percy and Rosenbaum-Elliott, 2016). As shown before, when asked about the reliability, the results indicate that most of the respondents believe that the brand is reliable. In terms of how secure they actually feel here the results are very positive. The mean is almost 2/3 (SD=0.76), we can confirm that Booking.com is considered secure by 82% of the respondents.

Another way that was used to assess the level of security feelings was asking about the payment method dynamics. Usually, in the online world, the payment method is related to the bounce rate. If people do not feel secure or comfortable with it, they will leave the page. In our analysis, we can confirm that people do feel secure as the mean of the answers was 2.42/5 so 63% of the respondents affirm that they understand and trust the payment method.

Then, the attribute social approval was assessed. As previously mentioned, online branding is essential to build a strong brand. However, on the online world, the WOM and referrals play even more of an important role both in a positive and negative way towards the brand. It is shown that even though a positive WOM presents many benefits to both familiar and unfamiliar brands, an unfamiliar brand has more to gain from positive WOM as the consumer would be completely biased by the evaluations made by his or her peers (Sundaram & Webster, 1999). Moreover, another study revealed that unfavourable information has a more detrimental effect on services than on products (Weinberger & Dillon, 1980). This supports the theory of Parker

(1960) and Johnson (1969) that affirms that “services might be harder to judge than goods and, therefore, consumers may well place more reliance on outside sources of information when available.” (Weinberger & Brown, 1977:530). Therefore, applying this to our case study, we can see that social approval and the opinions of others have a high effect on the customers perception and feelings towards the brand. When asked how others perceive the fact that the respondents have reserved a trip with Booking.com, in which the mean 2.73/3 (SD=1.06) with no one disagreeing, we can see that almost half of the respondents (47%) have the social approval of their peers, or at least their peers think Booking.com is a good service considering it nice for them to use it. However, on the other hand, the data showed that only 20% of the people feel good when their friends know they are using Booking.com. But the mean was 3.62/6 (SD=1.28), all the answers were selected, so that all the respondents feel differently. When associating these answers, we can see that all those that have their friends’ approval, also feel others believe it is nice when they tell them they have actually reserved a trip with Booking.com, thus friends’ approval is key.

Finally, in terms of self-respect, which assess the extent to which the consumers feel better among themselves, feel pride or fulfilled (Keller, 2001), we asked if they admire the brand, that as we saw previously, 33 % of the people do admire the brand. But we also asked if they do respect Booking.com and the answers were very positive. With a mean of 2.47 (SD=0.97), 65% of the people respect it.

On the other hand, it is also important to understand the negative feelings that the customer have. Especially because some of these negative feelings arose during the one to one interview, showing that there are some issues to solve. One of the main trigger points of Booking.com is the scarcity marketing they use to instigate sales. Although scarcity marketing, making people desire what is hard to obtain because of its exclusivity or limited availability, can be an effective persuasion strategy to increase sales, it needs to be done in the right way not to create the

opposite feeling. Contestants were asked if they feel pressured or stressed when using Booking.com and the answers shows a mean of 4.75/6 meaning that the majority of people feel stressed (92%).

During the qualitative interviews, another recurrent answer, as previously seen, was the fact that people feel annoyed by the post purchase experience of Booking.com. They usually complained about the emails that they receive after purchase with new offers or even better offers of the service they just acquired, creating a feeling of disappointment and irritation. Here the data confirm our findings, as the mean is again quite high, 4.62/6. Indeed, 93% of the people feel annoyed by the post purchase experience with Booking.com.

5.4. Brand Relationships

Finally, as every consumer is different their perceptions also differ. For that reason, the last step of our brand diagnosis is the Brand Relationship, also referred to as Resonance: “the relationship and the level of identification [resonance] that the customer has with the brand” (Keller, 2001:15). In other words, how much they resonate with the brand (intensity) and how frequently they consume the brand (activity). The key criteria is to understand how positive or negative these perceptions are and how readily they come to the consumers mind when they think of the brand. Otherwise, if consumers have not internalized these feelings, it will not affect their relationship with the brand.

Following the CBBE pyramid, four levels of resonance were evaluated. First, behavioural loyalty, how often customers do buy the brand. Secondly, the attitudinal attachment. Purchase volume is the first step to understand the loyalty in terms of repeat purchases but does not translate into long term loyalty. To create resonance, a strong personal attachment beyond the simply positive feeling or purchase is necessary. Third, the sense of community is also essential. People tend to feel better when they are surrounded by their peers. The same occurs with the

brands. If they feel they are part of a special group, they identified themselves as part of a special community with the brand, they will stay loyal and affiliated to it. Also, it will make them want to tell others and involve their peers on their community making the brand stronger. The last criteria is the active engagement. The peak of the pyramid is reached when customers are “willing to invest time, energy, money, or other resources into the brand beyond those expended during purchase or consumption of the brand.” (Keller, 2001:15).

According to our data analysis, and as shown in Appendix III, the brand loyalty was evaluated by how well Booking.com meets the consumers desires, how loyal they considered themselves to be, how much do they enjoy visiting the website and if they would recommend the brand. The results show that 60% of the people who think that their needs are met would also recommend the website. Also, 48% of the ones that always recommend the site, would consider themselves loyal and would enjoy visiting the site. Secondly, the attitudinal attachment was evaluated by asking if they love the brand and if they will miss it if it would not exist. Here it is very interesting to see that from the 21% of the people that would miss Booking.com if it would not exist, they all affirmed that they love the brand, showing that their attachment is real. In terms of sense of community, 65% of the respondents do believe that Booking.com is used by people similar to them meaning that Booking.com does a good job trying to make everyone feel they services are for them, no matter who and how you are.

Finally, with regards to the active engagement, we took considered who is part of the Booking.com community and who has the app as main drivers. The Booking.com community, to which a user has access once registered in the site, is a forum where travellers can “Connect with fellow travellers, share [their] experience and get travel advice and inspiration” (Booking.com, 2019). According to our data, 60% of the respondents are registered as part of the Booking.com community. The app, on the other hand, besides offering the service of looking for travel services such as hotels, it also offers the possibility of managing your

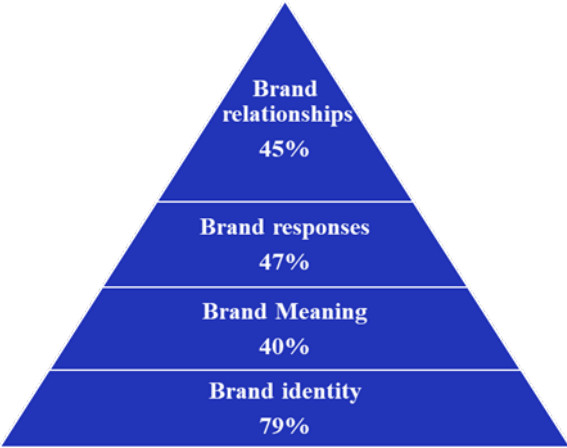
bookings at a click. In this case, only 45% of the people has the Booking.com app. However, the app was selected as the number one app for the travel community (Rotter, 2019), again demonstrating that there is a lack of strong relationship in the sense of activity with the brand.

Four other variables that we considered were if respondents talk about Booking.com with others, if they are interested in learning more about the brand or if they would be interested in having merchandise of the brand and finally if they follow news about it. Of the 60% of the people that is part of the community, only 3% also answered positively in the last four attributes, which is actually the same 3% of the total respondents, as only those that affirmed being part of the community also responded with positive answers to the mentioned questions.

6. Conclusions and Recommendations

Keller CBBE pyramid model was used in order to be able to give a brand equity diagnosis of the brand. The objective of the analysis was to understand the potential of the brand and its main point of improvements to be able to offer possible solutions or recommendations. After analysing all the components and data, the diagnosis can be summarised in the following graph:

Graph I: Booking.com Equity Diagnosis



Source: done by the authors with the results of the quantitative analysis.

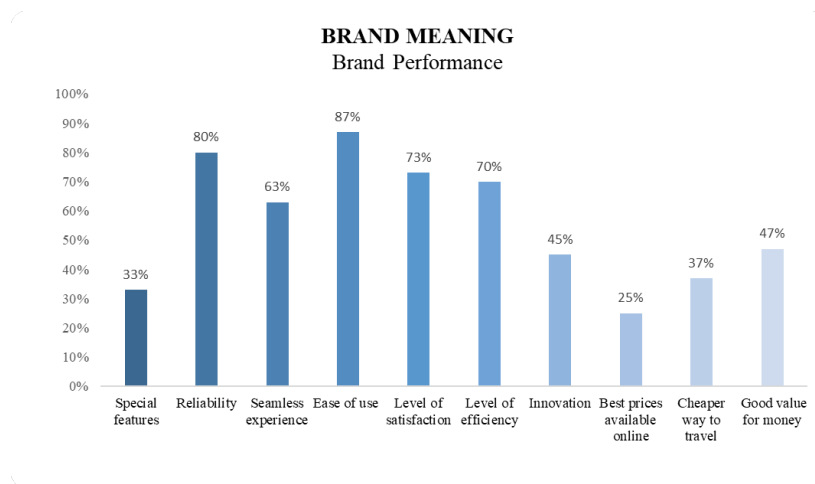
As we can see in the graph, the base of the pyramid is the Brand Identity. One of the main conclusions after the analysis of the brand is that in the mind of the consumer Booking.com is mainly positioned as a hotel booking site. As expected, the brand salience is quite high, however, we have identified that consumers mainly think of Booking.com when they have the need of accommodation and specifically of a hotel and not for other categories.

Booking.com is already working on improving their category extension. For example, they are investing in new transportation partnerships, they have increased the number of housing options and unique places to stay besides the hotel category. As a recommendation in our market of study, we believe a stronger marketing campaign that focuses on increasing the awareness to obtain better brand salience will also translate into a stronger brand as many consumers are already looking for more services and all in one website but they are still not confident of using Booking.com for that.

In terms of Brand Meaning, the result obtained was lower, 40%. An interesting finding is that in terms of performance, most of the people consider Booking.com reliable, easy to use, trustworthy and efficient. However, when asked about prices they do not agree that the brand display the best prices available online or a good value for money. Also, users do not consider Booking.com innovative, fun or as having special features. We can conclude that people use Booking.com because it is a brand that respond to their needs and we assume that they give privilege to needs such as security, efficiency and usability rather than the cheaper price. As a recommendation, as prices cannot always be changed, Booking.com could enhance the value for money perception by improving the image of its services by for example, giving a better content to the users or more details regarding what is included in the price.

The following charts summarise the results obtained with regards to performance (See Appendix IV for a summary of the Brand Imagery):

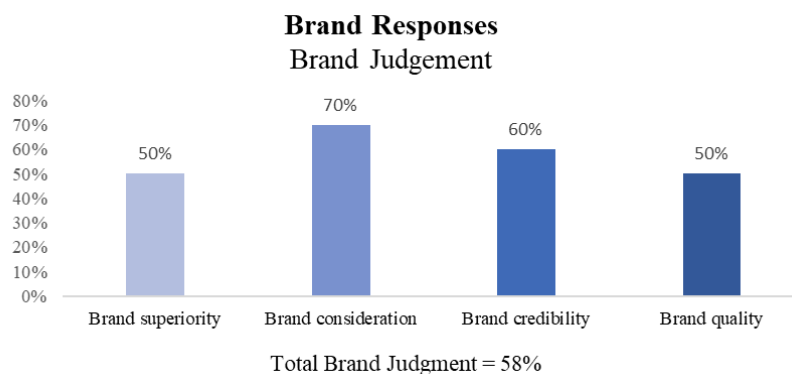
Graph II: Brand Meaning. Brand Performance.



Source: done by the authors with the data obtained from the quantitative analysis.

In terms of Brand Responses, the result obtained was a bit higher but still under 50%: 47%. There is a difference between the rate obtained in the Brand Judgements, where Booking.com is rated at 58%, and in Brand Feelings, where the diagnosis is 36%. The following graph are a summary of the results obtained (Refer to Appendix III for a detailed information on each component rate)

Graph III: Brand Responses. Brand Judgement.

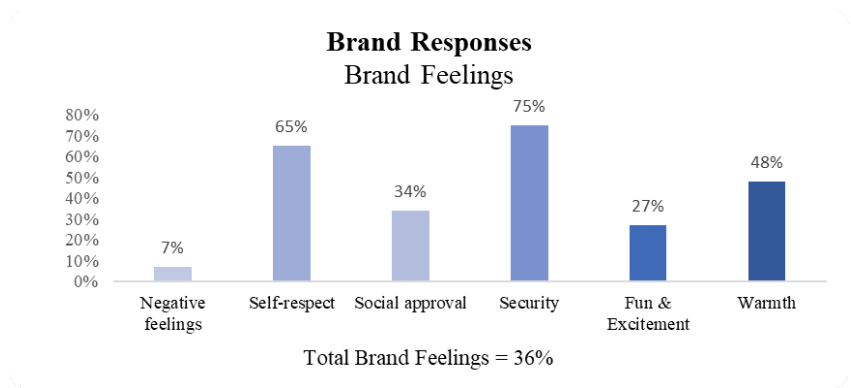


Source: done by the authors with the data obtained from the quantitative analysis.

In Brand Judgement, the main recommendation would be to improve the post-purchase service, that will also increase the quality perceived. Better marketing emails and more personalisation

are the main recommendations. Also, if Booking.com ameliorates its brand imagery regarding the purchase and usage situations, we believe the brand superiority will also be improved since consumers would know and therefore use the different services of Booking.com and would not need to search for them in the competitors.

Graph IV: Brand Responses. Brand Feelings.

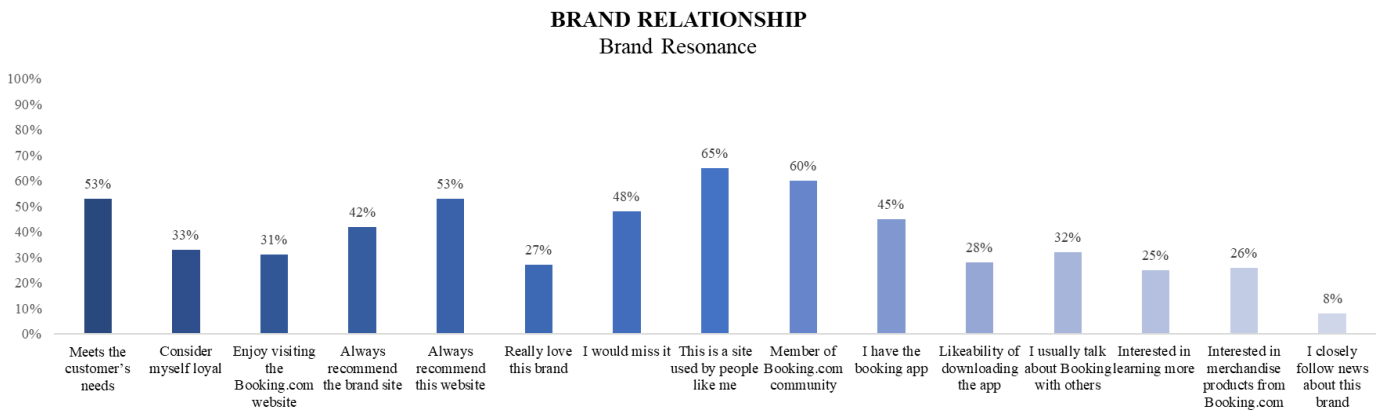


Source: done by the authors with the data obtained from the quantitative analysis.

Additionally, regarding feelings, most of the positive feelings towards the brand such as the if the brand is special, fun or if they feel loyal were some of the less voted. This could be improved by developing a better experience for the customer through the purchase journey. One of our recommendations would be to improve the website for a better design, to make it more appealing and sophisticated.

Finally, the last step of the analysis, Brand Relationships, the resonance with Booking.com, the diagnosis is 45%. Although the Brand Identity is very high, we realised that not all consumers use the brand nor consider themselves very loyal. As mentioned, they do believe that Booking.com does fulfil their needs but they do not show a high resonance with it. The following graph shows a summary of the results obtained in the analysis, which shows the main points of improvement:

Graph V: Brand Relationship. Brand Resonance.



Source: done by the authors with the data obtained from the quantitative analysis.

Consumers are not very engaged. Although most of them are registered as members of the community, they do not actively engage by talking about the brand with others, learning more about it, or following news about it. Only those that really love the brand, are also actively engaged. A recommendation is to make the loyalty program more known and efficient; this would not only improve the Brand Responses but would also make customer develop a better relationship with the brand and talk more about it with their peers. Also, since customers perceive a lack of personalization when navigating on the page, so they are not interested in visiting it besides to cover a need. The personalisation is a recommendation that the brand is already working on and that should bring better results in the near future.

In conclusion, the diagnosis has helped understanding the potential of the brand. In general, Booking.com is well positioned on the mind of the consumers but more in terms of functionality. Booking.com complies with their value proposition of making it easier for everyone to experience the world by offering a wide range of options and connecting travellers. However, we believe that in the Portuguese market Booking.com is currently seen as an old-fashioned site used because it covers everyone's needs but it is not perceived as the most innovative or trendy site. Therefore, we believe that Booking.com has a lot of potential to offer.

A new updated marketing campaign to improve this perception in this market could increase the brand equity and make it stronger and more competitive.

6.1. Limitations and further research

Finally, during the analysis, some limitations were found. First, one limitation of the Keller model is the subjectivity of some of the answers that make it difficult to give a more exact rating. Also, the analysis only takes into consideration the consumer point of view, therefore, a further research suggestion that was developed in the individual part is the comparison between the company brand identity and the brand image that the consumer has. The idea is to see the contrast between both perspectives.

Another limitation found is that according to the data many respondents know the brand and the services, for example, some are registered as part of the Booking.com community or do have the app, but it would be interesting to know the actual usage of the services by conducting another deeper analysis to calculate the actual usage versus the awareness. In this regard, another interesting research would be to study the efficiency of the scarcity marketing used by Booking.com since this study showed that it creates a general negative feeling towards the brand.

Finally, another unexpected finding was the fact that Booking.com even though it was thought to be used because it is cheap or offers a cheaper way of travelling, the data revealed the opposite. That way, as a further research suggestion developed in the individual part is to understand what really motivates the users besides the rates when booking a trip.

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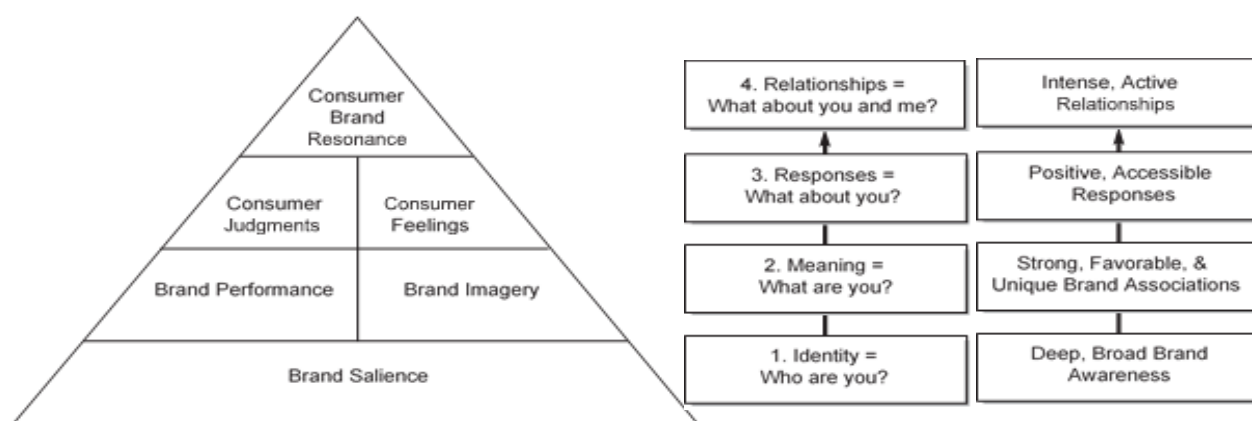
8. Appendix

Appendix I: Main Online Travel Intermediaries. Company Share.

Company Name	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ctrip.com International Ltd	0.5	0.7	0.9	1.4	2.0	5.1	6.1	7.6	9.4	10.4
Booking Holdings Inc	-	-	-	-	-	-	-	-	9.4	9.5
Expedia Group Inc	-	-	-	-	-	-	-	-	9.1	9.4
Airbnb Inc	0.0	0.1	0.2	0.3	0.6	1.0	1.5	2.0	2.4	3.8

Source: Euromonitor, 2019

Appendix II: Keller's CBBE Pyramid (2001)



Appendix III: Interview Guide Main questions (first column) and Brand Diagnosis

BRAND IDENTITY	Mean	SD	Range	Positive answers	Brand diagnosis
Brand Salience					79%
Mentioned Booking when asked about the names of online travel agencies that come to your mind when booking a hotel.	.*	-	-	78 %	
Mentioned Booking when asked about the names of online websites that come to your mind when booking a vacation rental apartment.	-	-	-	37%	

Mentioned Booking when asked about the names of online websites that come to your mind when booking flight.	-	-	-	10%	
Mentioned Booking when asked about the names of websites that you use when looking for travelling tips/recommendations	-	-	-	3%	
Selected booking as a brand that they recognize.	-	-	-	98%	
Always think of Booking.com when I plan a trip.	1.90	0.99	4 (1-5)	75%	
Always think of Booking.com when booking a hotel.	1.88	1.14	4 (1-5)	78%	
Always think of Booking.com when booking a flight.	5.77	1.60	6 (1-7)	8 %	
Consider Booking.com an online travel agency.	2.82	1.78	6 (1-7)	55%	
Consider Booking.com a hotel booking agency.	1.73	1.05	4 (1-5)	87%	
First online travel agency I heard about	4.60	1.94	6 (1-7)	27%	

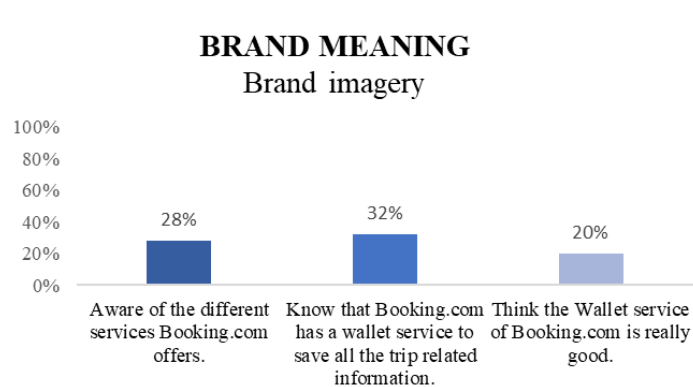
* Hyphens means that the question was a yes/no question and there are no statistical results.

BRAND MEANING	Mean	SD	Range	Positive answers	Brand diagnosis
					40%
Brand Performance					53%
Primary characteristics and secondary features					33%
Booking.com has very special features	3.18	1.19	5 (1-6)	33%	
Product reliability, durability, and serviceability					72%
Booking.com is a very reliable website.	2	1.03	4 (1-5)	80%	
Booking.com offers a seamless experience.	2.22	0.90	3 (1-4)	63%	
Service effectiveness, efficiency, and empathy					77%
It is easy to use Booking.com	1.73	0.87	4 (1-5)	87 %	
Booking.com is a very efficient website.	2.32	1.01	5 (1-6)	70 %	
I am very satisfied when I book something on Booking.com.	2.15	0.89	4 (1-5)	73%	
Style and design					45%
Booking.com is innovative.	2.92	1.27	5 (1-6)	45%	
Price					36%
Booking.com always has the best prices available online.	3.38	1.14	5 (1-6)	25%	
Booking.com offers me a cheaper way to travel.	2.93	1.18	5 (1-6)	37 %	
Booking.com offers really good value for money.	2.57	0.86	4 (1-5)	47%	
Brand imagery					27%
Purchase and usage situations					
Aware of the different services Booking.com offers.	3.72	1.54	6 (1-7)	28 %	
Know that Booking.com has a wallet service to save all the trip related information.	-	-	-	32 %	
Think the Wallet service of Booking.com is really good.	2.26	1.12	3(1-4)	20%	

BRAND RESPONSES	Mean	SD	Range	Positive answers	Brand diagnosis
TOTAL					47%
Brand judgements					58%
Brand quality					50%
Booking.com offers really high quality.	2.33	0.91	4 (1-5)	67 %	
Booking.com post-purchase service is very good	3.13	0.99	4 (1-5)	33%	
Brand credibility					60%
Brand trustworthiness & expertise					
I think Booking.com is innovative.	2.92	1.27	5 (1-6)	45%	
I think Booking.com is trustworthy.	1.87	0.76	4 (1-5)	88 %	
I think Booking.com is a very reliable website	2	1.03	4 (1-5)	80%	
Brand likability					
I think using Booking.com is fun.	3.38	1.07	5 (1-6)	27%	
Brand consideration					70%
Already used Booking.com to make a reservation for a trip.	-	-		70 %	
Brand superiority					50%
I can use Booking.com for many different situations (flights, car rental, hotel service, guides, etc.)	3.22	1.65	6 (1-7)	45%	
Booking.com gives me more benefits than other brands.	2.95	1.12	5 (1-6)	33 %	
Really admire Booking.com.	3.20	1.35	6 (1-7)	33%	
Affirm that they always compare different sites when booking a trip.	1.55	0.92	4 (1-5)	90%	
Brand Feelings					36%
Warmth					48%
I am very satisfied when I book something on Booking.com.	2.15	0.89	4 (1-5)	73%	
This travel agency is special to me.	3.58	1.26	5 (1-6)	22 %	
Fun & Excitement					27%
I think using Booking.com is fun.	3.38	1.07	5 (1-6)	27%	
Security					75%
I think Booking.com is a very reliable website	2	1.03	4 (1-5)	80%	
I feel secure when organizing a trip with Booking.com	1.98	0.76	3 (1-4)	82%	
I always understand and trust the payment method when using Booking.com.	2.42	1.13	5 (1-6)	63%	
Social approval					34%
I feel good when my friends know I am using Booking.com for my trips.	3.62	1.28	6 (1-7)	20 %	
People think it is nice when tell them I have reserved a trip with Booking.com.	2.73	1.06	3 (1-4)	47%	
Self-respect					65%
I respect Booking.com.	2.47	0.97	4 (1-5)	65%	
Negative feelings					7%
I feel pressured/stressed when using Booking.com.	4.75	1.48	6 (1-7)	8%	
I feel annoyed by the post purchase experience with Booking.com.	4.62	1.34	6 (1-7)	6%	

BRAND RELATIONSHIP	Mean	SD	Range (min.-max.)	Positive answers	Brand diagnosis
Brand Resonance					45%
Behavioural loyalty					40%
Booking.com always tries to meet the customer's needs.	2.55	0.88	4 (1-5)	53 %	
Consider myself loyal to the website.	3.37	1.63	6 (1-7)	33%	
Enjoy visiting the Booking.com website.	3.42	1.46	6 (1-7)	31%	
Always recommend the brand site	2.77	1.15	6 (1-7)	42%	
Attitudinal attachment					43%
Always recommend this website	2.63	1.29	5 (1-6)	53%	
Really love this brand	3.28	1.16	5 (1-6)	27%	
If Booking.com wouldn't exist I would miss it.	3.02	1.59	6 (1-7)	48%	
Sense of community					65%
This is a site used by people like me	2.23	0.97	3 (1-4)	65%	
Active engagement					32%
I am registered as a member of Booking.com community.	-	-	-	60% Yes	
I have the booking app.	-	-	-	45% Yes	
How likely are you to download the Booking.com app?	4.12	1.68	5 (1-6)	28 %	
I usually talk about Booking with others.	3.40	1.52	6 (1-7)	32%	
I am interested in learning more about this company	3.57	1.42	6 (1-7)	25%	
I would be interested in merchandise products from Booking.com.	3.80	1.71	6 (1-7)	26%	
I closely follow news about this brand.	5.13	1.53	6 (1-7)	8%	

Appendix IV: Diagnosis Summary of Brand Meaning Brand Imagery.



Source: done by the authors with the data obtained from the quantitative analysis.

A Work Project presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics.

WHAT MOTIVATES CUSTOMERS TO USE BOOKING.COM BESIDES THE ONLINE RATES?

CATARINA PINTO DE AZEVEDO 34340

A Project carried out on the Master in Management Program, under the supervision of:

Professor Sofia Kousi

03/01/2020

Abstract

During the group project a surprising fact was found, only 25% of the people believe Booking.com offers them the best online rate available. This conclusion allowed a new question: what influences the customers to use Booking.com rather than other competitors if the factor price does not influence their decision?

After conducting a focus group, counting with 12 participants belonging to the Portuguese audience it was possible to conclude that there are many reasons why people keep using Booking.com. Not everyone agrees on the same but everyone prioritizes different factors other than the price, it is the example of the variety of offers, the usability of the website, the trust and loyalty or even because they believe it is the travel website with more reviews and comments of real people that stayed at the property they want to choose.

Key words: Booking.com, Motivations, Benefits, Reasons

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1. Introduction

After conducting a brand equity research on the current status of Booking.com in the portuguese market, we concluded that only 25% of the people who uses the brand believes the brand offers the best rate available online.

Taking into consideration all the growth of the travel industry in Portugal and that since 2005 to 2015 the internal market increased 5% (Departamento de Tecnologias e Sistemas de Informação, 2017) meaning that more people use online travel agencies as Booking.com, it is important to understand what are the benefits from the consumer point of view for using the brand besides the price.

The mentioned finding for me is considered an interesting and intriguing factor. So, a second research was conducted in order to understand why customers choose the brand. If Booking.com does not offer the best price available, there are other reasons why people still decide to book with this brand and not with another. Although the brand seems simple it is very complex with many different services to offer. (Jet, 2017)

Therefore, the purpose of this project is to identify the reasons why people plan their trips with Booking.com, and which of these reasons are decisive.

2. Literature Review

Two of the key activities for an Online Travel Agency are the online search and booking, since it is the crucial moment of interaction between the customer and the brand. Ensuring that the shopping experience for customers is improving is critical (Hermes Management Consulting, 2010)

This study takes into consideration the article written by Hermes Management Consulting, that mentions the online searching and booking tools are very important to increase business and achieve loyalty. The purpose it is to analyze if Booking.com is already taking into consideration

this important fact and to see how the shopping experience of the users are and why the Portuguese public agreed that there are more reasons than the price for becoming loyal to the brand.

3. Methodology

In order to obtain answers for the mentioned question, a qualitative research was conducted. This analysis aimed to collect some personal insights and opinions on why people choose the brand other than the rates. The research conducted was based on a focus group in order to obtain broader and explained arguments rather than quantitative ones. The group joined and I brought the topic and some questions such as: ‘‘What the benefits of Booking.com other than the price?’’ or ‘‘ Why do they use Booking.com if not because of the price?’’. The group discussed many reasons and show me perspectives that change from generation to generation.

The research was led on a sample of 12 Portuguese people, counting with 8 women and 4 men from an age range between 23 and 60 years old.

4. Results and Analysis

After the qualitative interviews, it was possible to understand that there are many factors other than the price, for people to use Booking.com. Surprisingly, it was possible to observe that trust, convenience and practicality are the main factors for people to use this brand rather than others even if the price is not the best. The users of this brand showed to be loyal independently of the price the brand offers them, and many of them showed me they are loyal without even realizing it.. Some of the people participating explained that it was the first online travel agency with who they worked and that allowed them to develop a feeling of trust and confidence with it. Moreover, the fact that they never experienced any problem arriving to the hotel or with the payments, reassuring them that the brand is helpful, and it will offer the best services for their needs.

Furthermore, most of the users of this brand feels the brand provides them conditions that not all of the other online travel agencies use, for example, price match guarantee and free cancellation on almost all the rooms.

Additionally, there are many users that are completely convinced that Booking.com is the brand with more options and offers them the best of the best conditions, accommodations and usability. Thus, the customers prefer to use this brand because they have the feeling that their trip is going to be great because this website provides them with what they are looking for.

Besides, an interesting finding about the age range of the consumers was discovered. During the interviews it was possible to see that people comprised in the age range of 45 or higher tends to choose Booking.com, not only because they think it will for sure have what they are looking for but mainly because of the usability of the website. In discussion with the users of this age range, most of them told me that the internet and new technology is not one of their main skills and once they got used to the website, they rarely try any other. This is due to the fact that things are in different places and it is hard and takes more time. Also, most of the people on this age range mentioned that they want to do it as quickly as possible and if they try to use another competitor, they know they will take long because they will have to learn everything all over again.

Some other reason mentioned during the conversations and interviews was that people are extremely convinced that if the establishment exists it will be listed on Booking.com. So, instead of search in many different web pages they trust they will find all the accommodations worth to go there, which is not necessarily true.

Lastly, everyone agreed that this website is one of the websites with most reviews and punctuations on each accommodation offered, which is very helpful at the time of taking a

decision and it feels more real to read the experience about other people rather than just believe on the pictures of what the establishment wrote about themselves.

5. Conclusions and Limitations

The main limitation found during this study was the small sample size and the focus audience, the Portuguese market. The brand is very international, and the Portuguese market is not a significant share of their business, which means that all the spoken reasons might not apply in other markets or even in a broader perspective such as EMEA region.

Concluding, it was possible to find out that differently than what could be expected the price alone does not influence where people book their trips. Factors such as cancellation policies, offers and discounts, usability of the website, reviews and comments, the feeling of loyalty, trust and convenience are the main factors for people choose Booking.com without valuing the price.

Additionally, it was possible to conclude that the age of the users allows different opinions and points of view. The younger generation mentions other than the price, variety of accommodations and loyalty programs while most of the people above 45 years old, tend to say it was the first online travel agency that they used, which is why they became so loyal. So, they already learnt how to use the website and how to make their experience booking a trip much easier.

Either way, it is possible to say that Booking.com offers customers many more appealing options that make them committed and trusting. This does not mean that other brands do not have the same or better options, but the opinions transmitted is that the users of Booking.com think booking is the best suitable option for their needs.

6. References

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I. **Appendix**

Qualitative: Focus group discussion (Source: own elaboration)

- What factors make you choose Booking.com besides the price?
- What other benefits do Booking.com brings you besides the price?