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# The Paradigm of Product

*Elevating Booking.com's North Star Metric*

<https://www.booking.com/>

Presented by: Dhansiri Hostel

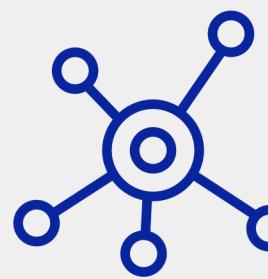
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# ABOUT US



**Booking.com** is a leading online travel agency headquartered in Amsterdam, Netherlands, and is a subsidiary of Booking Holdings.



As of the close of December 31, 2022, Booking.com catered to lodging reservation needs for approximately 2.7 million properties globally, encompassing 400,000 hotels, motels, and resorts, as well as 2.3 million homes and apartments.

Booking.com

Pound sterling | English (UK) | My Booking.com

Sign in to manage your bookings. Don't have an account yet? [Sign up!](#) | [Website Feedback](#)

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**Search Hotels**

Destination/hotel name:

Check-in date  Check-out date

I don't have specific dates yet

Rooms:  Adults:  Children:

**Search**

17,100,000 reviews from real guests

**Popular destinations**

**Edinburgh**  
United Kingdom  
Latest booking: 1 second ago   
301 hotels, 76 apartments, 35 bed and breakfasts

**Amsterdam**  
Netherlands  
Latest booking: 7 seconds ago   
568 hotels, 192 apartments, 54 bed and breakfasts

**Booking.com on your mobile**  
Free download

**Hotels at half price**  
Subscribe to Secret Deals

**London** 1080 hotels

**The Regency Hotel**   
from £ 130.80

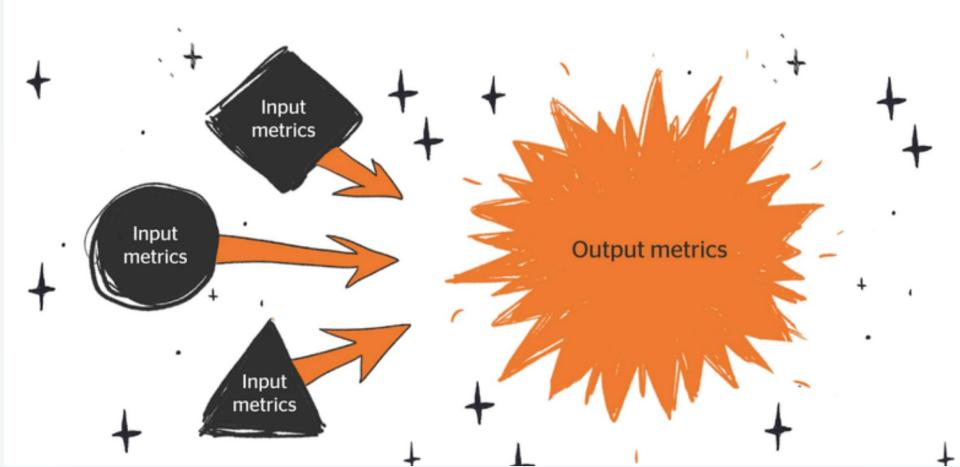
**The Montcalm**   
from £ 201.60

**Belgravias- A Thompson Hotel**   
from £ 274.81

**Flemings Hotel & Apartments**   
from £ 174

# What is the North Star Metric?

## What is NSM?



- The North Star Metric (NSM) goes beyond a KPI, serving as a crucial tool for customer-centric growth and success.
- NSM aligns business objectives with customer satisfaction, ensuring ongoing value delivery.
- Improving NSM is vital for competitive edge, driving revenue growth, and fostering customer loyalty.

- NSM is a pivotal metric embodying the core value provided to customers.
- Qualifying NSM must lead to revenue, reflect customer value, and measure progress.
- Booking.com's NSM is Monthly Active Users completing a booking, crucial for revenue and customer value enhancement.
- Customer satisfaction and website performance are equally vital metrics with straightforward paths to improvement.

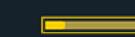
## NSM in Booking.com



Lead to revenue



Reflect customer value



Measure company progress

# MARKET INSIGHTS

- **Market Share:** Booking.com holds a 6.70% market share, ranking as the fourth-largest company in the industry.
- **Top Industries Using Booking.com:**
  - Hospitality: 386 companies
  - Travel: 223 companies
  - Hotel: 165 companies
- **Top Alternatives:**
  - a.Tripadvisor: 40.07% market share
  - b.Airbnb: 30.33% market share
  - c.Expedia: 9.15% market share
- In August'23, the Booking Group reported total revenues of \$5.5bn and a profit of \$1.3bn for the second quarter of 2023 up 27% on the previous year respectively.

**5784**

companies worldwide have adopted  
Booking.com as their Reservation and Online  
Booking tool.



# NEW FEATURES OVERVIEW

*Enhancing Travel Experience*

- **TripMix:** Personalized trip packages combining flights, accommodations, activities, and dining options, revolutionizing trip planning with AI.
- **CuisineConnect:** Discover authentic local cuisine and markets, enhancing your travel experience with unique flavors and cultural immersion.
- **WanderShare Hub:** Connect with like-minded travelers, share tips, and plan adventures together, fostering a sense of community and exploration.

# TRIP-MIX

## What is TripMix?

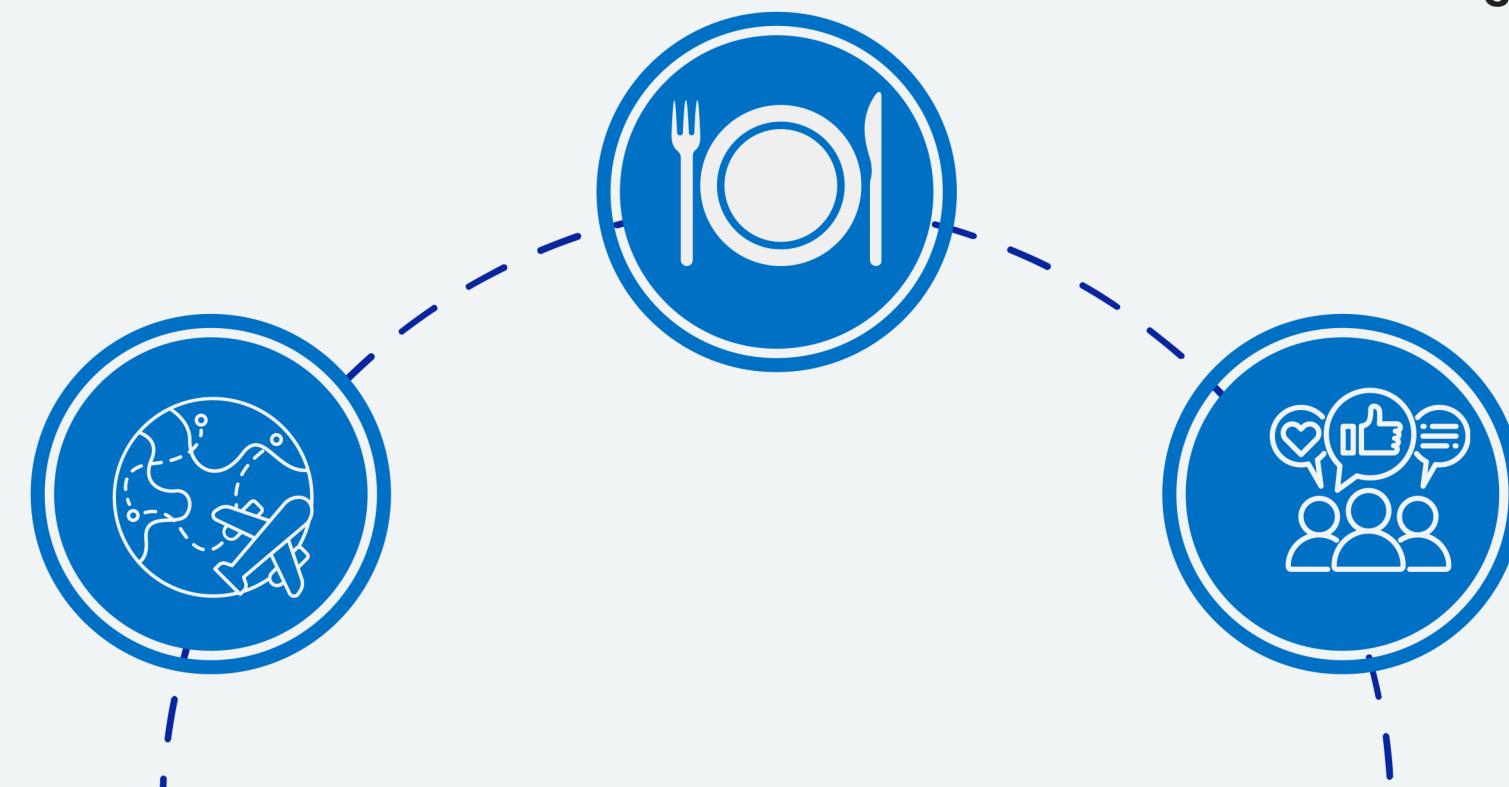
Revolutionizing trip planning on Booking.com, TripMix uses advanced AI to **craft personalized travel packages**. Seamlessly blending flights, accommodations, activities, and dining, it's your gateway to tailored adventures.

## Hypothesis

Implementing TripMix will **boost booking conversions** and revenue on Booking.com by providing convenient, personalized trip planning. Expect **heightened platform engagement** and **increased booking completion rates**.

## Evidence

Market research reveals a **demand for personalized travel experiences**. Competitors' success suggests increased bookings and revenue. **User feedback** stresses the need for tailored trip planning.



# EFFECTIVENESS



## Engagement Conversion Rate (ECR)

Measures user engagement leading to bookings.



## Personalization Effectiveness

Tracks satisfaction with personalized packages.



## Booking Frequency

Indicates repeat bookings by users depicting loyalty increment.

# IMPLEMENTATION

Approximately 3-4 weeks to develop and integrate AI algorithms. Testing will involve user experience testing and analysis of booking conversion rates.

Develop AI algorithms for personalized package recommendations.

STEP 1

Integrate the TripMix feature into the Booking.com platform.

STEP 2

Conduct internal testing for functionality and user experience.

STEP 3

# CUISINE CONNECT

## What is CuisineConnect?

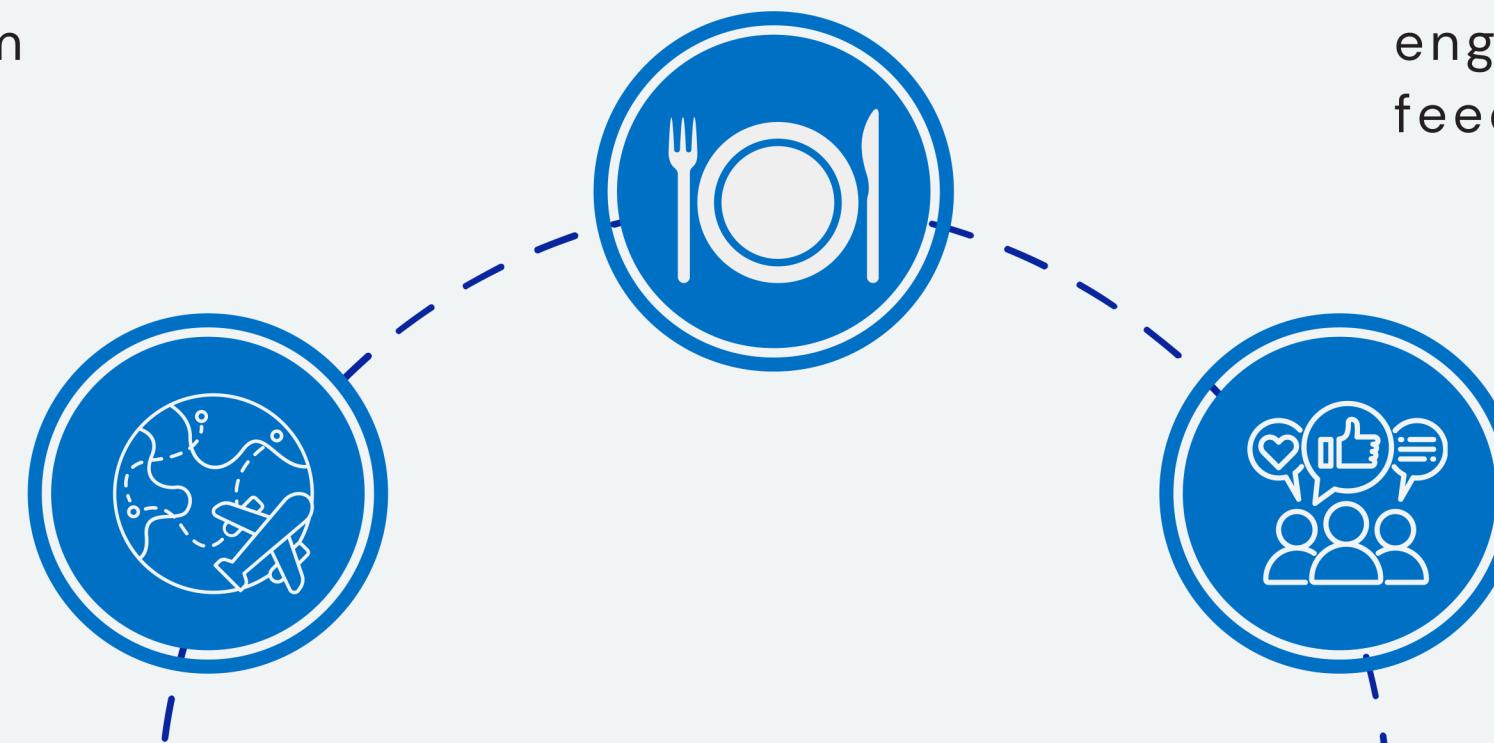
Provides comprehensive **suggestions for local cuisine and dining options** available along with **marketplace suggestions**. This will include reviews from previous travelers, data from partners, and some suggestions from locals.

## Hypothesis

By adding CuisineConnect, Booking.com can **enhance the overall travel experience** of travelers as food stands as a major part of one's routine and will also result in **more user engagement**.

## Evidence

As per the given trends, it is seen that there is an **increased popularity of food travel**. Also, many platforms that offer similar suggestions are seen to have increased user engagement and positive feedback.



# EFFECTIVENESS



## Click-Through Rate (CTR)

Measures interest in local recommendations



## User Interaction with Recommendations

Tracks engagement with local options.



## Conversion Rate

Indicates bookings/purchases from recommendations.

# IMPLEMENTATION

Estimated implementation time of 2–3 weeks for backend integration and UI development. Testing includes usability testing and tracking click-through rates.

Identify and integrate local food and marketplace APIs.

STEP 1

Design a user-friendly interface for displaying recommendations.

STEP 2

Conduct usability testing to ensure a smooth user experience.

STEP 3



# WANDER SHARE HUB

## What is WanderShare Hub?

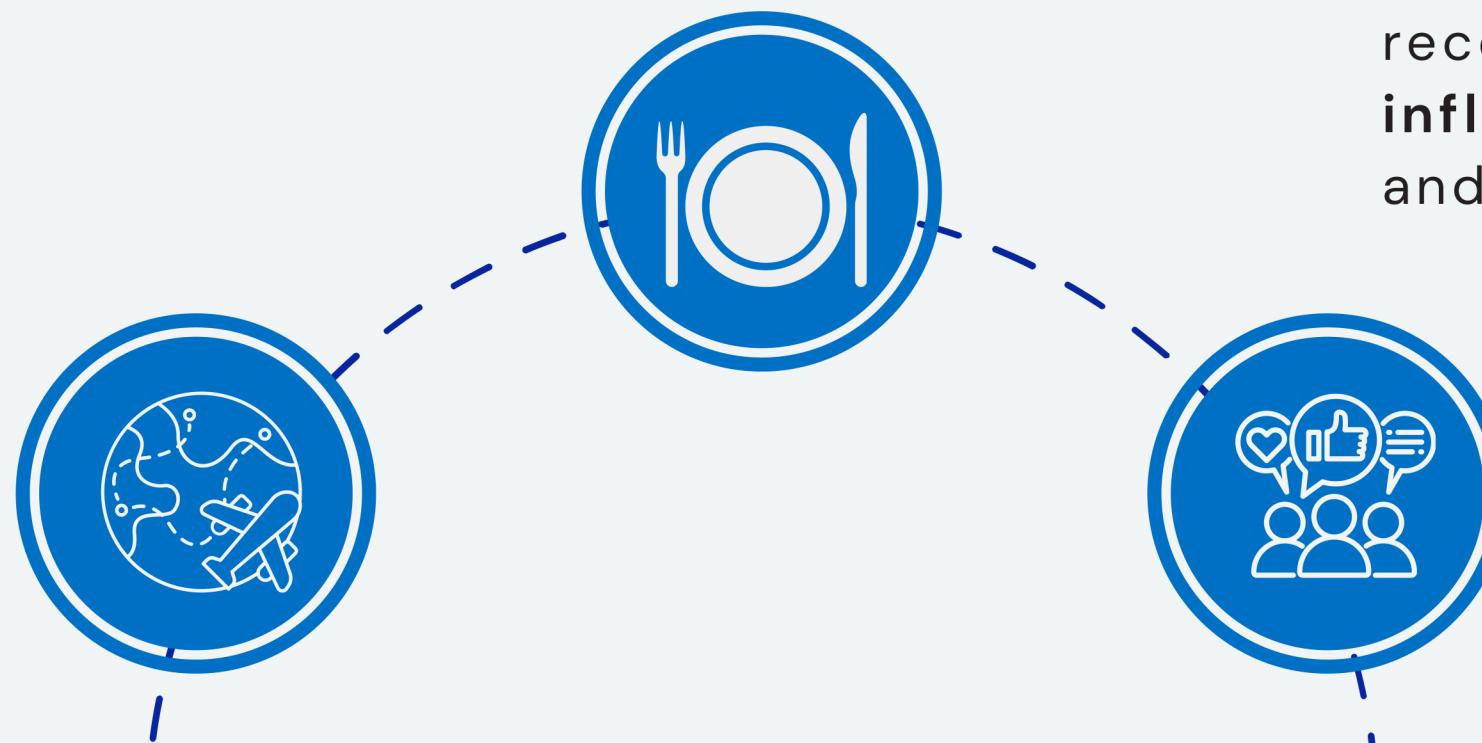
Introducing a **social travel community** feature within Booking.com allows travelers to connect, **share experiences, and exchange tips and recommendations** with fellow travelers. Users can join interest-based groups, participate in discussions, post reviews, and collaborate on travel plans.

## Hypothesis

By implementing a social travel community, chances of interaction and engagement increase within the community, leading to **higher user satisfaction and loyalty to the platform**.

## Evidence

Social interactions, such as sharing experiences and recommendations, contribute to a sense of community and trust among users. Additionally, user-generated content, such as reviews and recommendations, can **influence booking decisions** and drive conversion rates.



# EFFECTIVENESS



## Community Growth Rate (CGR)

Tracks user growth in the community.



## User Engagement Levels

Measures interaction within the community



## Content Contribution Rate

Tracks user-generated content creation.

# IMPLEMENTATION

Plan for a 4-5 week implementation timeline, including backend development and frontend design. Testing involves community engagement metrics and performance testing.

Develop backend infrastructure for user profiles, posts, and interactions.

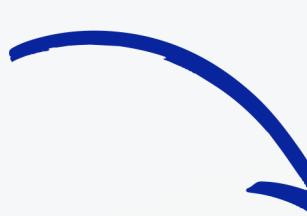
STEP 1

Design frontend interface for community engagement.

STEP 2

Conduct beta testing with a selected user group to gather feedback.

STEP 3



# CONCLUSION

## **Personalization Drives Revenue**

Features like TripMix and CuisineConnect demonstrate Booking.com's commitment to personalized travel experiences, leading to increased revenue.

## **Community-Centric Approach Enhances Experience**

WanderShare Hub fosters a social community among travelers, enhancing user experience and strengthening brand loyalty.

# THANK YOU

