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# Introduction

# Description of the company

Agoda, a subsidiary of Booking Holdings, is a well-known online travel company and is renowned for its cutting-edge technology and extensive offerings in travel, accommodations, flights, and airport transfers. Agoda was established in 2005 with its headquarters located in Singapore and has since grown its operations to include additional offices across Asia, the Middle East, Europe, and the Americas [1].

## Company History

The predecessor of Agoda originated from a partnership between two startups which are plantheholiday.com and precisionreversation.com. According to Agoda website, Agoda was officially co-founded by Michael Kenny and Robert Roenstein in Singapore with 7,000 hotels in Asia and 33,000 worldwide. However, in 2007, the company became a member of the tourism ecosystem of one of the largest travel e-commerce businesses in the world, which is Booking Holding Inc. (then known as Priceline Group). By 2010, Robert Rosenstein, one of the co-founders of Agoda, took over as Chief Executive Officer (CEO) after Michael Kenny retired. Four years later, Qlika, one of the startups in Israel, was acquired by Booking Holdings and merged with Agoda. In 2018, there was a significant change in the senior leader system, when co-founder Robert Rosenstein became the Chairman of Agoda and strategic advisor of Booking Holdings, while Chief Product Officer (CPO) John Wroughton Brown was appointed to new CEO and the previous CEO of Qlika was promoted to Chief Operation Officer (COO). The airport shuttle service was also introduced that same year and joined the Agoda network. In 2019, Agoda underwent a significant rebranding as it expanded the service network including airline booking and business-to-business service as the white label platform. From 2022 to present, Omri Morgenshtern has assumed the role of CEO [2].

## Management Team

**Omri Morgenshtern – Chief Executive Officer**

Omri Morgenshtern assumed the position of CEO at Agoda in July 2022. With a background in technology and data, Morgenshtern has led Agoda to strong growth in the post-pandemic period. Throughout his career, he contributed to Agoda in many key positions including CEO and COO. Previously, Morgenshtern co-founded Qlika, a startup that was later acquired by Booking Holdings Inc. [3].

**Robert Rosenstein – Co-founder and Chairman**

Robert Rosenstein is one of the two co-founders of Agoda. He held the positions of CEO for 10 years before transitioning to the role of Chairman in 2018. Additionally, Rosenstein is also the strategic consultant of Booking Holdings Inc [4].

**Damien Pfirsch – Chief Commercial Officer**

Damien joined Agoda in 2012 and in his role as Chief Commercial Officer, Damien Pfirsch is responsible for establishing strategic relationships and partnerships with stakeholders across various industries. He oversees Agoda's Strategic Partnerships, Key Accounts and Government Affairs business units. He is also involved in creating long-term value through product-oriented partnerships and leading agile sales teams to accelerate go-to-market initiatives. [5].

**Idan Zalzberg – Chief Technology Officer**

Idan Zalzberg has held multiple roles within the company since 2014 and is currently Agoda's Chief Technology Officer. In addition, he is also the co-founder of Qlika along with Morgenshstern [6].

**Mai-Linh Bui – Chief Financial Officer**

Mai-Linh Bui became Agoda's Chief Financial Officer in 2022. Her job is to manage the company's finance functions across all branches worldwide. [7].

**Ittai Chorev – Chief Product Officer**

Ittai Chorev is Chief Product Officer at Agoda, oversees product development in various areas and was a co-founder of Qlika [8].

**Eliana Carmel – Chief People Officer**

Eliana Carmel is currently Chief People Officer at Agoda, leading the company's Human Resources team [9].

**Matteo Frigerio – Chief Marketing Officer**

Matteo Frigerio, Agoda's Chief Marketing Officer, oversees various marketing functions and has been with the company since 2013, transitioning from Product to Marketing roles. [10].

**Tom Thomas – General Counsel**

With nearly 20 years of legal experience, Tom Thomas is the General Counsel at Agoda and leads Agoda's global legal department. His job is to handle various legal matters and risk management. [11].

**Timothy Hughes – Vice President Corporate Development**

Timothy Hughes, the Vice President of Corporate Development at Agoda, focuses on investment and acquisition activities, joining the company in 2012 with previous roles in marketing and business development. His background includes positions at Travelport, Expedia, and Orbitz, and experiences as a commercial lawyer, venture capitalist, and online travel industry blogger [12].

## Company Size

Agoda's scale of operations includes 53 offices worldwide in 96 countries [2]. This proves that Agoda offers diverse travel and accommodation experiences according to customers' various preferences and travel needs.

With more than 3.9 million hotels and accommodations across 200 countries and territories, Agoda has become one of the leaders in the online travel and accommodation booking industry [2]. As a result, it ensures that customers can have a variety of accommodation options, from low budget to luxury, including unique local experiences.

Based on this large scale, the number of employees at Agoda reaches 6,700 people [2]. A large workforce dictates the need for significant organizational structure to support expanding operations, technology infrastructure, customer service, and other business functions.

According to Zalzberg - CTO of Agoda, they manage a massive technology infrastructure, including half a million CPU cores that process approximately two trillion Kafka messages and 200 TBS data written per day. Agoda's services operate primarily on its own private cloud, with four data centers across the Asia-Pacific region and uses a lot of open-source software and builds much of the technology in-house to avoid supplier lock-in and maintain autonomy and flexibility in business operations [13]. This allows Agoda to efficiently operate its IT operations at lower costs than many of its peers.

## Geographical Location

As a multinational company, Agoda has offices and workforce in more than 50 cities around the world. Agoda's headquarters are located in Singapore, serving as the hub for the company's strategic, administrative and corporate functions [1]. Meanwhile, the largest office is located in Bangkok, Thailand, playing an important role in daily operations, customer service and regional market participation. [14].

## Mission statement, vision, objectives, and goals

According to Agoda's official website, the main mission is to simplify travel for diverse customers by offering affordable options for accommodation, air travel, and various travelling activities. The company places a high priority on ensuring a smooth and user-friendly booking experience, aiming to make the travel planning process convenient and comfortable. This aligns with Agoda's overarching objective of making travel experiences accessible and manageable for a wide range of customers [2].

In pursuing long-term growth, Agoda has strategically focused on key business innovations and expanding its market reach. The central goal is to boost sales through increased bookings, anticipating positive impacts on customer satisfaction, company profits, and employee morale. The company also emphasizes enhancing the loyalty of existing customers, recognizing the economic benefits compared to acquiring new customers. Agoda's growth plan includes expanding its physical presence, involving steps like acquiring new space and hiring additional staff to sustain revenue growth. Additionally, Agoda places great importance on delivering exceptional customer service, acknowledging its crucial role in maintaining customer loyalty [15].

Concurrently, Agoda is working on extending its influence in the market, particularly in North America, aiming to establish itself as a leader in the online travel sector. This involves strengthening media relations, raising public awareness through targeted engagement with prominent media outlets, and actively seeking business-to-business collaborations and affiliate partnerships. These strategies are vital for achieving a broader market presence and reinforcing Agoda's position in the competitive landscape of online travel services. These comprehensive objectives are crafted to ensure Agoda's sustained success and leadership in the global online travel industry [15].

For 2023, Agoda's primary goal is to facilitate travel experiences centered around reuniting with loved ones. The company's survey identifies key travel trends, including wellness, culinary exploration, arts and culture, adventure, and celebrating milestones. This reflects a shift towards more meaningful and experiential travel [16].

## Services Description

Agoda has partnerships with many travel and accommodation providers including hotels, private hosts and airlines. This allows the company to offer a variety of travel deals. Specifically, Agoda's platform allows customers to access services at preferential prices at about 2.9 million hotels and private homes globally. Furthermore, Agoda offers customers the convenience of booking low-cost flights, car rentals, hotel and resort packages. Notably, Agoda's accommodation services are very diverse, including unique options such as tents, tree houses and tropical villas, located in more than 200 countries and territories with many concessionary packages [17].

## Target market

Agoda's potential market includes two main customer groups: individual tourists and hotels. The company attracts tourists with its wide range of accommodation options and travel services as well as its convenient and easy access. Meanwhile, hotels are an integral part of Agoda's operations because they provide the accommodation options that travelers seek as well as expanding Agoda's reach to a wider customer base. As a result, Agoda delivers value to travelers while fostering win-win relationships with hotel partners. [18].

## Competitors and competitive advantages

Agoda operates in the highly competitive online travel agency (OTA) market, with some of its key competitors including major companies such as Expedia, Airbnb, Google Travel, Vrbo, TripAdvisor, Hotels.com and Trivago, etc. [19].

The key differentiating factors for these companies are their geographic focus and brand strategy. Expedia has multiple websites and a significant presence in the US, while Booking Holdings and Agoda focus more on direct traffic to their platforms, with Booking Holdings operating primarily in Europe and Agoda in Asia [18].

Although Agoda competes in a dynamic and diverse market with many large companies, each with its own strengths and strategies, Agoda still affirms its position in this competitive context.

# Analysis and Recommendations

## Leadership approaches of Agoda’s leaders

### Omri Morgenshtern – CEO of Agoda

In the interview with Agoda's CEO, the leadership approach of Omri Morgenshtein includes transformational, participative, situational, technocratic, and inclusive leadership. [20].

Transformational leadership, as conceptualized by Burns [21] and later expanded by Bass [22], is characterized by leaders who inspire and motivate their followers beyond immediate self-interests, focusing on company needs. This approach involves four key components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Morgenshtern's focus on technical innovation and enhancing the traveler's journey reflects the inspirational motivation and intellectual stimulation aspects, two of the four key components of transformational leadership.

The participative (democratic) leadership approach is rooted in the work of Lewin et al. [23], which emphasizes participatory processes in decision-making, encouraging group members to share their ideas and opinions, thus fostering a sense of group equality and collaboration. Participative leaders are typically seen as facilitators rather than authoritarian, providing guidance while allowing the team to find their own path. When Morgenshtern talks about developing empathy and understanding different perspectives, it shows that he focuses on listening and respecting different opinions in the decision-making process. This also indicates that Morgenshtein is a leader who values democratic principles in leadership.

Situational leadership is developed by Hersey and Blanchard [24], which posits that effective leadership is dependent on the readiness and competence of the followers. This theory suggests that there is no best style of leadership; instead, effective leadership is about adapting one’s style to the maturity level of the individuals or groups they are leading. Morgenshtern's adaptability through multiple positions and current as CEO at Agoda is the evidence for this adaptive and flexible leadership style. His journey highlights his ability to assess situations and adapt his leadership approach accordingly.

Technocratic leadership focuses on leaders who have expert knowledge and skills in their domain. These leaders use their technical expertise and understanding to guide their teams and organizations towards success [25]. Morgenshtern's strong technical background and his focus on leveraging technology for Agoda's growth are indicative of a technocratic leadership style. His expertise in technology and product development, and his role in integrating these aspects into Agoda's strategy demonstrate his leadership rooted in technical proficiency and expertise.

Hollander [26] defines that inclusive leadership involves creating an environment of respect, connectedness, and diversity where different perspectives are valued and encouraged. Inclusive leaders are aware of their own biases and seek to create diverse teams to leverage the full potential of their workforce. Morgenshtern's commitment to creating a diverse company culture, welcoming different nationalities and cultures, and emphasizing the importance of a global perspective in the workforce, aligns with the principles of inclusive leadership. This approach is crucial for Agoda, as it operates in a global, multicultural environment.

### Mai-Linh Bui – CFO of Agoda

According to her interview, Mai-Linh Bui's leadership style at Agoda is the combination of servant, transformational, inclusive, participative, and visionary leadership style [27]. This multifaceted leadership approach is instrumental in leading a diverse and dynamic Finance team, ensuring their engagement, fostering innovation, and driving strategic impact.

Servant leadership is characterized by the leader's focus on serving the needs of their team members, fostering their development, and facilitating their performance, conceptualized by Greenleaf [28]. This approach emphasizes empathy, listening, and the nurturing of individuals and communities. Bui's focus on understanding and addressing her team's needs and motivations demonstrates the qualities of servant leadership. Additionally, she cited Lao Tzu's philosophy, “To lead people, you must walk behind them,” also demonstrating her priority on the growth and happiness of her team members [27].

Similar to Morgensgtern, Bui also has a transformational leadership style. Bui’s approach to creating a diverse, skilled, and engaged Finance team, and her aspirations to innovate in the fintech space, reflect transformational leadership qualities, particularly in terms of inspirational motivation and intellectual stimulation. She aims to inspire her team to transcend their individual interests for the greater good of the organization.

As described above, the core principle of inclusive leadership is evident in Bui's appreciation for the diverse backgrounds, personalities, and working styles of her team members. Besides, this leadership style is completely suitable as she enjoys the richness of ideas that discussions with the group bring.

Besides, the next common point in the leadership styles of Bui and Morgenshtein is the participative (democratic) leadership style. Bui's participative leadership style is shown in her deeply engaging in discussions with her team to understand their perspectives and incorporating their opinions into her leadership approach. This nature of participation ensures a more collaborative and inclusive decision-making process.

Bennis and Nanus [29] highlight that visionary leadership involves articulating a clear and compelling vision for the future, inspiring people to engage with this vision, and enabling them to realize it. Visionary leaders are known for their ability to see beyond the present, anticipate future trends, and guide their organizations accordingly. Bui expresses her vision as she desires to create a scalable and innovative working environment for her Finance team as well as make Agoda a potential business partner. This shows that she is focused on strategies, and it is also a sign of a visionary leader.

## Justification for the chosen leadership approaches applicability at Agoda

Both leaders' approaches are appropriate for Agoda due to the dynamic nature of the travel industry. Morgenshtern's technological innovation aligns with the need for continuous advancements, while Bui's focus on fintech innovation ensures financial operations stay aligned with industry trends.

Morgenshtern's adaptability and collaboration are essential for Agoda's culture of moving fast and being entrepreneurial. Bui's inclusive and diverse leadership fits well with Agoda's global workforce, creating an environment that values different perspectives and backgrounds.

Morgenshtern's customer-centric approach and Bui's emphasis on employees' contribution are appropriate for Agoda's strategic objectives. The combination of visionary and servant leadership ensures a balance between long-term goals and day-to-day operational effectiveness.

## Agoda's organizational structure

As of 2023, Agoda's organizational structure follows a hierarchical structure, including functional departments. The structure is hierarchical from top to bottom, with the CEO at the top and overseeing the company's strategic direction. Below the CEO are the Chairman, Chief Officers, General Counsel, and Vice President Corporate Development. Agoda exhibits the characteristics of a functional organizational structure through its division into functional departments including Commercial, Technology, Financial, Product, People, Marketing, and Legal departments. Each department has a specific function and depending on each function, it can be divided into a wide range of smaller teams, thereby emphasizing the division of labor based on separate functions [] []. This combination of hierarchical and functional structures allows Agoda to maintain clear lines of authority and responsibilities, while ensuring focus on different aspects of the business.

## Agoda’s Challenges and Strategies

In the online travel industry, Agoda faces challenges related to customers, competitors and the complexity of partnerships.

**Customer-related challenges**

Customer preferences and expectations create significant challenges to the online travel industry. Modern consumers are increasingly concerned about environmental issues when deciding on travel options. A report by the American Hotel & Lodging Association indicates that 68% of consumers consider climate change to be an emergency []. This illustrates this shift in consumer awareness of environmental issues. Furthermore, the trend of solo travel is increasing, especially among women. The increase in searches for “solo female travel” and the dominance of women in traffic to hotel websites underscore this trend []. Such growing concerns and preferences require Agoda to adjust its services to match this consumer trend.

To deal with customer-related challenges, Agoda needs to adopt strategies that focus on personalized experiences.

**Competitors- related challenges**

The adhesion of various non-travel units into the travel booking field signals a change in consumer behavior and increased competition in the online travel industry []. In such a competitive environment, difference becomes a decisive factor for survival and development. Agoda needs to be more innovative and have unique values to differentiate them from their competitors.

To address competitive challenges, Agoda should focus on developing exclusive partnerships, loyalty programs, and implementing cutting-edge technology to help Agoda stand out in the competitive market.

**Partners-related challenges**

Partnerships have always been extremely important for the online travel industry, including relationships with hotels, airlines and other service providers. Managing these partnerships is complex, involving adjusting to partners' different goals and expectations. Therefore, effective cooperation is important to bring the best experience to customers as well as the company's reputation in the industry. The challenge here is balancing these relationships while maximizing mutual benefits and maintaining service quality.

Regarding partner-related challenges, it is essential to strengthen partner management systems and develop partnership strategies that benefit all stakeholders. This strategy not only ensures a consistent customer experience but also strengthens Agoda's reputation with its partners.