

New OTA Insight Study Sheds Light on Hotels' Length-of-Stay Strategies

Company unveils key global data findings from Length-of-Stay strategy report

LONDON, DALLAS – May 30, 2019 – [OTA Insight](#), the cloud-based data intelligence platform for the hospitality industry, today released a new Length-of-Stay (LOS) Strategy Report. Examining the rates of over 50,000 hotels globally, based on data derived from the company's [Rate Insight](#) platform, the report provides a comprehensive analysis on the number of hotels that apply a level of discounting in return for a guaranteed number of nights (LOS discount), how often they apply it, the size of discounts, and what key takeaways can be extracted from these different strategies.

From Asia to Latin America, one overriding trend seen among the 51,075 hotels analyzed worldwide was that a large proportion of hotels (63%) almost never apply any kind of LOS discount. Of the 37% that do offer LOS discounts, 71% discount for 10 or more days in the period analyzed. Overall, the frequency of hotels applying different discounts varies, in some instances significantly, with discounts applied most consistently, by major chains, followed by 3- and 5-star hotels.

“As champions of hoteliers, our true focus is to help revenue managers visualize and leverage data to understand what is working and where they are hurting, so they can ultimately drive bookings and profits,” said Gino Engels, CCO of OTA Insight. “Price adjustment is an inevitable reality for the day-to-day revenue management of most hotels, due to fluctuating supply and demand. Adding length-of-stay discount tactics to their pricing and promotional toolbox is an effective method of driving up occupancy during periods of low demand, and should be a key consideration when planning out a pricing strategy”.

Among the report's other key findings are:

- Most hotels that apply a LOS discount will usually not apply one higher than 15 percent.
- Some hotel chains can be grouped together by similar average discount frequencies, but the way hotels within each chain apply discounts can vary significantly.
- The majority of chain hotels with LOS discounting strategies discount between 30 and 65% percent of the time.
- The percentage of hotels consistently discounting on LOS (at least 10 LOS discounting dates) by region is:
 - North America - 36%
 - Middle East - 29%
 - Asia - 28%
 - Australia and New Zealand - 21%
 - Europe - 15%
 - LATAM - 12%

Methodology

OTA Insight compared three consecutive one-night prices at each property with the price for a length of stay of three nights, analyzing by every room type separately, taking two-person, cheapest flexible rates. Discount sizes and discounting frequencies are inferred based on these sample sizes:

- Number of hotels with at least 30 future price dates advertised on the date the report was initiated: **51,075**
- Of those, hotels with LOS discounts with at least 10 dates that have a discount for longer length of stay: **13,237**

The conclusions featured in the report are based on data derived from OTA Insight's [Rate Insight](#) platform, which provides hoteliers with real-time access to current, future and past rates and other factors impacting demand for their hotel rooms. For more information about these findings, download the full report [here](#).

###

About OTA Insight

OTA Insight empowers hoteliers to make smarter revenue and distribution decisions through its market-leading suite of cloud-based business intelligence solutions including Rate Insight, Parity Insight and Revenue Insight. With live updates, 24/7 support from our customer success team, and a highly-intuitive and customisable dashboard, the OTA Insight platform integrates with other industry tools including hotel property management systems, leading RMS solutions and data benchmarking providers.

OTA Insight's team of international experts are based all over the world, including the UK, US, France, Germany, Belgium, Spain, Italy, Brazil, Mexico, Singapore, Australia and India, and supports more than 40,000 properties in 168 countries. Ranked one of 10 "Ones to Watch" in the Sunday Times Tech Track 100, OTA Insight is widely recognised as a leader in hospitality business intelligence.

For more information, visit www.otainsight.com and follow us on Twitter [@otainsight](https://twitter.com/otainsight).