Is it possible to expand Wimdu’s peer-to-peer rental model to the target group of business travelers, considering the unique success factors of this business model versus the special requirements of business travel and the decision criteria of business travelers?
In this report the graduation student will assess what possibilities there are for the vacation rental platform Wimdu to attract business travellers as guests.

Wimdu GmbH is a Berlin-based company that provides an intermediary service between private vacation rental owners and tourists looking for vacation accommodation. Its website is a vacation rental portal that aggregates rental properties and offers online booking. This type of accommodation has already become a staple hotel alternative in the leisure tourism industry, but has not yet reached business tourists who make up 62% of hotel clientele. The research is split into two parts. In the first section the marketing theory used in the paper is explained and the concept of peer-to-peer economy is introduced. Secondary research is done to explain how peer-to-peer interaction has changed the Vacation Rental industry and the behavior and desires of tourists. The special requirements of business tourists are researched in order to see if Wimdu could fulfill them or offer an appealing substitute.

In the second section, primary research is performed in the form of a survey directed at business travellers. The survey serves two purposes. Firstly, it provides detailed information on the differences between various business travellers and shows that there are certain types, like the self-employed, who already stay at private vacation rentals or would consider doing so in the future. This information is useful for establishing the profile of the ideal business traveller that Wimdu could target through advertising.

Secondly, the survey asks which features of accommodations business travellers consider to be the most important. This information is used to determine if it is feasible for Wimdu to gain business travellers as customers. 4 out of the 6 most highly rated features are exclusive to hotels. Wimdu cannot directly provide these features, however, they can be substituted adequately. The research reveals that Wimdu cannot become the number one destination for business travellers as most business travellers are focused on convenience. However, Wimdu can become the number one alternative by being appealing to those business tourists who are looking for something other than a hotel. It is shown that there is a constant number of business travellers who would prefer the features of Wimdu, depending on the type of business trip. It is this group that Wimdu should target.

Lastly, recommendations are made on changes Wimdu could make to improve their service that would cater to the desires of business tourists that were revealed through the research.
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1 INTRODUCTION

As a graduating project the HZ University of Applied Sciences requires fourth year students of International Business and Management to write a bachelor thesis in the environment of a professional company. This thesis needs to demonstrate competence in conducting primary and secondary research, and further needs to provide practical recommendations to the sponsoring company.

The student’s sponsor company was Wimdu GmbH in Berlin. The student worked at this company for 18 weeks as an intern. During that time the student identified a research topic, which was thought to provide the most useful insights and perspectives to the sponsoring company. The research questions were discussed with HZ tutor Ton Hulstijn.

The thesis begins with an introductory chapter that provides an overview of the company Wimdu and the scope, design, and relevancy of the research. The next chapter compiles secondary research on the vacation rental industry and business tourists and forms the theoretical framework of the thesis. This is followed by a chapter of primary research in which the students tests and furthers the knowledge gained from secondary research. The thesis concludes with practical recommendations for the company, deduced from the secondary and primary research.

2 BACKGROUND

Wimdu GmbH is an Internet platform for vacation rentals and short term lettings which uses the peer-to-peer property rental model and offers accommodations worldwide. It was founded in Berlin in 2011 by Arne Bleckwenn and Hinrich Dreiling. It quickly received funding in total of 90 million dollars from Swedish investor Kinnevik and Rocket Internet to expand their growth. Rocket Internet is owned by the Samwer brothers who are notorious for cloning successful e-commerce start-ups, especially from Silicon Valley in the United States, and in fact Wimdu was not an original idea.

With the large investment Wimdu has been able to quickly expand its market and now currently has over 100,000 properties worldwide with over 100,000 registered users. To give a rough estimate about earnings, in the first 9 months the company’s revenue was around one million euro a month and has been increasing since then. However, since it is a start up with an extensive growth strategy the company is currently still working at a loss, even though figures show that costs have been nearly halved since those first 9 months. Currently major departments of Wimdu around the world have closed down and much of the work is moved to new offices in Lisbon where a cheaper work structure is offered.

Wimdu’s website showcases properties of private owners who wish to rent out an accommodation. A person interested in booking it can do so, with Wimdu acting as intermediary, confirming the booking with the owner. With Wimdu’s systematized booking procedure neither party has the hassle of dealing with a private person. Unlike many other listing sites Wimdu does not demand a fee to list a property, which might act as a deterrent to
owners who are afraid of making a loss if they cannot rent out their property. Instead, Wimdu receives a 20% commission on the price of every booking.¹

2.1 THESIS DESCRIPTION

2.1.1 THESIS SCOPE

This thesis is the final part of the study of International Business and Management at the Hz University of Applied Sciences. For the completion of the thesis the student is required to work a minimum of 18 weeks at the thesis sponsor’s company. The thesis should present the sponsoring company with useful information and the main research question is drawn up with the purpose of providing practical advice. The task of the student is to answer the question through primary and secondary research. The findings of the thesis will be presented to the thesis sponsor, as well as to the Hz examiners.

2.1.2 PROBLEM DESCRIPTION

Wimdu is a new entrant into the vacation rental market since they aggregate rental offers in the form of a listing site, and crucially, also providing the opportunity to then directly book online. The Peer-to-Peer Accommodation Rental business model is still very new and was pioneered by Airbnb in 2008.² Airbnb is the current market leader and Wimdu’s greatest competition. Airbnb has listings in 192 countries and over 34,000 cities worldwide, resulting in over 500,000 listings.³

In comparison Wimdu features listings in 100 countries, but has a user database that is growing extremely quickly.⁴ It currently lists more than 100,000 accommodations.⁵ In regards to Wimdu’s competition with Airbnb in an interview, Wimdu co-founder Russell Goldman stated “Wimdu is a fast-growing global business, we’re really trying to revolutionize the travel industry. Airbnb is a competitor in the market... We want to be the best, globally and locally.”⁶

⁵ Wimdu, 'About Us'.
⁶ Carr, 'Anti-Hotel Service Rivalry Heats up as Wimdu Threatens To "Kick Airbnbs Ass"'.

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To achieve this goal, Wimdu aims to provide a better experience for consumers by streamlining the booking process and investing heavily in customer service. Wimdu needs to accumulate more listing providers and customers in order to compete with Airbnb for the top spot. This research paper aims to help Wimdu gain customers by providing better customer service to a specific group of travelers, namely business travelers.

Business travelers are the core clientele of hotels (as will be shown in chapter 3) and having even a small percentage of them book a peer-to-peer accommodation over Wimdu on a business trip would represent a sizable increase in customers. This paper aims to find out through secondary and primary research what the priorities of business travelers are when choosing an accommodation. This information can be used to make changes to Wimdu’s website and the booking process that would fit the business travelers’ needs.

2.1.3 MAIN SUBJECT

The graduation project has been defined by the following central question:

Is it possible to expand Wimdu’s peer-to-peer rental model to the target group of business travelers, considering the unique success factors of this business model versus the special requirements of business travel and the decision criteria of business travelers?

This question is concerned with finding new strategic customers for Wimdu, which is why it is important to establish the current state of the tourist industry and especially the customers’ rationale for choosing accommodations. The primary research will consist of a survey to be filled out by business travelers only. This will be the first research that asks only business travelers their thoughts on peer-to-peer rental for business trips, and therefore the questions will necessarily be rather basic and expository.

2.1.4 RELATED SUB QUESTIONS

1) What is unique about the peer-to-peer rental model and why should Wimdu make efforts to seek out business tourists?

2) What is known about business travelers in comparison to leisure travelers based on secondary literature?

3) What kind of understanding of the behaviour and priorities of business tourists can be gathered from the primary research?

4) What recommendations can be made to meet the key requirements of the target segment of business travelers?

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7 Ibidem, abbreviated Ibid., references the source in the preceding footnote.
2.2 RESEARCH RELEVANCY

The private vacation rental market is currently in a pronounced growth phase. Statistics show that in Europe only 1 in 4 trips are now spent at hotels, and a similar development is occurring in America. As there is thus more demand for Vacation Rental By Owners (VRBOs), many companies have been formed to become intermediary platforms that connect the accommodation provider and the tourist. This market is still very fragmented and unregulated. Amongst Internet listings sites competition is strong and the main object is to provide as many listings as possible.

Wimdu aims to become the number one hotel alternative for vacation and short-term lettings. In order to do this amongst fierce competition the student proposes to investigate tourists’ motivations in travelling and their rationale in choosing accommodations. This can make Wimdu a more consumer-friendly and customer-oriented service, which will help to increase their clientele.

Specifically, efforts will be made to understand the business tourists, a demographic that is as yet untapped by the private vacation rental market. Understanding the business traveller and devising simple changes that Wimdu can make to attract them, could give Wimdu a competitive edge, as they would be amongst the first to target this segment. The research is extremely relevant because it can help Wimdu improve their service and quality-standards generally for all tourists.

2.3 RESEARCH METHOD

The methods of research can be exploratory, explanatory, and descriptive. None of these three have to be used exclusively in research but can be overlapping – there are not always a clear boundary between them. Exploratory research is used on areas that have not yet been explored in previous research and strive to generate in hypotheses for further research. Explanatory studies analyze causes and relationships and attempt to identify patterns related to the subject studied. In descriptive research a subject is described and documented. One may concentrate on observing the physical setting, the key participants and their activities.

The purpose of the thesis is to identify business tourists and to see if a transition to Wimdu is possible and how it could be accomplished. All three research methods are used in some way in the study. It is exploratory since the authors try to find a better understanding for how business tourists select accommodations. This research has also generated several questions that are suitable for further research. However, the research method is also descriptive due to the fact that the graduate student will describe both existing theory and the empirical data collected. Finally the research method can also be recognized to be explanatory because the author will draw

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some conclusions regarding causes and patterns by answering the research questions. Nevertheless, the research method is primarily descriptive and marginally exploratory.

Primary research will consist of a survey to be answered exclusively by business travelers. The advantages of a survey are that they provide large amounts of quantitative data that can be analyzed to discover trends and particular relationships between types of subjects and choices. Also of particular use will be the fact that a survey can be used to dehomogenize the group of business travelers, for aside from traveling for business, the members of this group have little in common individually. They can be completely different ages and in different types of employment and business sectors. The survey will help to find out if there is a particular type of business traveler that is more likely to use Wimdu, that Wimdu could, in turn, specifically target.

Secondary research will provide the necessary framework for this project. The secondary sources include scientific articles, books, and studies. Open studies published on the Internet, as well as statistics provided by governmental organizations, such as Eurostat, will also be consulted. All Internet sources will be thoroughly checked for scientific and credible sources, before being included in this thesis.

3.0 THEORETICAL FRAMEWORK

In this chapter the graduate student will analyse the hospitality industry and introduce the relevant marketing theory. The first thing to be introduced will be the theory of Marketing research and Critical Success Factors. This is crucial to know about first because ultimately, this thesis performs market research that Wimdu can use to improve its marketing strategy. The theory of ‘Critical Success Factors’ forms the backbone of this paper. The term is used throughout the paper and therefore must be defined first. The aim is to analyse, through secondary and primary research, what the Critical Success Factors of Wimdu are, and if they are appealing to business tourists.

This premise leads to the next two points that will be explained in the theoretical framework, the Vacation Rental Market and that which makes Wimdu’s business unique in this industry. The defining feature of Wimdu is that it is a peer-to-peer rental platform. The concept of peer-to-peer business will be explained and how Wimdu is part of a dynamic and competitive industry, making it important for Wimdu to continually gain more customers. Next, the changing state of the European Vacation Industry and how Wimdu fits into it are explained. This will be done to highlight the Critical Success Factors of Wimdu.

The goal of the paper is to see if the Critical Success Factors of Wimdu are appealing to business tourists, and so the final thing to be explained in the theoretical framework is academic writing on the business traveller and what they deem important. It will be researched what the motivations for business travel are and how it differs in booking and touristic behaviour from leisure travel. An understanding of these points will aid in comprehending how the hospitality industry has adapted to the special requirements of business tourists. This knowledge will help to devise ways for Wimdu to adapt to and be attractive to business travellers. The results of both the desk research and the survey can be used to make effective amendments in Wimdu’s marketing strategy in order to become more appealing to business tourists.
3.1 MARKETING RESEARCH

It is Wimdu’s stated goal to be the number one hotel alternative to vacation rentals and short-term lettings. In this thesis paper market research will be performed to see which customers Wimdu could potentially target in order to reach this goal. As the research will show, business tourists are a customer group that almost exclusively visits hotels and could be a potential gain for Wimdu.

Marketing research is the systematic, design, collection, analysis and reporting of data relevant to a specific marketing situation facing an organization. Companies use marketing research in a wide variety of situations. For example, marketing research can help marketers understand customer satisfaction and purchase behaviour. It can help them to assess market potential and market share or to measure the effectiveness of pricing, product, distribution and promotion activities.  

After the problem has been defined carefully, the manager and researcher must set the research objectives. The marketing research might have one of three objectives: The objective of exploratory research is to gather preliminary information that will help define the problem and suggest hypothesis.

The objective of descriptive research is to describe things, such as the market potential for a product or the demographic and attitudes of consumers who buy the product. The objective of causal research is to test the hypothesis about cause-and-effect relationships. This research will largely be exploratory and descriptive, as preliminary desk research will be done in order to study the tourist accommodation market and business tourists. Then the attitudes of the demographic will be attained through a thorough evaluation of the survey results.

3.1.1 MARKET SEGMENTS

In order to perform market research one must first understand the structure of markets. Markets are divided into market segments. A market segment is a group of customers who have similar needs that are different from customer needs in other parts of the market. Customer needs may vary for a whole variety of reasons and theoretically any of their factors could be used to identify market segments. Managers should consider which bases of segmentation are most important in any particular market. It is helpful to consider different bases of segmentation to help understand the dynamics of that market and how these are changing.

For management this means dividing the market into segments of customers (market segmentation) and selecting which segments it will go after (target marketing). Often marketing management is conceived of as simply finding as many customers as possible and increasing demand. However, marketing managers know that they cannot serve all customers in every way. By trying to serve all customers, they may not serve any customers well. Instead, the company wants to select only customers that it can serve well and profitably. Groups that are identified as especially profitable will become the main target of marketing strategies. They are called strategic customers.

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3.1.2 STRATEGIC CUSTOMERS

The strategic customer is the person(s) at whom the strategy is primarily addressed because they have the most influence over which goods or services are purchased. There must be clarity on who the strategic customer is, as it is the desires of the strategic customer that provide the starting point for the strategy.\(^\text{13}\)

It is a viable option to identify opportunities by looking across strategic groups, particularly if changes in the macro-environment have occurred. For example, advances in IT could create new market gaps. Changes in the macro environment create new strategic groups.

The strategic customer is critically important, but the nature of buyers is complex. Furthermore, there may be several people involved in a purchasing decision. There may be opportunities in targeting neglected strategic customers or neglected influencers of strategic decisions.

3.1.3 CRITICAL SUCCESS FACTORS

An understanding of customer needs and how they differ between segments is crucial to developing the appropriate strategic capability in an organization. From a providers’ standpoint it is paramount to understand which features of a particular product are of particular importance to a group of customers (market segment). These are known as the critical success factors (CSFs). CSFs are those product features that are particularly valued by a group of customers and, therefore, where the organization must excel to outperform competition.\(^\text{14}\)

The critical success factors play a very important role in this research because they will draw a link between what sets Hotels apart from VRBO’s. The intention of this analysis is to find what features a hotel has to offer business tourists that a vacation rental on Wimdu cannot, and also to find the aspects where Wimdu can improve by offering the same feature.

To build a successful marketing strategy it is indispensable to have thorough knowledge of two things: what the strategic customer’s value and what the company excels at offering over its competition. That is why the next part of the paper will focus first on defining the vacation rental market. Then the business tourist will be examined as a market segment and his or her needs and values will be defined. A question the thesis will pursue is what features of Wimdu can be highlighted in a strategy to appeal to business tourists. Finally, key success factor theory will be used to analyse what Wimdu can offer that hotel competitors cannot.

3.2 WIMDU EXPLAINED: UNDERSTANDING THE BUSINESS MODEL

3.2.1 ELECTRONIC MARKETPLACES

Wimdu is an online company. It does not deliver a physical service itself, but rather it coordinates the transaction of a service online. It is an example of an E-Marketplace (Electronic Marketplace).

Electronic marketplaces differ from real marketplaces in the sense that they are not bound by geographical or timely boundaries. Through the electronic connection of market participants via a network, e.g. the Internet,
participants can join independently of time and geographical location. This virtual connection can happen anytime (24h/7d). Consumer and Supplier are also not required to meet personally in a real place, but come together at a specific online address, examples being ebay.com, or Wimdu.com.

A concise definition of an E-marketplace is: “a defined, but not real place, connected via a data-network, where the participants (supplier and consumer) meet to conduct a transaction without the restriction of a real marketplace (geographical and timely) with the help or supervision of a marketplace provider which coordinates the transaction.”¹⁵

It is important to understand that Wimdu is an online company because it is what defines its business model. Thanks to the Internet it is now possible that companies can more easily reach customers to provide goods. However, it has also become increasingly easy and common for customers to connect to each other and provide services amongst each other. This is a movement that has often come to be called the peer-to-peer or the collaborative economy. ¹⁶

3.2.2 COLLABORATIVE ECONOMY

Recently much literature has been written on the peer-to-peer, or collaborative economy. This paper will use the term collaborative economy, which will now be explained. In a recent research paper by the Altimeter group, Jeremiah Owyang introduces the concept by explaining that an entire economy is emerging around the exchange of goods and services between individuals instead of from business to customer. ¹⁷ This change redefines market relationships traditional sellers and buyers and is impacting business models.

Owyang offers the following definition of the Collaborative Economy:

“The Collaborative Economy is an economic model where ownership and access are shared between corporations, startups, and people. This results in market efficiencies that bear new products, services, and business growth.”¹⁸

Building on this definition he provides a 3-stage model of key shifts that occurred during the evolution towards the Collaborative Economy Era:

First Phase – Brand Experience Era (Web): Information is made widely accessible through the Internet, but the ability to publish remains in the hands of media and corporations. This can be seen as a “one-to-many” model in which companies “at” customers through corporate websites. The power lies with a few, though many are impacted.¹⁹

Second Phase – Customer Experience Era (Social Media): New tools enable customers to publish themselves and communication between them drastically increases, especially through social media

¹⁷ Ibid.
¹⁸ Ibid.
¹⁹ Ibid.
websites. This is a “many-to-many” model in which customers share their opinions, activities, and media, requiring brands to listen to and speak “with” customers. Power is shared by customers and companies.  

Third Phase – Collaborative Economy Era (Social, Mobile, Payment Systems): Fueled by social, mobile, and payment systems, customers are now empowered to share goods and services. Companies are disrupted as consumers buy from each other. Power shifts to the consumer.

Understanding that a shift to the collaborative economy is taking place is very important to understanding Wimdu’s business model and the premise of this paper. This paper investigates the possibility of attracting business tourists to Wimdu. Business tourists are part of the core hotel clientele, as will be further explained later (see section 3.2.5). Hotels are businesses that existed even before the Brand Experience Era. The initial changes brought by the Internet were overwhelmingly positive for them. Through the Internet larger customer pools were directly accessible and booking became simpler.

Some adaptations were made to adapt to the Internet age (Hotel Websites, Online Booking), but the core service that hotels are providing has not been changed by the shift to the Collaborative Economy. Hotels are businesses that provide rooms to their customers.

In the Collaborative Economy Era companies are disrupted as consumers choose to buy from each other over traditional institutions. Companies must respond to the shift in power to the consumer with new business models. Owyang cites the hospitality industry as an example of a traditional business institution that is being disintermediated, as consumers transact directly amongst each other.

Homeowners are coming to displace hotels. Platforms like Airbnb and Wimdu allow users to monetize their extra space by renting out rooms or homes to travellers from around the world. For those looking for luxury, renters can find upscale homes to stay at for a better price than staying at a high-star hotel. Travellers can bypass hotels for more unique, affordable, or even convenient travel experiences. Wimdu is a company that has only been able to come into existence thanks to the shift towards the Collaborative Economy.

According to Owyang’s model peer-to-peer rental is the way of the future. Hotels will continue to lose customers as they choose to rent from peers. This is a reason that justifies the research topic of this paper. Wimdu could gain a competitive edge over other Vacation Rental by Owner platforms by targeting the typical hotel clientele early on. By ascertaining through primary and secondary research what business tourists value in an accommodation Wimdu could become the first to tailor its site to also appeal to business tourists.

A further reason that justifies the premise of seeking new customers for Wimdu is that in the Vacation Rental Industry, having the most customers means that the business is highly trusted. At this moment Peer-to-Peer Vacation Rental Platforms are battling for attaining the highest number of hosts and guests. This is because the number of hosts will determine the number and variety of properties the business can offer, in short the hosts determine the inventory. Having many guests is equally important because trust is what collaborative economy is

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20 Ibid.
21 Ibid.
22 Ibid.
23 Boyd, 'Airbnb Clones Making 2012 the Year of Peer-to-Peer Accommodations'.
based on. The host needs to be able to trust that the guest will not trash his home. Vice versa, the guest needs to be able to trust that the host’s description of his home is accurate and that he will follow through on the booking.24

The rental site that agglomerates the highest number of guests will be very highly trusted (through user reviews, comparative statistics) and will thus be able to attract even more customers.25 It should be an essential goal for Wimdu to attract more customers while the concept of Peer-to-Peer Vacation Rental is still new, in order to establish a leading market position in the future. The next section will explain the current state of the Vacation Rental Market in Europe and the place that Wimdu occupies within it. This information will later be used to explain what Wimdu specifically offers that other Rental options do not, and which customers could still be targeted. The analysis will use the Marketing Theory of Critical Success Factors (see Section 3.1.3).

3.2.3 THE EUROPEAN VACATION RENTAL MARKET

The Peer-to-Peer Accommodation Rental business model is still very new and was pioneered by Airbnb in 2008. For a long time already it has been a quite commonplace practice to rent out one’s private vacation home. Airbnb’s game-changing business idea, that opened an entirely new market, was to rent out people’s primary residences.26

Wimdu is in fact an outright clone of this business model, founded by the German Samwer brothers who have become famous for successfully replicating successful business models pioneered by others like Zappos and Groupon.27 Investment expert Jeff Jordan has stated that ‘the rate of knock-offs is fairly astonishing’ and that there is a massive battle going on for hosts and guests, with companies advertising aggressively to lure users to their sites.28

To understand the competition and the European Vacation Rental Market Wimdu bought Market Research from PhoCusWright, which they have made available to the graduate students as a resource. PhoCusWright is a critically acclaimed expert on travel industry research and the number one authority on how travelers, suppliers and intermediaries connect. They provide fact based un-biased research that the student would not have the resources to conduct himself.

According to PhoCusWright’s research, the continental hotel marketplace is already fragmented and the vacation rental marketplace is fragmented to an even higher degree. The marketplace is split among small group of large vacation rental management companies (VRMCs), many small and medium-size VRMCs, numerous online vacation rental listing websites and portals, the number of which seem to be expanding daily, and hundreds to thousands of individual homeowners.29

For the European rental marketplace very few organising bodies exist, very limited government data collection occurs, and a significant volume of commercial activity takes place “off the books”, presumably so that homeowners can evade taxation. The vacation rental market may be fragmented, but it is also large and comparatively more mature than that of the U.S. The awareness and purchase incidence of vacation rentals by

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24 Ibid.
25 Ibid.
26 Ibid.
27 Ibid.
28 Ibid.
European travellers is much higher. Among these travellers there is a widespread and growing expectation to be able to search for and book vacation rentals online.\textsuperscript{30}

This marketplace is undergoing remarkable change. Innovations in technology and business models are creating new opportunities for individual homeowners and VRMCs to market their products, manage their businesses and service their customers.

Online listing sites like Owners Direct in the U.K. and Casamundo in Germany are challenging conventional VRMC models and market leaders. Startups such as Airbnb, HouseTrip and Wimdu are incorporating online booking and social features into their approaches to the online rental-by-owner model.

### 3.2.4 VACATION RENTALS DEFINED

In this paper vacation rental will be defined as properties rented on a nightly, weekly or monthly basis for vacations. These include homes, apartments and other types of dwellings rented either directly through the homeowner or through a third party such as a vacation rental management company.

Types of accommodations include apartments, cottages, houses, villas, chalets and bungalows. Holiday parks, which typically offer bungalow, apartment, and row house accommodations within club-like park settings. Some parks tend to cater to more price-sensitive family travellers. Some leading holiday park brands are Center Parcs, Landal GreenParks, and Roompot.

Consumers have multiple means through which they can search for and book vacation rentals and property owners likewise have multiple means of reaching them. There are four major types of intermediaries in the European vacation rental marketplace.

1. **VRMCs:** Vacation rental management companies handle the marketing, reservations and other aspects of the rental process for the homeowner. Examples include Interchalet and Interhome among many others.

2. **Listing Sites:** These are websites that aggregate vacation rental properties, usually directly from homeowners or small property managers. Most of these sites, such as Homelidays, Holiday Lettings, or FerienWohnungen do not offer online booking. Instead they send inquiries from potential renters to homeowners and charge the homeowner an annual listing fee. New entrants have introduced online booking and payment handling as core features and charge a fee per transaction.

3. **VR Portals:** These are websites that aggregate vacation rental properties, typically from VRMCs, but also from homeowners directly and usually offer online booking. Examples include Atraveo, Casamundo, and Compare Away.

4. **Travel Agencies, Tour Operators and OTAs:** This is travel’s conventional wholesale and retailing sector. In some cases traditional travel agencies include vacation rental within their offerings.

Wimdu, as a VR portal, is among the most innovative group of intermediaries and one that most exploits all the amenities of the Collaborative Economy Era by offering a service that can be accomplished entirely through the Internet. The number of online booking for all tourism is steadily increasing, and for vacation rental by owners,
portals that offer booking seem to be the way of the future.\textsuperscript{31} For Wimdu, it would be a great opportunity to increase its clientele in this emerging market by targeting business tourists as well to emerge as the number one hotel alternative for short-stay lettings. This especially so in an economic environment in which all tourists are cutting down on costs and as a consequence are turning away from hotels.

### 3.2.5 VACATION RENTAL STATISTICS

In order to see which of the previously explained accommodation and travel types are most popular in Europe at the moment, the trends in statistics of major sources will be summarised. It was determined that there is a paucity of unbiased and free-to-the-public statistics, as many statistics are authored by travel websites that tend to publish that, which supports what they are selling. Therefore the choice was made to use the official tourism statistics of the European Commission, which are unbiased and free to the public. Also, statistics done by travel rating sites that only compile reviews and recommendations, without being a travel provider, such as TripAdvisor are used, as the veracity of these can be checked by the responses of other users.

Recent statistics universally document a surge in the booking of private vacation rentals over hotel and motel rentals. According to a survey released in April, 2013 by TripAdvisor, nearly half (49\%) of the 1,300 U.S. travelers who responded to the survey indicated that they either have or plan to stay in a rental home in 2013, up from 40\% in 2011 and 46\% in 2012.\textsuperscript{32}

The reasons for this surge appear rather uniform. According the same survey, 82\% of respondents cited savings and last minute deals as the top reasons. Other motivating factors for the choice included traveling with a large group and the availability of more living space.\textsuperscript{33}

An identical, if not more pronounced, trend is observable in Europe. Only one in four trips are spent at hotels or similar establishments. In 2011, most trips were spent at private tourist accommodation, including dwellings rented from private individuals or professional agencies, but also second homes and accommodation provided for free by friends or relatives. Stays at hotels or similar establishments accounted for almost 26\% of holiday trips, while other collective accommodation such as holiday dwellings, campsites or youth hostels were used for nearly 10\% of holiday trips.\textsuperscript{34}

While not specifically mentioned in the survey, it’s probable that greater awareness of the availability of vacation rentals as a result of increased online marketing and guest referrals are also playing a big role in the shift. This is a very positive development for Wimdu and is also useful for targeting business tourists. Any potential business traveller can have made positive experiences with VRBOs as leisure travelers and may wish to use this form of booking on business trips as well.

\textsuperscript{31} Blizzard Internet Marketing, 'Travel Stats' <http://www.blizzardinternet.com/travel-stats/> [Accessed August 16 2013].
\textsuperscript{32} Ibid.
\textsuperscript{33} Ibid.
The current state of affairs however, is that hotels are clearly still the preferred accommodation for business tourists. They represent 62.2% of hotel guests.\footnote{Hotel Ad Network, 'Hotel Guest Profile' <http://www.hoteladnetwork.com/hotel-demographics.html> [Accessed August 16 2013].}

### 3.2.6 COMPARISON OF HOTEL AND VRBO DEMOGRAPHICS

<table>
<thead>
<tr>
<th>Hotel Guests</th>
<th>Vacation Rental Guests</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Business travellers make up 62.30% of travellers</td>
<td>- European VRGs are more than likely to be married or have a partner and children</td>
</tr>
<tr>
<td>- Hotel guests are more than likely to be married</td>
<td>- One in four earn between €25,000 and €49,000 a year and a further 30% earn between €50,000 and €99,000 a year</td>
</tr>
<tr>
<td>- Three out of four guests earn more than €42,000 per year</td>
<td>- Three in four are between the ages of 26-54 with very low incidence among seniors</td>
</tr>
<tr>
<td>- More than half the guests are between ages 40 to 59 while the other half are split between 20 to 39 and seniors</td>
<td>- They take an average of at least two leisure trips a year</td>
</tr>
</tbody>
</table>

The information conveyed in this graphic is the key differences in Hotel guests and Vacation Rental Guests at the moment. Firstly, the fact that business travellers make up 62%\footnote{Information for the Hotel Guest side is taken from Ibid. Information for the Vacation Rental Guest Side is taken from Quinby, 'European Vacation Rental Marketplace: 2011-2013'.} of hotel clientele is very important. It is to be expected that leisure travellers represent the minority of hotel guests, as they often choose Vacation Rentals, as the statistics also revealed. Here already, the trend towards a Collaborative Economy state can be seen. Following the predictions of this trend, soon also business travellers might look for alternative accommodation. Wimdu should start targeting them now to be the first to gain some of the business tourists as customers.

What the graphic further reveals, is that the hotel guests are generally higher earning and older. This is to be expected because many of them will be business tourists. It can be hypothesised that hotel guests are older, with already adult children, and further advanced in their careers, explaining the higher average pay. Vacation Rental Guests seem to typically be young families with small children and lower income. Of course this makes these factors radically influence what the customer is looking for in an accommodation. It seems that the Critical Success Factors of Vacation Rentals are more matched towards a younger, lower income demographic.

To see if the Critical Success Factors of Vacation Rentals could be appealing to business travellers, more research will be presented on what exactly business tourism is and what the ideal accommodation for such a trip would be. This will form the knowledge basis for the Critical Success Factor analysis in section 4. Understanding what special
requirements business tourism brings with it, will help Wimdu to better attract business travellers, by demonstrating that they also can provide everything that the business traveller needs.

### 3.3 UNDERSTANDING TOURISM

Now the demographic differences between hotel and VRBO clients has been shown to establish what the current state of the market is, the segment of business tourists must be further analyzed in order to find out their reasons for booking hotels. The critical success factors of hotels that appeal to the strategic customer of business tourists can be extrapolated from their motivations. Knowing these can enable Wimdu to either provide the same service, thus neutralizing the hotels’ critical success factors. Alternatively, Wimdu can try to promote its unique aspects as appealing to business tourists, thus providing competing critical success factors.

### 3.3.1 BUSINESS TOURISM DEFINED

As mentioned earlier, for a marketing strategy to be successful it is important to know how the market is segmented. Business tourists are a constant and predefined market segment that has even already been defined by academia.

Rob Davidson, in his ground-breaking book on business tourism in 1994, attempted to define business tourism as follows:

*Business tourism is concerned with people travelling for purposes, which are related to their work. As such it represents one of the oldest forms of tourism, man having travelled for this purpose of trade since very early times.* (Davidson, 1994)

The terms ‘business travel’ and ‘business tourism’ are often used almost interchangeably but there is a qualitative difference between them.

Business tourism is the broader term, which encompasses all aspects of the experience of the business traveller. Furthermore, using the standard interpretation of the term ‘tourism’ or ‘tourist’ this term seems to focus on those business people who are true tourists, in other words, those who stay away from home for at least one night.

Business travel on the other hand seems to focus particularly on the movement of business travellers from place ‘A’ to place ‘B’. It also seems to include those who make day trips for business purposes, and are therefore not true ‘tourists’ in the conventional meaning of the term.

Aside from definitions offered by academia there is a way to define the market segment of business tourists by their motivation, a term used in tourism theory to define the reasons for travel in different market segments. Further defining and exploring the business tourist and how they differ from other tourists will be a practical approach that will lead to understanding the values of the business tourist and what Wimdu can offer them.
3.3.2 TOURISM MOTIVATION

Tourism could not exist without peoples’ motivation to travel. Often the traveller’s selection of a destination is likened to a trip to the supermarket, where the shopper walks in and selects a destination from any hundreds of choices. Although there are a huge number of choices the perspective of the traveller is usually circumscribed by a number of factors. These include attitude, time available, family responsibilities, education, and physical health to name a few. All these factors could be seen as being influenced by the traveller’s personality type and the value(s)he attaches to traveling. These are factors that are important in shaping the tourists’ final buying decision, but they are not motivations.\footnote{J.C. Holloway and N. Taylor, \textit{The Business of Tourism}, (Financial Times Prentice Hall, 2006).}

Motivations can be defined as a force within an individual, which compels him/her to do something to fulfill a psychological or biological desire. Travel motivators are those factors that create a persons’ desire to travel. They are the internal psychological influences affecting individual choices. Motivation for travel is complex and incorporates a broad range of human experiences and behaviors.\footnote{Ibid.} A brief list of travel motivations might include rest and relaxation, recreation, excitement, social interactions with friends and relations, status, adventure, physical challenges, status and escape from routine work and stress.

Motivations can be classified as (i) destination related and (ii) non-destination related. Destination-related travel motivators are those that allow a tourist to select any area to go. These tourists are not restricted to a specific destination and can therefore always make a cost comparison before choosing a destination. Non-destination-related factors are for a cause rather than a destination. This would include for business, education, visiting friends and relations, health, and pilgrimage.

3.3.3 DISTINCTIONS BETWEEN TYPES OF TOURISM BASED ON MOTIVATION

A.K. Bhatia in his book \textit{The Business of Tourism: Concepts and Strategies} found that two broad distinguishable groups of travellers emerge after examining motivations.\footnote{A.K. Bhatia, \textit{The Business of Tourism: Concepts and Strategies}, (Sterling Publishers Private Limited, 2006).} The first group consists of those who have to visit a particular place and includes businessmen and those who may be described as common-interest travellers, such as those visiting relatives and friends. The decision to travel, when and where to go, how much to spend, etc., is to a great extent outside of the control of this group of travellers. This group’s travel motivations are largely non-destination-related.

The second group consists of tourists in the pure sense who have a freedom of choice. This group decides for themselves whether they should apply their leisure time to participate in tourism. They also decided when, where, and at what price they wish to go. In pleasure or holiday travel the reasons and motivations are extremely varied and hard to pinpoint. On the other hand, the reasons for travel in the case of businessmen and others in the first group are self-evident. There is no particular problem faced in identifying their motivations.
3.3.4 CHARACTERISTICS OF NON-DESTINATION-MOTIVATED TRAVEL

Enjoyment of the attractions and facilities do form part of the purpose of non-destination-motivated trips, though this does not preclude that they can be enjoyed as an adjunct to the trip. Business trips frequently have to be arranged short-notice, and for specific and brief periods of time, sometimes even as short as a day. For these reasons business travellers need the convenience of frequent, regular transport, client service and good facilities in accommodation and catering.40

Often the company will be paying for all the travel arrangements for which reason business travellers will be less concerned about the cost of travel than of they were paying for themselves. Higher prices are not seriously likely to deter travel, nor are lower prices likely to encourage more frequent travel. It can therefore be concluded that business travel is relatively price inelastic.41

It must be recognised however, that narrowing profits in the business world are driving up elasticity among business travellers. The growth of low-cost air carriers has made discounted air travel so attractive by comparison with fares on established carriers that low-cost airlines now claim a large portion of business travellers. This is part of a greater trend of companies’ trying to minimise travel expenses.

3.3.6 HOTELS AND THE BUSINESS TOURIST

Rob Davidson writes in his book Business Tourism: Conferences, Incentive Travel, Exhibitions, Corporate Hospitality and Corporate Travel that generally, the priorities of business travellers are focused on the effectiveness and quality of travel products purchased. They seek convenience, comfort, reliability, stress-free travel arrangements and prompt resolution of any service failure.

Hotels have had to adapt to the changing needs of the business tourist, with the optimum balance between cost, convenience, and comfort constantly being sought by the corporate customer. Davidson writes that many business tourists are now not so much looking for a home away from home in, but an office away from the office as accommodation on business trips. Wifi access has become a standard, but hotels offer further services such as translation and photocopying, offering guests a full range of secretarial during their stay.42

This is a problem for Wimdu, as these Success factors are unique to hotels. While there might be homeowners listed on Wimdu that can supply Internet, perhaps even a scanner/printer, that is ultimately because of the host and not because of Wimdu. This point will be discussed again in the primary research section. What can already be seen is that the Critical Success Factors of Vacation Rentals do not seem to match the primary requirements of business tourists. Instead, Wimdu must advertise its strong points as being so attractive, as to be even more important than convenience.

40 Holloway and Taylor, The Business of Tourism.
41 Ibid.
There has already been research done on the Critical Success Factors of various accommodations. In all extant research on the unique advantages of each type of lodging the same points are listed. The Traveladvisor™ survey resulted in the following chart as the perceived advantages of each accommodation.

<table>
<thead>
<tr>
<th>HOTELS</th>
<th>VACATION RENTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>More Inventory</td>
<td>More living space</td>
</tr>
<tr>
<td>Greater Availability</td>
<td>Extra bathrooms</td>
</tr>
<tr>
<td>Convenient Locations</td>
<td>Greater Privacy</td>
</tr>
<tr>
<td>Service and Quality Standards</td>
<td>Full Kitchen and laundry facilities</td>
</tr>
<tr>
<td>Common amenities such as pool, spa, fitness center, business services</td>
<td>Better accommodations for larger groups staying together</td>
</tr>
<tr>
<td>Conference Facilities</td>
<td>Pricing advantages for longer stays</td>
</tr>
<tr>
<td>On-Site Staff</td>
<td>Private garages</td>
</tr>
<tr>
<td>In-house or nearby restaurants</td>
<td>Feeling comforts of home</td>
</tr>
</tbody>
</table>

What can be gleaned from this graphic is that, indeed, almost all of the Success Factors of hotels are related to convenience, while those of Vacation Rentals can be associated with the keywords ‘comfort’ and ‘privacy’. This matches the preceding secondary research, which states that it should be expected that business tourists prefer hotels because they are seeking convenience.

The problem with the extant research on the Critical Success Factors of Vacation Rentals is that it uses all tourists, leisure and business, as survey subjects. Doing this will always yield the dichotomies of convenience/comfort and business/leisure. It is also impossible to see any differences within the group of business travellers. There may be some who value greater privacy more than a convenient location for example.

In order to dehomogenize the demographic of business traveller and to verify the conclusions drawn from the secondary research, the graduate student will perform primary research. The novelty of this research is that it will target only business travellers. It will be a survey to be filled out only by those who travel regularly on business. This will reveal the many nuances of preferences within the group of business tourists.

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43 Marketing, 'Travel Stats'.
4.0 PRIMARY RESEARCH

After having done desk research on the vacation rental industry and on business tourists this section will perform primary research on business travellers in this section. To briefly recapitulate, the sub research questions were:

1) What is unique about the peer-to-peer rental model and why should Wimdu make efforts to seek out business tourists?

2) What is known about business travelers in comparison to leisure travelers based on secondary literature?

3) What kind of understanding of the behaviour and priorities of business tourists can be gathered from the primary research?

4) What recommendations can be made to meet the key requirements of the target segment of business travelers?

Questions 1 and 2 have been answered in the previous chapter. Vacation rentals are steadily growing as the accommodation type of choice in the leisure tourist sector. It is especially important for Wimdu to make efforts to expand its customer base now, as the Collaborative Economy Era is still in its beginnings, and it can only be expected that peer-to-peer rental will become increasingly commonplace. If Wimdu makes efforts now, it will occupy a leading position in the future.

To see if Wimdu could become a hotel alternative for business tourists, research was done to establish the priorities of business tourists. The research revealed business tourists form the main clientele of hotels and that they value guarantees and convenience. The weakness of the extant research is that it never solely targets business tourists, but always compares leisure tourists with business travellers, which results in false dichotomies of preferences and produces an exaggerated homogeneity in the demographic of business tourists. In order to see the differences individual business tourists more clearly, the graduate student’s primary research will conduct a survey to be answered by business tourists only. Furthermore the survey answers will be used to see if there can be a strategic fit between what Wimdu’s offers and business tourists’ desires.

The goal of the primary research was also to find out which critical success factors of hotels Wimdu could match, or otherwise provide an equally appealing alternative. Finally, the student also will propose changes that would make Wimdu more accessible to business tourists. Sub-questions 3 and 4 will be answered through chapter 4 and addressed again in the conclusion.

4.1 RESEARCH OUTLINE

After having established a theoretical framework it is now necessary to present the primary research. The most suitable approach to answering the main question is to conduct a survey. This makes it possible to collect large amounts of quantifiable raw data (i.e. booking characteristics of business travelers), and also provides the opportunity questions designed to gain a more in-depth understanding of specific scenarios (i.e. could guests provide their own internet).
The research strategy of surveying is usually associated with the deductive approach. It is a popular and common strategy in business and management research and is most frequently used to answer who, what, where, how much and how many questions. In addition, the data collected using survey strategy can be used to suggest possible reasons for particular relationships between variables and to produce models of those relationships. The negatives are that it will not be as wide-ranging and the poor execution of the questionnaire.

In the following sub-chapters the research method will be explained, reliability and validity will be tested and the content of questionnaire will be explained.

4.2 SURVEY PREMISE

The primary research will be collected through a self-administered questionnaire using the online survey tool at www.umfrageonline.de.

The population of this survey is going to be all the business travellers in Europe and the graduation student aims to take a sample of this population with a minimum of 50 respondents. Sampling is often required for many research questions since it will be impossible either to collect or analyse all the data available owing to the restrictions of time and money.\(^{44}\) Statisticians have also shown that a sample size of 30 or more will usually result in a sampling distribution for the mean that is very close to a normal distribution.\(^{45}\) The student ended the survey with a total of 61 respondents.

The primary data collected from questionnaires is ultimately quantitative data because the majority of questions and answers are standardized or not open ended. However, there are a few questions that allow the candidate to fill in their own answers and this would be a qualitative analysis. These qualitative research results will help with answering the main question as well as providing information for what strategies should be implemented by Wimdu in the future.

The biggest drawback of the survey method is that it does not give insight into causation. There can be no way to ascertain why the respondents answer as they do, other than by formulating hypotheses based on recurring correlations. This is related to a further drawback, namely that it is impossible to further question interesting or outstanding individuals. The format is altogether less flexible than a qualitative approach like interviewing. Despite these weaknesses, the survey format is the most appropriate, especially because this is the first research focused on business tourists and therefore it is preferable to question many on simple question in order to see where the trends lie.

4.2.1 RELIABILITY OF SURVEY RESULTS

In order to measure the reliability of the survey the margin of error of the survey was calculated using the free online tool on the site Raosoft.com.\(^{46}\)

The margin of error determines how far the answers from a sample would deviate from its representative population.

Since there are no clear numbers of how many business travellers there are in all of Europe the student used the total number of employed people in Germany as population size, a total of 41 million. For the estimation of the

45 Ibid.  
margin of error this is acceptable because according to Raosoft, the sample size for populations above 20,000 does not change much. 47

For a population of 41,000,000 and a sample size of 61 the margin of error of this research is roughly 13%.

This is higher than the usual required academic average of 5 % 48, but since the population size is hard to estimate and is also very large, this higher margin is unavoidable.

4.2.2 TIMEFRAME OF RESEARCH

The goal of the survey was to have at least 60 people answer the survey and the time limit was set to 3 months. The survey was kept open after 60 were reached and the time limit was over. In 3 months 61 people completed the survey.

4.2.3 RESEARCH PROCEDURE

In order to reach regular business travellers only, the graduate student first asked acquaintances who travel regularly on business to fill out the survey. He then asked them to ask colleagues to fill out the survey and so on. This method has the benefit of increasing the probability that participants will fill out the entire survey, as they were asked as personally. The response rate is low when asking randomly and anonymously without offering incentive rewards.

4.2.4 SURVEY STRUCTURE

In this section a brief overview of the questionnaire will clarify the selection criteria of the questions and what the intention of the questions are.

The in-depth analysis of each question will follow in the following chapter.

The questionnaire is divided into 5 different sections:

Section One:

1.) Have you ever stayed at a vacation rental when travelling on business?
2.) How did you book your accommodation?
3.) How satisfied were you with your accommodation?
4.) Do you prefer it to a hotel?

The first question is designed to immediately sort out the business travellers that have stayed at a vacation rental on a business trip before. There are 3 follow up questions for these travellers to determine what booking method they used, how satisfactory their accommodation was and an open question that enables them to write feedback on what they thought was good or bad in comparison to their hotel experience. The questionnaire finishes for them and the most important data set collected is the estimated percentage of business travellers who have stayed in a vacation rental on a business trip before.

47 Ibid.
Section Two

5.) On average, on how many business trips do you go on annually?
6.) What is the average length of your trips?
7.) Please indicate what percentage of business travel destinations are large cities.

For those candidates that have never stayed at a vacation rental while on business, the questionnaire continues. In this segment general travel characteristics are gathered that all have relevancy when it comes to making bookings over Wimdu.

Questions five, six and seven begin with establishing how many business trips the candidates go on annually, followed by the average length of their trips and their destinations. These questions aim to give insight on the traveling expertise of the candidates and find out how homogenous the survey sample is.

Section Three

8.) How do you organize your business travel?
9.) Are you employed or self-employed?
11.) On average, how far in advance are your business trips booked?
12.) Are there ever incidences where you spontaneously have to travel on short notice?
15.) Is it possible for you to book an apartment instead of a hotel room for business travel?

These questions are intended to find out more about the booking process of business travellers, or if they even have control over it.

The question on travelling on short notice was selected because Wimdu hosts have a high booking decline rate when it comes to next night bookings, mainly due to there not being enough time for them to prepare the rooms sufficiently.

Question 15 is very important because it is a threshold analysis to see what the booking limitations of the business travellers are. It is expected that most of the travellers have chosen to stay at hotels for their own reasons, but if it is literally impossible for an employee to choose their accommodation than this is a dead end for Wimdu.

Section Four

10.) If you were to stay at a vacation rental would you look for a cheaper alternative to a hotel or try to find a luxurious alternative to a hotel?
13.) If the accommodation had no internet, would you be able to provide your own internet by the use of mobile phones or internet sticks?
14.) Do you ever meet colleagues or friends socially on these trips?
16.) Have you ever stayed at anything other than a hotel for business?
17.) What is the average rating of the hotels that you stay in for business?

The questions in this section are there to gather more information about the accommodation, the social aspects of business travelling and two scenario questions.

The scenario question 10 is there to find out what the travellers associate more with vacation rentals, a luxurious alternative or a smart way to save money. Question 13 addresses the problem of internet not being available in all Wimdu apartments and this question searches for solutions on the guest side.
Section Five

In order to answer the central question it is very important to understand the critical success factors that make hotels and vacation rentals popular and successful accommodation types in their own rights.

Certain features overlap, but certain features are unique to each type of accommodation. In section five a matrix was created (see appendix) with the key features of both accommodation types that lets the candidates rate them.

The goal is to collect basic primary data that can be used to create an approach that would increase bookings from business travellers. As stated earlier there is not sufficient data available to understand the relationship of business travellers and vacation rental accommodation and this matrix will provide a significant amount of data that can be analysed.

4.3 RESEARCH RESULTS

In this section the responses to each question will be analysed in detail. In each section conclusions about what the responses tell the researcher will be drawn. These conclusions will then be used in section 4.4 where it will be examined if Wimdu’s business model can fit the ideals of the business traveller as represented by the survey takers. Based on these conclusions the student will also make recommendations of changes that Wimdu could make in section 4.5.

4.3.1 QUESTION 1

Have you ever stayed at a vacation rental when travelling on business?

Total Respondents: 61

Ja = Yes
Nein = No

ja: 19.67%
nein: 80.33%
This question aims to discover what part of the current business traveller population has already tried staying at a vacation rental for a business journey. It was hypothesized that the business traveller market is still largely untapped for Wimdu and the results from the survey prove this.

Eighty percent of business travellers answered ‘No’, which means that these individuals represent a heretofore largely untargeted group. If Wimdu could succeed in reaching even a few of this group of business travellers it would mean a large increase in customers. Even a marginal increase in these percentages would translate into many more bookings considering that the European hotel market is three times as big as the European vacation rental market and of that hotel market, 68 percent of all bookings come from business travellers.

With such a large majority of travellers never having used vacation rentals before, it might also be easier than expected for Wimdu to attract business tourists, since Wimdu itself has not directly targeted business travellers with marketing campaigns at all so far.

### 4.3.2 QUESTION 2

**How did you book your accommodation?**

<table>
<thead>
<tr>
<th>Total Respondents: 12</th>
</tr>
</thead>
</table>

- Internet Platform (Wimdu, Airbnb): 52.6%
- Travel Agency: 15.79%
- Friends Place: 5.26%
- Private Contact: 5.26%
- Other: 21.05%

If the survey candidate has already stayed a vacation rental before, it is important to find out how exactly they booked their accommodation and determine what motivations they had. The important information that can be deducted through this graph is that of those business travellers that are already using vacation rentals as business travel accommodations only 50 percent are booking over an Internet booking site like Wimdu.

A further analysis needs to be made to see which site is usually preferred by business travellers that are already using vacation rentals as travel accommodations.

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4.3.3 QUESTION 3

How satisfied were you with your accommodation?

Total Respondents: 12

- Very satisfied: 31.58%
- Satisfied: 52.63%
- Average: 15.79%

This question simply aims to ask the important question if the business traveller had a satisfactory stay at a vacation rental while travelling on business. If the majority of the candidates had a satisfactory stay it could be said that many of the accommodations available are already viable options for business travellers and a real demand for Wimdu exists already. If the satisfaction level is rather low then that could mean that if Wimdu promotes rentals to business travellers, many travellers could end up being disappointed. If that were the case Wimdu should not pursue a strategy of targeting business travellers. The survey showed however, that satisfied customers were overwhelmingly in the majority, which is a positive sign to pursue this group further.
4.3.4 QUESTION 4

Do you prefer it to a hotel?

This open ended question aims to find out what factors are interesting for business travellers while staying at a vacation rental. The intention is to see if all factors that are listed as important by the secondary research are accurate or if there are some additional factors that the travellers thought were very important.

From the 12 candidates 10 answered the following:

<table>
<thead>
<tr>
<th>PRO VACATION RENTAL</th>
<th>CONTRA VACATION RENTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>-more room</td>
<td>-A hotel has one room for me, cleaned every day, with a bar and a car park. There is washing room for my own and breakfast with some coffee prepared.</td>
</tr>
<tr>
<td>-more privacy</td>
<td>- No, I would prefer a hotel because it is more convenient in relation to my schedules.</td>
</tr>
<tr>
<td>-more independence when working late or odd hours</td>
<td>- A rental is fine when traveling alone, but in a group I prefer a hotel.</td>
</tr>
<tr>
<td>- cooking your own meals</td>
<td>- I received a much closer insight into the culture of the country and had some personal contact with locals</td>
</tr>
<tr>
<td>- it was better for a longer stay - more room, kitchen etc. For short stays I prefer the service of a hotel.</td>
<td>-more freedom</td>
</tr>
<tr>
<td>- the private apartment offered more space and was very comfortable</td>
<td>-an apartment is better for small meetings</td>
</tr>
<tr>
<td>- a rental is fine when traveling alone, but in a group I prefer a hotel.</td>
<td>- For a longer stay stay yes, but it needs to have service like cleaning and it has to be prepared upon arrival. I would hate to make beds when arriving late at night.</td>
</tr>
<tr>
<td>- I received a much closer insight into the culture of the country and had some personal contact with locals</td>
<td></td>
</tr>
<tr>
<td>-more freedom</td>
<td></td>
</tr>
<tr>
<td>-an apartment is better for small meetings</td>
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<tr>
<td>- For a longer stay stay yes, but it needs to have service like cleaning and it has to be prepared upon arrival. I would hate to make beds when arriving late at night.</td>
<td></td>
</tr>
</tbody>
</table>

There was no single candidate that said he would exclusively book vacation rentals over hotels, but many candidates mentioned important critical success factors that make vacation rentals good alternatives to hotels. For these candidates who actively look for a vacation rental as business travel accommodation it would be important for Wimdu to increase their market share in relation to the figure in question 2.

The questionnaire ends for the people that answered yes in the first question and the greater part of the survey continues for those business travellers that have never stayed at a vacation rental for business.
4.3.5 QUESTION 5

On average, on how many business trips do you go on annually?

Total Respondents: 49

The percentages in the diagram represent the 49 candidates that have chosen ‘no’ for the first question. The rest of the survey questions were all completed by 49 different respondents.

The question shows that the survey has reached many different types of business travellers and thus it is more reliable when using the survey as a sample for the population of business travellers in Europe.

Further interesting research in this direction would be to see if there is a correlation between how often someone travels and whether it is those who travel often, or travel less that would book a vacation rental. Since only 19% of respondents had stayed at a vacation rental on business, no representative conclusion can be drawn from this survey. It would be useful to research this further to best determine in which way Wimdu should be advertised. It could be advertised for example as a fun change for those who travel often and always stay in the same kinds of hotels, or as an opportunity to make the most of the one business trip a person goes on.
4.3.6 QUESTION 6

What is the average length of your trips?

![Pie chart showing distribution of trip lengths]

The average length of stay for business travellers shows that the majority of travellers (60 percent) are only staying for 1 or 2 nights. As shown in the secondary research and in the comments from guests above, one of the factors that make vacation rentals a good alternative to hotels is that they are more comfortable for long stays.

For short trips the benefits of hotels such as the convenience, front-desk services and guaranteed booking are in favour of the hotel accommodations. Furthermore, the amount of offers that are on Wimdu that rent out for a 1 or 2 nights are much lower than for 3 or more days because it is not always worth it for a host to prepare the rooms for such a short stay.

Overall a large majority of business travellers that are staying only for a 1 or 2 night basis should not be addressed because the critical success factors that make vacation rentals a valid alternative are not critical for short stays.
4.3.7 QUESTION 7

Please indicate what percentage of business travel destinations are large cities.

Since the majority of Wimdu accommodations are based in large cities and vacation areas it is important to explore where the business traveller usually travels. As the graph shows above shows the large majority of business travel destinations are large cities. This is overall another important indicator that it is possible for Wimdu to attract business tourists since the accommodations match the travel destinations of the travellers.

4.3.8 QUESTION 8

How do you organize your business travel?

- Handled internally by the company: 69.57%
- Travel Agency: 8.76%
- I plan myself: 19.57%
- Andere: 2.17%
The secondary research showed that it is not only important that business travellers have a great accommodation that suits all their needs, but that the booking and planning process is the first step in a chain of decisions that would eventually lead to a booking over Wimdu.

The first step is to look at who actually does the planning of the business trips and how much control the employee has over the booking procedures. It is likely that all booking processes vary greatly from each other so the next survey questions aim to understand the booking processes better and find a way for Wimdu to approach these travellers.

The majority of travellers (70%) have their booking done internally by the company. To understand these processes better it is recommended to undertake further in-depth research within companies and speak directly to those who are in charge of the planning process.

For the twenty percent that plan their own business travels it should be in Wimdus interest to make known that vacation rentals can become alternatives for hotels too.

4.3.9 QUESTION 9

Are you employed or self-employed?

![Employment Pie Chart]

To further understand the 20 percent of travellers that plan their own travels it is important to look at their type of employment. In the secondary research it was established it is more likely that self-employed business travellers will stay at vacation rentals and plan their own journey.

The graph shows that, with the exception of one candidate, those that have never stayed at a vacation rental before are all employed by someone.

It was previously established that the survey also specifically included self-employed business travellers in order to ensure diversification and all self-employed candidates have previously used vacation rentals as business travel accommodations, since they answered ‘yes’ in the first question.
From the secondary research this was to be expected and this shows that the business travellers that have never used a vacation rental for business trips are all employed by an organization and this needs to be considered when developing strategies.

4.3.10 QUESTION 10

If you were to stay at a vacation rental would you look for a cheaper alternative to a hotel or try to find a luxurious alternative to a hotel?

Wimdu offers many different accommodations that range from very luxurious to just one room in a small apartment. It is important to find out what the business traveller’s perception of vacation rentals are. Specifically, are they looking for a high-class alternative or are they trying to save money.

The results show that 39% of candidates are looking for something more affordable than a hotel while 23 percent are looking for something luxurious. The fact that the answer to this question is quite evenly distributed is in fact very promising for Wimdu, because Wimdu actually has offers catering to both answers. It can offer flats that are more luxurious than an average hotel for an equal price, and it can offer accommodations cheaper than hotel. It would be ideal for Wimdu to advertise itself as a solution that grants every individual’s wishes, because the accommodations offered can be as varied as people’s wishes.
4.3.11 QUESTION 11

On average, how far in advance are your business trips booked?

![Pie chart showing booked times]

Half a year in advance: 2.17%
2-3 months in advance: 10.87%
1-2 Weeks in advance: 30.43%
1 month in advance: 56.52%

Typically hosts at Wimdu have a hard time accepting bookings that are very short notice (same day or day before bookings) and bookings that are made a long time in advance. The results above show that 87% of business travellers book from one week to a month in advance. These are also the best time windows for Wimdu hosts to accept bookings and so in this regard Wimdu can fulfil the business travellers' expectations.

4.3.12 QUESTION 12

Are there ever incidences where you spontaneously have to travel on short notice?

![Pie chart showing spontaneous travel]

ja: 73.91%
nein: 26.09%

This follow-up question to question 11 checks to see if there are any exceptions to the booking periods, since question 11 only asks for the average.
With 74% of travellers having had to travel short notice before it could be important for Wimdu to acknowledge this and come up with a solution to address same day or day before bookings.

This could even become a strength because many hotels are at capacity if a certain event is booked out and travellers will look to find accommodations elsewhere. Wimdu could advertise themselves as an alternative to business travellers.

4.3.13 QUESTION 13

If the accommodation had no Internet, would you be able to provide your own internet by the use of mobile phones or internet sticks?

This question tackles Internet use, one of the major features that business travellers require, but Wimdu cannot guarantee in their accommodations.

This question looks to see how self-sufficient the business travellers are in case the vacation rental they booked does not have Internet or it is broken.

With 67 percent there is a good majority of travellers that could provide their own Internet if they had no other choice. These results will be compared to the critical success factor analysis in the later chapter in order to find a strategy to deal with Internet availability for business tourists.
4.3.14 QUESTION 14

Do you ever meet colleagues or friends socially on these trips?

This question investigates one of the major strengths of the vacation rental as business accommodation, namely that it is more comfortable and homely. The freedom to have your own living space, kitchen facilities and a living room area to invite colleagues or friends over is completely different than what a hotel can offer.

The results show that roughly 57 percent of business travellers meet colleagues or friends occasionally and 15 percent meet them frequently on business trips. This is a large majority of business travellers and Wimdu could advertise a more relaxed and comfortable living environment on business trips through Wimdu accommodations to these travellers.
4.3.15 QUESTION 15

Is it possible for you to book an apartment instead of a hotel room for business travel?

Additional answers:
- Don't know, it may work
- I do not know I never tried
- Yes only in case appropriate rules adopted in the company regulations

This is a core question that directly asks if it possible for business travellers to book vacation rentals instead of hotels.

With 48 percent of travellers saying no, that already represents half of all business travellers. However, this is not so surprising and could actually be seen as positive. With 22 percent saying yes without problem this is still a very large population after seeing how many business travellers there are in total.

A further 22 percent say yes if there is a justification, so this segment can theoretically also book a vacation rental given certain reasons.
Have you ever stayed at anything other than a hotel for business?

This question finds out what other hotel alternatives there are for business travels that may have not come up in the secondary research.

The only new answer was one candidate who stayed at a fair/project site. The other answers were friend and family accommodations and this is not a real competitor for Wimdu.
4.3.17 QUESTION 17

What is the average rating of the hotels that you stay in for business?

In order to better understand what the expectations of business travellers are it also important to see what quality standard the hotels have that the travellers are staying at.

54 percent are staying at four star hotels, which already offer a great deal of luxury and a further 40 percent are staying at a three star hotel.

While it is hard to compare the star ratings of hotels to the diverse accommodations on Wimdu, it can help to better understand the business traveller segment. It can be theorized that is it easier to convince a traveller staying at a three star hotel to book a nice apartment, than it would be to convince those staying at the four star hotel. This is because there is a higher correlation between those booking three star hotels and those looking for a more luxurious alternative to a hotel (see question 10).

This research leads to believe that most business travellers will want a higher quality apartment that if possible, is cheaper than their hotel alternative.

This concludes the question-by-question analysis section. Already from looking at each question individually, it was shown that there are certain factors that business travellers value in an accommodation, such as having good value for price. To find out what features are deemed essential by business travellers a portion of the survey was dedicated to a critical success factor analysis.

4.4 CRITICAL SUCCESS FACTOR ANALYSIS

In the critical success factor analysis portion of the survey, respondents were asked to score certain features of hotels and vacation rentals on a scale from 1 to 5 with 3 being the medium number. It can be generalized that for the majority of the survey candidates anything over 3 is important while under 3 means less important. The aim of
this section is ultimately to see if there is compatibility between the unique needs of business tourists and the Critical Success Factors of Wimdu.

It was expected that most of the hotel features would be prioritized over the special features of vacation rentals because most candidates have never stayed in anything but a hotel for business, and the hotel industry has been specializing on business travellers for a very long time. From the secondary research it was also hypothesized that business travellers would highly value all factors relating to convenience, such as maid service and onsite food and beverage. Also, it was expected that business travellers would want guarantees when travelling to make their trip as efficient as possible.

The text highlighted in red is for features that are exclusive to hotels, the blue are the features that are exclusive to vacation rentals and the green text indicates features that both business models can achieve.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Average Score (51 candidates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Booking</td>
<td>4.34</td>
</tr>
<tr>
<td>Internet</td>
<td>4.04</td>
</tr>
<tr>
<td>Location</td>
<td>3.60</td>
</tr>
<tr>
<td>Front Desk</td>
<td>3.40</td>
</tr>
<tr>
<td>Onsite Food and Beverage</td>
<td>3.39</td>
</tr>
<tr>
<td>Daily Maid Service</td>
<td>3.36</td>
</tr>
<tr>
<td>More Privacy</td>
<td>3.28</td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>3.22</td>
</tr>
<tr>
<td>Less Costly</td>
<td>3.02</td>
</tr>
<tr>
<td>24h Customer Support</td>
<td>2.94</td>
</tr>
<tr>
<td>More Room/Space</td>
<td>2.89</td>
</tr>
<tr>
<td>Washer/Dryer</td>
<td>2.89</td>
</tr>
<tr>
<td>Fitness Studio</td>
<td>2.89</td>
</tr>
<tr>
<td>More Freedom</td>
<td>2.85</td>
</tr>
<tr>
<td>Concierge Services</td>
<td>2.51</td>
</tr>
<tr>
<td>Home-like Experience</td>
<td>2.51</td>
</tr>
<tr>
<td>Accommodate Friends</td>
<td>2.21</td>
</tr>
<tr>
<td>Loyalty Program</td>
<td>2.17</td>
</tr>
<tr>
<td>Kitchen Facilities</td>
<td>2.09</td>
</tr>
<tr>
<td>Secretarial Services</td>
<td>1.98</td>
</tr>
</tbody>
</table>
Based on the results compiled in the above chart, an analysis of the findings will be presented in the following section. Using those, recommendations will be made on changes Wimdu can make to push the Critical Success Factors of Vacation Rentals and make them appealing to business tourists.

Furthermore, earlier in this paper it was stated that a goal of the survey was to dehomogenize the demographic of ‘business traveller’ and to see what differences there are in the travel behaviours of individuals of this group. Using both the results of the question-by-question analysis and the Critical Success Factor analysis the graduate student will describe the ideal ‘business traveller type’ for Wimdu to target through advertisement and small website changes.

This should be very helpful, as it was hypothesised from the beginning that it would be impossible to get all business travellers to book over Wimdu, but that there might be a small portion that regularly would prefer a Vacation Rental to a hotel. The goal is to make Wimdu the number one alternative to hotels for all business travellers, and to consistently sway the smaller proportion that might prefer a Vacation Rental. The existence of this proportion is already evidenced by the 19% of respondents that have booked a Vacation Rental, even without being targeted in any way through advertisement. Gaining this group as regular customers would boost Wimdu’s sales in its competition with Airbnb and other providers. Also, Wimdu could become the go-to provider for alternative accommodations for business tourists, as they would be the first to target this group.

4.5 RECOMMENDATIONS

In this section recommendations will be given to Wimdu on how to improve features pertaining to the critical success factors most relevant to business tourists.

4.5.1 GUARANTEED BOOKING

Weaknesses:
One of the great challenges of guaranteed booking is that Wimdu is only acting as an intermediary. Through rating systems and securing the financial transactions between guest and host, renting from private persons has never been more reliable.

A major difficulty is handling short-term cancellations and dealing with problems once the guest is already at the location of vacation rental.

While there is no real financial loss for the guest if a host cancels, a last minute cancellation is of course very inconvenient, since the guest will have little time to find an alternative. These situations are a nightmare for any guest and especially frightening to business travellers.

Recommendations:
The business travellers need to feel confident that Wimdu is a serious organization that can provide them with what they booked or offer an equal replacement with no hassle. A hotel will always have a spare room and if a booking is confirmed then there will be no short term cancellations.
Wimdu needs to try to achieve a comparable level of booking security. From the graduation student’s own experience handling booking and cancellations at the call service of Wimdu, the following is recommended:

1) Only advertise reliable hosts that have had successful bookings before to business travellers.
2) Be more selective when dealing with other vacation rental management companies. Many of the more professional offers on Wimdu are managed by small vacation rental management companies that have their own booking channels, but are also on Wimdu because there is more traffic. These companies tend to neglect updating their information on Wimdu because they are using many different sites to advertise their rentals and Wimdu needs to remove these companies, if they are causing bad customer satisfaction by cancelling bookings short term.
3) If a short-term cancellation does happen then Wimdu needs to have their booking team quickly find another alternative for the guests. If there is an unexpected problem with the host and the guest has already arrived, Wimdu needs to be able to offer a fast alternative or even go as far as book a hotel for the guest for one night until an alternative can be found. It will be too costly and unrealistic to offer everyone a guaranteed alternative accommodation if something goes wrong, but it is important that if an incident occurs that bad publicity can be avoided.

Wimdu cannot realistically achieve the same successful booking rate as a hotel, but as a hotel alternative these improvements will set Wimdu apart from its competitors in the vacation rental market.

4.5.2 INTERNET

Weakness: Not all accommodations on Wimdu have Internet access. Furthermore, if the accommodation advertises Internet but there is a problem, Wimdu can only rely on the host to fix it.

Recommendations:

The research in the previous section showed that nearly 70% of all business travellers have the possibility to provide their own Internet. This number is far greater than what was anticipated. This is a very interesting question, because it was assumed that most business travellers would need to rely on their accommodation providing Internet and therefore would absolutely insist on booking one with Internet connection. However, if many business travellers can provide their own Internet then a location not having Internet will not be a great deterrent to booking for 70% of business travellers.

Most of the apartments that Wimdu offers in large cities have Internet. However, if the apartment where the traveller wants to stay at does not have Internet, then there is a great chance that the average business traveller can provide his/her own Internet. The same goes for potential Internet failure.

Between the accommodations that have Internet available on Wimdu and the high self-sufficiency of business travellers, the lack of Internet should not hinder business travellers from using Wimdu accommodations as hotel alternatives.
4.5.3 LOCATION

In question 7 of the survey, 72 percent of business travellers indicate that over 70 percent of their trips are to large cities. Wimdu accommodations are most present in the large cities of Europe, many of which function as large business hubs.

The location factor is contentious because Wimdu can offer better locations than a hotel, but also more inconvenient locations, depending on the city. The essential fact is that Wimdu has a wide range of inventory in the large cities around the world and thus it should be possible for business travellers to find hotel alternatives through Wimdu.

4.5.4 FRONT DESK, ON-SITE FOOD AND BEVERAGE AND DAILY MAID SERVICE

Weakness:
These three factors are on the top of the list of business traveller requirements and all are unique to hotels.

Recommendations:
Generally speaking these factors are impossible for Wimdu to replicate and so Wimdu must address them by promoting their own unique features. Instead of competing toe to toe against hotels, Wimdu must try to create an uncontested market space.

This does not mean that Wimdu should ignore the features listed above, but that they have to be addressed in Wimdu’s own way.

For the daily maid service for instance, Wimdu ensures that hosts keep the place clean by watching over the user comments and communicating to the hosts how important it is to arrange for a clean apartment. The feature ‘more privacy’ was also selected as being positive for business travels and Wimdu can show travellers that rentals are clean and that while there is no daily maid service, there is also higher degree of privacy.

Promoting Wimdu’s unique factors can also minimize the value of the features ‘onsite food and beverage’ and front-desk services. For example, the business traveller can be made to feel more independent and be encouraged to explore the local restaurants instead of ordering the generic food from the hotel. In some cases the hosts are also very willing to answer questions that the guests have and with the combination of the Wimdu customer support some of the front-desk services can be replicated this way.

4.5.5 QUALITY ASSURANCE

Weakness:
Corporate hotel chains can ensure their quality through their brand image and are closely inspected by different institutions. How can Wimdu ensure that what they are offering is meeting the quality standards that it promises on the site?

Recommendations:
Communication and transparency with the hosts are very important for making this marketplace work on a professional level. Every host that is put live on Wimdu is checked by a staff member to check for fraud and fidelity
to profile statements. In many cases the employees will have contact with the hosts, but these measures do not necessarily make the guests feel safer when booking, since they do not know how Wimdu operates.

At this point it would be recommended to follow what Wimdu’s main rival Airbnb is doing: increasing security requirements. This can be done by verifying the identity of the hosts and guests by requesting each to send a copy of an I.D. to Wimdu. This can be done for already existing hosts and should be done by default for dubious offers, as well as when a new guest or host is verified.

This will help create a more legitimate marketplace and ensure that both guest and hosts adhere to certain quality standards and can be made accountable.

### 4.5.6 WIMDU’S CRITICAL SUCCESS FACTORS

The rest of the features on the list are rated as below 3.0 and are of mixed importance for the individual business traveller. The remaining unique hotel features of fitness studio, concierge services and secretarial services were not given a high score by the travellers and Wimdu should not be concerned about trying to address these, since they are not possible for Wimdu to achieve.

For Wimdu’s unique features only two out of eight features were rated as important by the average business traveller, those being privacy and less costs. The other factors were mostly seen as “added value” and were not a substantial variable for the average business trip. This is to be expected since the candidates for this part of the survey are all hotel-only business travellers and the questionnaire is used to gather information about the average business trip. From this it could also be concluded that Wimdu would not be the first choice of accommodation for an average business trip, but that it could be the number one alternative when a business traveller needs to go on a trip that is out of the ordinary and the ‘added value’ points were more necessary. This could be, for example, if the business traveller is going for a longer stay, a place that (s)he often frequents, or is travelling with family.

### 4.5.7 THE IDEAL BUSINESS TRAVELLER TO TARGET

As announced in the introduction to chapter 4, the ideal type of business traveller to target will be described. According to the research, Wimdu should advertise itself as a hotel alternative that offers more freedom, space, independence, privacy while being cheaper than a hotel.

<table>
<thead>
<tr>
<th>Question #</th>
<th>Summary of Valuable Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Business travellers that travel more than 5 times a year (53% of candidates) and that travel to the same destination frequently. This way Wimdu can advertise as alternative and the traveller will be more confident about taking a risk since he/she is already familiar with the destination.</td>
</tr>
<tr>
<td>6</td>
<td>40 percent of travellers are staying 3 or more days and these should be targeted. The vacation rental alternative features are more attractive for longer trips according to results from question 4.</td>
</tr>
<tr>
<td>7</td>
<td>The majority of business travel destinations are large cities and so Wimdu should inform business travellers that Wimdu has a vast amount of vacation rentals to offer in prime locations in large cities.</td>
</tr>
<tr>
<td>8</td>
<td>Only twenty percent of business travellers plan their own travel and Wimdu should target these travellers first. A further 70 percent of travellers have their travels planned internally by the company and this should be investigated further.</td>
</tr>
</tbody>
</table>
To reiterate the main question:
Is it possible to expand Wimdu’s peer-to-peer rental model to the business travellers target group, considering the special success factors of the existing business model versus the special requirements of business travel and the decision criteria of business travellers?

The questionnaire provided a large amount of primary data that intends to find out how Wimdu can expand to the business traveller segment. The topics that were covered ranged from booking processes and preferences, all the way to the detailed analysis of individual accommodation features. From the results of the questionnaire Wimdu can theoretically expand to the business traveller segment if the recommendations that are given are fulfilled.

The critical success factor analysis illustrates that expanding to the business traveller group is an uphill battle for Wimdu. The six most important business travel features are all strengths of hotels and Wimdu’s will never be able to reach the same level of excellence as hotels.

However, it is possible for Wimdu to make improvements so that these six factors are no longer a weakness for them and then focus on what makes factors make vacation rentals great alternatives to hotels for business travels.

Following these general and practical recommendations will, based on the student’s research, make the company more successful in gaining the clientele of select business tourists. It can be concluded that Wimdu will never become the number one destination for business travellers, but it can become the number one alternative by being appealing to those business tourists who for a variety of factors are looking for something other than a hotel. Wimdu can profit from the fact that business tourists are not as homogenous as was previously supposed and they should focus on gaining the exceptions amongst them. These alone will be a significant gain in bookings for Wimdu.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Wimdu should not invest in advertising to self-employed travellers because they already know Wimdu exists and are taking advantages of vacation rentals.</td>
</tr>
<tr>
<td>10</td>
<td>Focus on the fact that booking a vacation rental is more affordable than booking a hotel.</td>
</tr>
<tr>
<td>11</td>
<td>87% of travellers book from one week to one month in advance, which is perfect for Wimdu.</td>
</tr>
<tr>
<td>12</td>
<td>Wimdu should not focus guests that need to book short notice.</td>
</tr>
<tr>
<td>13</td>
<td>70% of business travellers can provide their own internet, so not having Internet at the site is less of a deterrent than previously thought.</td>
</tr>
<tr>
<td>14</td>
<td>At varying degrees, all business travellers meet colleagues and friends socially while travelling. Having more room to accommodate friends is a strength of the vacation rental.</td>
</tr>
<tr>
<td>15</td>
<td>It is theoretically possible for 53 percent of business travellers to book a vacation rental. For the 47 percent that cannot, research needs to be done to understand why it is not possible.</td>
</tr>
<tr>
<td>16</td>
<td>From question 5 onwards, 97% of candidates have never stayed at hotels while travelling for business. For the candidates that have stayed at vacation rentals, the large majority responded very positively to the experience. This suggests that if these business travellers could be convinced to book once, repeat bookings would follow.</td>
</tr>
<tr>
<td>17</td>
<td>The luxury that business travellers are accustomed to is very high with over 50 percent staying at four star hotels while travelling. Wimdu should thus focus on the travelling experience, unique vacation rental strengths and less cost instead of trying to compete in luxury.</td>
</tr>
</tbody>
</table>


Page 1
Have you ever stayed at a vacation rental when travelling on business?

☐ yes
☐ no

Page 2
How did you book your accommodation? *

Internet Platform (Wimdu, Airbnb)

Page 3
How satisfied were you with your accommodation?

Very satisfied

Page 4
Do you prefer it to a hotel?

Just a quick explanation as to why you thought this was or was not a great alternative to a hotel for business travel.

Page 5
On average, on how many business trips do you go annually?

1-2 trips
Page 6
What is the average length of your trips?
- 1-2 days
- 3-5 days
- 5-7 days
- >7 days

Page 7
Please indicate what percentage of business travel destinations are large cities
- >95%
- 90%
- 80%
- 70%
- under 70%

Page 8
How do you organize your business travel?
- Handled internally by the company
- Travel Agency
- I plan myself
- I do not know
- I do not know
Page 9
Are you employed or self-employed?
- Employed
- Self-employed

Page 10
If you were to stay at a vacation rental would you look for a cheaper alternative to a hotel or try to find a luxurious alternative to a hotel?
- Luxurious alternative
- Lower budget alternative
- Neither

Page 11
On average, how far in advance are your business trips booked?
- 1-2 Weeks in advance
- 1 month in advance
- 2-3 months in advance
- Half a year in advance
- Over a year in advance

Page 12
Are there ever incidences where you spontaneously have to travel on short notice?
- yes
- no
Page 13

If the accommodation had no internet, would you be able to provide your own internet by the use of mobile phones or internet sticks?

○ yes
○ no

Page 14

Do you ever meet colleagues or friends socially on these trips?

○ Rarely
○ Occasionally
○ Frequently

Page 15

Is it possible for you to book an apartment instead of a hotel room for business travel?

This question aims to find out if it is theoretically possible for the traveler to stay at a vacation rental or if that part of the booking process is out of his control.

○ Yes, without problems
○ Yes, with special justification
○ No

Page 16

Have you ever stayed at anything other than a hotel for business?

If not mentioned then you can add the accommodation type in the blank space.

○ No
○ Yes, vacation rental
○ Yes, friends/families place
○
**Page 17**

What is the average rating of the hotels that you stay in for business?

- [ ] 5 stars
- [ ] 4 stars
- [ ] 3 stars
- [ ] Less than 3

**Page 18**

Please rate these accommodation features according to their importance to your business travel:

<table>
<thead>
<tr>
<th>Feature</th>
<th>Do not want this feature</th>
<th>Unimportant</th>
<th>Added Value</th>
<th>Important</th>
<th>Critical (Would not book without)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onsite Food and Beverage</td>
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Page 17

What is the average rating of the hotels that you stay in for business?

- [ ] 5 stars
- [ ] 4 stars
- [ ] 3 stars
- [ ] Less than 3

Page 18

Please rate these accommodation features according to their importance to your business travel:

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