

Hotelbeds announces successful consolidation of acquisitions and strong 2019 year-end results

Submitted by AntoniaAguilo on Wed, 13/11/2019 - 14:24

- Hotelbeds has generated strong financial performance for the year ended 30th September 2019 with EBITDA[1] of €233.5 million and a cash position of €498 million at that date.
- Hotelbeds has now consolidated into one unified business following successful integration of Tourico Holidays and GTA acquisitions.
- Company well positioned to drive high value, incremental reservations to hoteliers globally from portfolio of 60,000 travel agents, tour operators, airlines and loyalty point schemes.
- Launch of strategic optimisation plan to reduce 'cost-per-room-night'[2] from current €6.30 level to €4.90 by end-2021 to become the most efficient bedbank globally.

Palma, Spain 13th November 2019 - [Hotelbeds](#), the world's leading bedbank, has today provided an update post financial year-end.

For the financial year ended 30th September 2019, the company demonstrated strong performance with EBITDA of €233.5 million (see table below):

Combined EBITDA for the financial years ending:		
30th September 2017	30th September 2018	30th September 2019
€180.9m	€207.9m	€233.5m

In addition, as at 30th September 2019, the company had a strong cash position of €498 million.

The newly consolidated company is now well positioned, as the leader in its segment, to provide its 180,000 hotel partners globally with incremental, high-value bookings via the company's portfolio of over 60,000 travel trade buyers, including retail travel agents, tour operators, airlines and points redemption schemes.

Post year-end and following the completed integration, Hotelbeds is focused on becoming the most efficient bedbank player in the industry. To achieve this, the company has identified significant new opportunities to optimise its footprint, operations and commercial model, by investing in automation and cutting-edge technology to improve both the customer experience for its partners, as well as better utilise the scale of its recently combined operations.

Hotelbeds' target is to lower the 'cost-per-room-night' from its current €6.30 level to €4.90 by year-end 2021. This level of efficiency is achievable as the stand-alone Hotelbeds business in 2016, prior to integration, was already achieving a €5.40 cost-per-room-night without the scale and expertise of the newly combined company.

As part of this post-integration, optimisation plan, Hotelbeds has today informed staff that there will be some departures, representing a reduction in the global workforce by about 5%. This will take place in stages over the next 12 months resulting in the scaling down of hubs in Tel Aviv, London, Dubai, Orlando and Zurich.

At the same time, Hotelbeds is announcing that it is investing in the opening of a new technology hub in Valencia, Spain that will drive the future development of the automated platforms, processes and technology that aims to make working with Hotelbeds more seamless and cost efficient for partners.

Joan Vilà, Executive Chairman at Hotelbeds, said: *“These results represent a remarkable achievement in what has been an intense year for our teams worldwide as they have worked incredibly hard, in a complex context, to integrate the top three leading players in our segment. I thank all our employees for the level of commitment and initiative they have shown during this period.*

“Post-integration, we can focus once again, without distraction, on managing the day-to-day operations of our business to deliver increased value for our travel trade partners. This is also the perfect moment to optimise our operations and fully utilise our strong position to deliver the level of efficiencies our scale and combined capabilities enables.

“As a fully integrated company and the biggest independent bedbank worldwide, coupled with the financial strength and resilience of the business, we are now well positioned, with a clear strategy and focus, to deliver on our ambitious growth plans.”

About Hotelbeds

Hotelbeds is the world’s leading bedbank.

In a fragmented and complex travel landscape, Hotelbeds provides over 180,000 hotels across the globe with access to high-value, complementary distribution channels that significantly increase occupancy rates and optimise RevPAR – whilst not competing with the hotelier’s direct distribution strategy.

Hotelbeds does this by offering hoteliers access to a network of over 60,000 hard-to-access B2B travel buyers such as tour operators, retail travel agents, airline websites, and loyalty schemes in over 140 source markets worldwide. These channels provide hotel partners with returning guests that book further in advance, cancel less, spend more in-destination and stay longer.

In addition to accommodation, Hotelbeds is also the world’s largest B2B seller of travel ancillaries, offering 24,000 transfer routes and 18,000 activities, as well as attractions, tickets and car hire. Operating under the ‘Beyond the Bed’ product line, it provides both hoteliers and travel distribution partners with an efficient platform and powerful tools to easily integrate and commercialise its leading portfolio of high-margin products.

The company is headquartered in Palma, Spain and employs around 5,000 employees across over 60 offices globally.

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[1] EBITDA - Earnings before interest, taxes, depreciation and amortization, acquisition and integration costs.

[2] Cost-per-room-night is a key metric used by Hotelbeds to measure the cost-efficiency of the business.

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