

# WEBJET LIMITED



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Managing Director



# Who is Webjet Limited?

## DIGITAL TRAVEL BUSINESS ...

spanning both regional consumer markets (through B2C) and global wholesale markets (through B2B)

### B2C TRAVEL

**Leading consumer OTA brands:** Webjet and ZUJI

**Regional coverage:**

- Australia
- New Zealand
- Singapore
- Hong Kong

**10%+ pa target EBITDA CAGR** for next 5 years



### WebBeds

**Online fulfillment of hotel bookings for our travel agent partners**

**Global coverage:**

- Middle East (LOH)
- Africa (LOH)
- United States (LOH)
- Europe (Sunhotels)

**30%+ pa target EBITDA CAGR** for next 5 years



# Our global ambitions

## Webjet intends to be a major global player in the distribution of B2B hotel inventory

- Webjet is late to the hotel distribution game.
- The market is enormous but so are the incumbents.
- Through organic growth and acquisition Webjet's B2B division has grown from \$0 to \$350m in 3 years; but we want more...

### So how do we achieve our global ambitions?

- Scale
- Cost advantage
- Speed and accuracy in our systems

# Blockchain – a potential solution

## To Achieve our global ambitions:

- We are solving for scale
- We have created a cost advantage
- But how do we solve for **the speed and accuracy of our systems?**

## That's where Blockchain comes in.

- Blockchain provides the first decentralised, autonomous platform to create a trusted **“source of truth”** for hotel booking records....which will drive significant efficiency through the hotel distribution chain.

# What's so inefficient about making a hotel booking?

Think about how you make a booking...

## It's simple, right? A three step process

1. Go online or go to your local travel agent to research which hotel you want
2. Make a decision based on your own needs and preferences
3. Make payment and receive confirmation

**Booking complete.**

# WRONG.

The hotel distribution industry has a dirty little secret...



# The industry is rampant with inefficiencies

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**1 in 25**

**Breakage— instances where a service is provided but never invoiced**

**1 in 3**

**The ratio of bookings that are amended in some way**

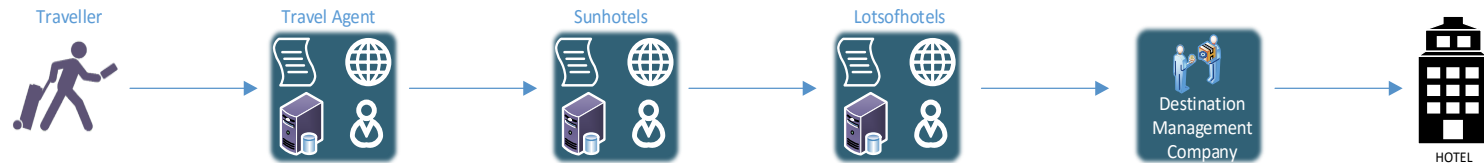
**1 in 10**

**Have some sort of manual intervention**

# Why is it so complex?

## Hotel booking process

In many instances, there are up to 5 participants in the sale:



Participants pass the booking to the next in a chain where the parties are unaware of the full extent of the chain.

Each participant is only aware of the participant either side of the chain.

**Each participant stores their bookings in their own technology platform, unrelated to the other participants in the chain and there is no single 'source of truth' as to the status of a booking or its details.**

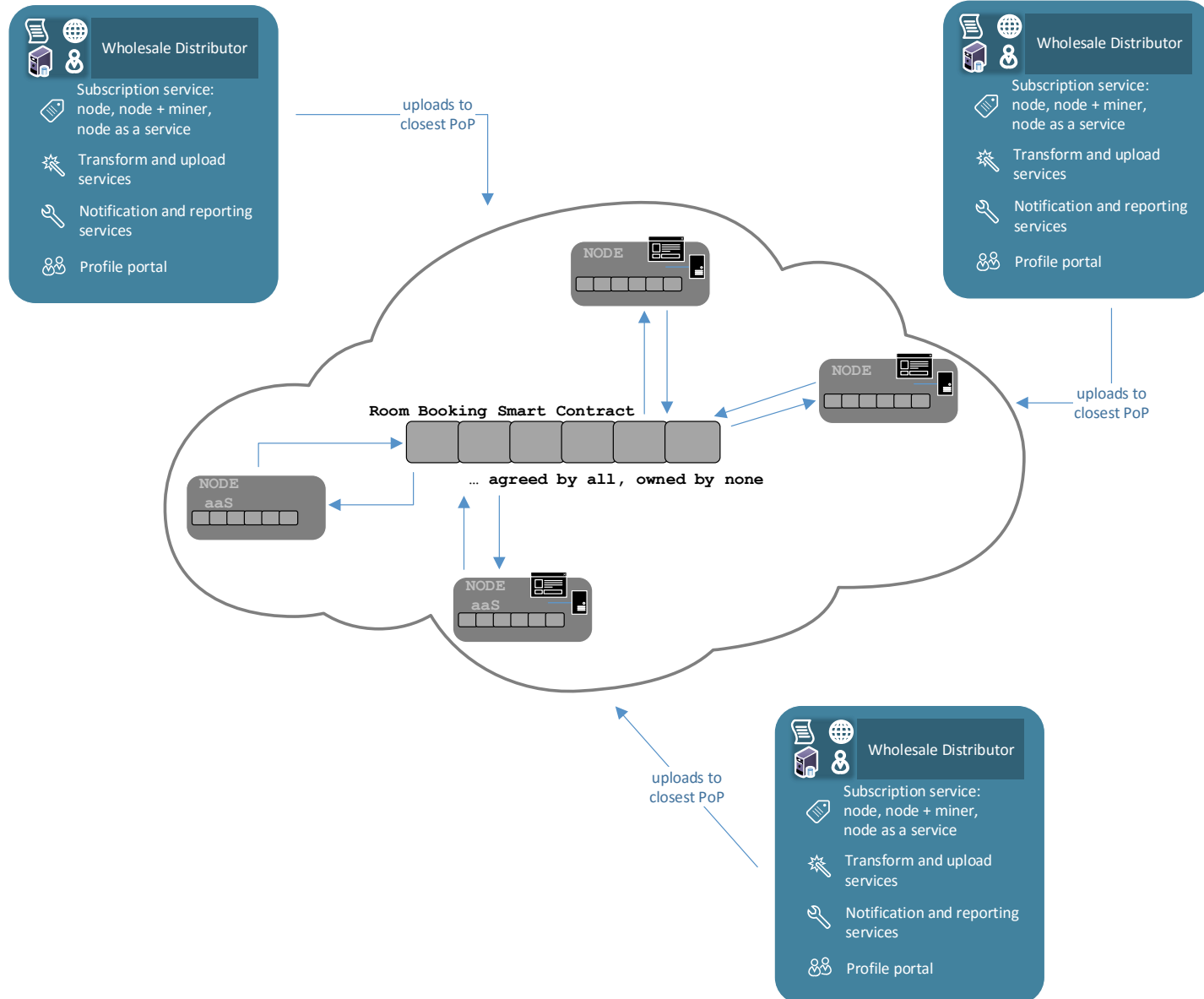
# Impact on the industry chain

**This inefficiency has significant impact on the distribution chain:**

- **Breakage** – costs incurred but revenue lost
- **Reconciliation pain** – a single reconciliation issue can take months to resolve and hours of manpower
- **Financial loss** – each time there is a reconciliation dispute, one party or the other will have to cover the difference, resulting in actual financial loss

It's a material challenge, but an  
even more significant  
opportunity

# The solution in pictures



# The solution in words

## A decentralised, distributed record of hotel bookings, stored on the blockchain

- Participants send details of their transactions (new bookings and changes) on a daily or real time basis to the blockchain.
- A Smart Contract works out which bookings need to be matched up (remember in the current systems there is no shared booking number or id).
- The Smart Contract is “mined” and stored on the blockchain. This process determines if the data stored by each party matches.
- Any discrepancies are notified to both parties so that action can be taken immediately to resolve the data mismatch.
- The blockchain maintains the record of the booking as it was in that moment and the Smart Contract is subsequently updated with any amendments and a new record of the outcome is stored on the blockchain.

Because each party to the transaction is notified in real time if there is a data mismatch...

## Action can be taken to “fix” the problem

This targets the pain points experienced by both parties to the transaction:

- Reconciliation disputes at the time of invoicing/payment are eliminated, allowing companies to **minimise FTEs required** for Accounts Payable, Accounts Receivable, and the customer operations.
- If an error in data is captured at the time of booking, in most instances any **financial loss can be avoided**. If this goes unnoticed until the booking is invoiced, one of the parties is out of pocket.
- Reducing the risk of guests arriving with no reservation is removed.

# Next steps

- Partnering with Microsoft to explore this opportunity has given Webjet access to resources in both talent and new generation technologies. They have been a critical contributor to the progress to date.
- We are currently in a Proof of Concept utilizing our own two brands- Lots of Hotels and Sunhotels.
- The second step will see the same brands trial blockchain's automated features, processing thousands of transactions weekly.
- Following this, Lots of Hotels and Sunhotels will invite selected external parties to use the platform to demonstrate the benefits it delivers to the industry.



webjet limited

# THANK YOU

