

Embedded Fintech Vertical Snapshot: Accommodation Property Management

1 Vertical Definition

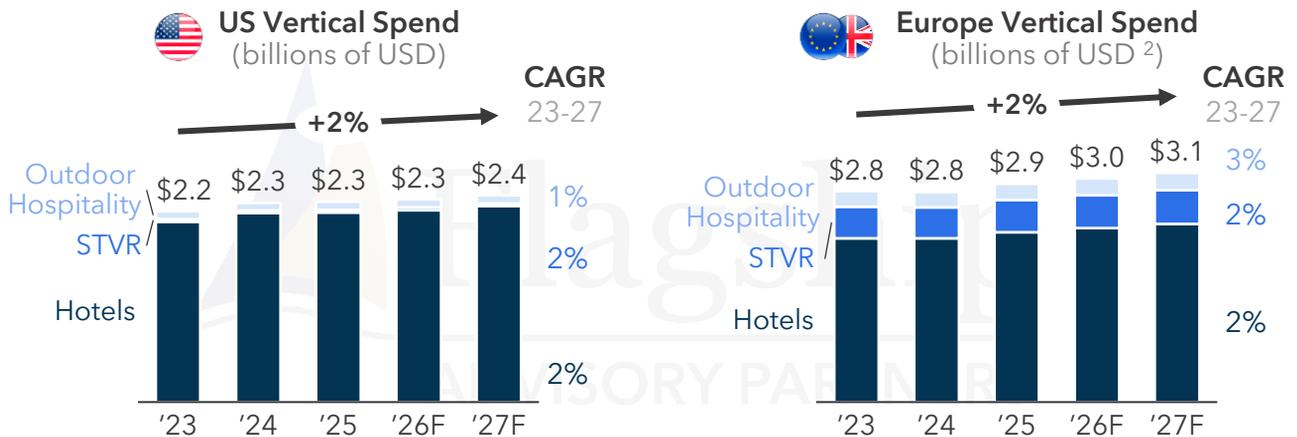
Sub-Segment	Definition	Nature of Vertical Software	Select Payment Use Cases
Hotels	Commercial lodging properties that provide short-term stays, sold primarily as private rooms.	<ul style="list-style-type: none"> Reservation management Revenue management Embedded processing and reconciliation 	<ul style="list-style-type: none"> Booking deposits/prepayments No-show/cancellation fees Refunds for cancellations / overcharges
Short-term Vacation Rental (STVR)	Accommodation providers that offer short-term stays sold primarily as entire units (e.g., homes, apartments, villas, cabins)	<ul style="list-style-type: none"> Channel distribution and booking management Guest messaging & digital check-in access Operations automation 	<ul style="list-style-type: none"> Booking deposits/prepayments Security/damage deposit holds and releases Vendor/contractor payouts
Outdoor Hospitality¹	Accommodation providers offering outdoor, site-based stays (e.g., campsites, RV pads), where the bookable unit is a site rather than a room.	<ul style="list-style-type: none"> Site-based reservation & availability management Interactive map/visual site selection & allocation May be served by broader outdoor recreation software 	<ul style="list-style-type: none"> Site booking charges Metered utilities & ancillary fees On-site purchases (e.g. camp store & rentals)

Adjacent verticals (e.g., long-term rentals and properties) are acknowledged, but excluded from scope due to differing vertical software needs

Note: (1) Often served by broader vertical SaaS platforms supporting state, local, and federal parks (and adjacent outdoor recreation operators).

Source: Flagship analysis

2 Vertical Spend



Note: Hotels include motels and casino hotels; STVR includes bed-and-breakfasts and hostels; Outdoor Hospitality includes campgrounds and RV parks. (2) FX conversions (EUR/GBP to USD) based on annual average exchange rates from the IMF and ECB.

Source: IBIS World

General Commentary & Highlights

- Hotels are the largest and highest-margin core segment, with standardized booking and revenue management processes that are already widely software-enabled.
- Overall vertical spend is robust, with modest growth (low single digits); STVR and outdoor stays are gaining popularity, driving demand for specialized property-management software.

3 Vertical Dynamics

Software Penetration
(% of count of software)

Vended Unvended



Channel Mix
(directional, % of bookings)

Direct (website) Direct (other) OTAs Other



Note: Software can include property management, channel managers, revenue management and central reservation systems
Source: Siteminder's Changing Traveler Report 2026, The State of Distribution 2025, European hotel distribution study 2024, Flagship Advisory Partners analysis

4 Leading Software Platforms

	SMB	Mid-Market	Enterprise
Hotel			
STVR			
Out-door			

Source: Flagship Advisory Partners

5 Embedded Fintech Maturity

Relevant Fintech Products		Maturity	
Acceptance	Online Payments	✓	● ●
	POS Payments	✓	● ●
	FX / DCC	✓	● ●
Payout	from Booking Platforms	✓	● ●
	Payroll	✗	○ ○
	AP / Procurement	✗	○ ○
	Spend Mgmt. (card)	✗	○ ○
	Spend Mgmt. (A2A)	✗	○ ○

Relevant Fintech Products		Maturity	
Gift Card Issuing		✓	● ●
Consumer Financing		✓	● ●
Business Lending		✓	● ●
Business Accounts		✗	○ ○
Digital Wallet		✓	● ●
Consumer insurance		✓	● ●

Source: Flagship Advisory Partners

General Commentary & Highlights

- Common software in this vertical is property management software (PMS) and channel managers.
- Software penetration is very high** among hotels and STVRs. Those that are unpenetrated are usually boutique hotels or property owners with less than five properties.
- Online payments** and **FX services** are highly embedded in this vertical with emerging embedded fintech products such as gift card issuing, consumer financing, business lending, and insurance.

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For any questions, please do not hesitate to contact the authors:



Peter Taylor
Principal

Peter@FlagshipAP.com



Andrew Mensah
Consultant

Andrew@FlagshipAP.com



Amilee Huang
Consultant

Amilee@FlagshipAP.com

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