



# Online Travel Mobile and Social Trends

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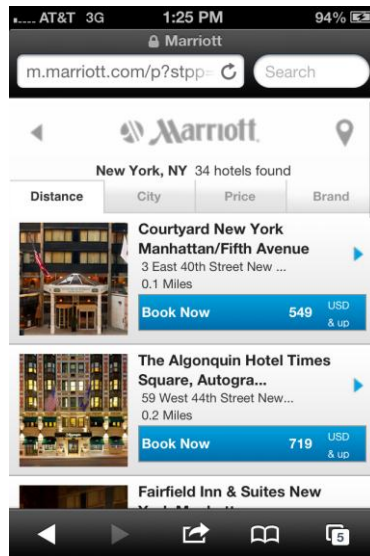
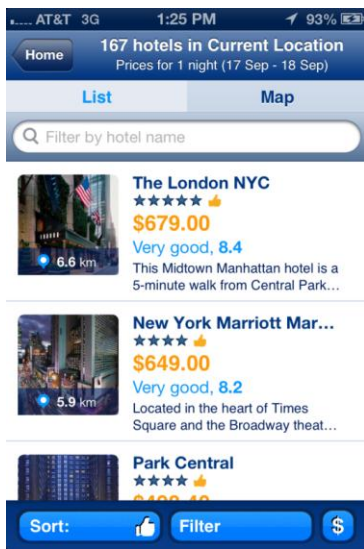
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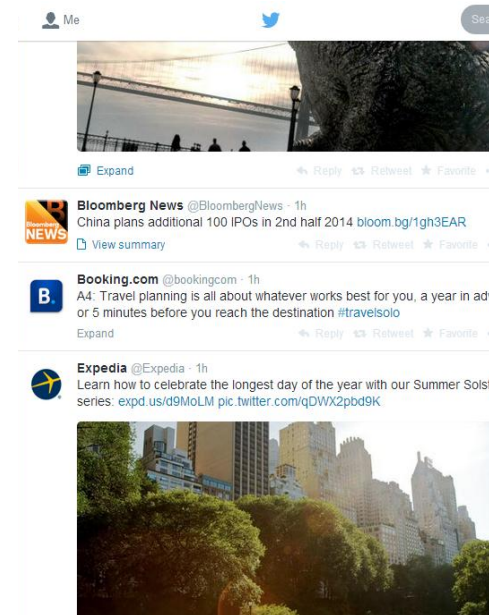
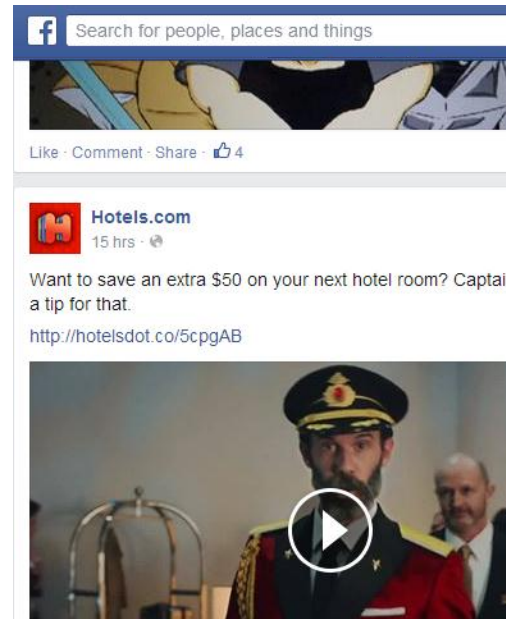


# 2 Major Online Travel Trends

## Mobile: Apps and Browsers



## Social: How to Use? How to Monetize?



Source: Booking.com, Marriott.com, Facebook.com, Twitter.com, SFG Research

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# In Apps, OTAs Still Ahead

- Mobile favors travel companies with established “beach-front” property 1 “thumb-press” away
- 9 of 9 hotels don’t have mobile app presence at all

## U.S. Mobile App Only Traffic, OTAs vs. Hotels – April 2014

<b>App Only</b>	<b>April 2014</b>	<b>App Only</b>	<b>April 2014</b>
<b><u>OTA/Travel Intermediaries</u></b>	<b><u>Unique Visitors (000)</u></b>	<b><u>Hotels</u></b>	<b><u>Unique Visitors (000)</u></b>
Expedia Inc.	3,079	Marriott	na
TripAdvisor Inc.	2,404	Intercontinental Hotels Group	na
Priceline.com Incorporated	1,283	Hilton Hotels	na
Kayak.com Network	1,131	Wyndham Worldwide	na
Orbitz Worldwide	257	Global Hyatt Corporation	na
<u>Travelocity</u>	<u>na</u>	BestWestern Hotels	na
<b>Median</b>	<b>1,283</b>	Choice Hotels International	na
		Starwood Hotels And Resorts	na
		<u>Accor</u>	<u>na</u>
		<b>Median</b>	na

Source: Comscore, SFG Research

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# Brand.com Making Progress in Mobile Browser

- OTAs still with 4x reach

## U.S. Mobile Browser Only Traffic, OTAs vs. Hotels – April 2014

Browser Only		Browser Only	
<u>OTA/Travel Intermediaries</u>	<u>April 2014</u>	<u>Hotels</u>	<u>April 2014</u>
	<u>Unique Visitors (000)</u>		<u>Unique Visitors (000)</u>
Expedia Inc.	9,020	Marriott	2,998
Priceline.com Incorporated	5,454	Intercontinental Hotels Group	1,784
TripAdvisor Inc.	12,053	Hilton Hotels	2,858
Orbitz Worldwide	3,167	BestWestern Hotels	895
Kayak.com Network	2,085	Starwood Hotels And Resorts	950
<u>Travelocity</u>	<u>527</u>	Global Hyatt Corporation	538
<b>Median</b>	<b>4,310</b>	Wyndham Worldwide	1,212
		Choice Hotels International	649
		<u>Accor</u>	<u>na</u>
		<b>Median</b>	<b>1,081</b>

**Intermediaries vs. Brand.com**

**4.0X**

Source: Comscore, SFG Research

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# And It's Still a Browser-Dominated Mobile World

- Ingrained consumer behavior to go to browser first

## U.S. Mobile App vs. Browser Traffic, OTAs vs. Hotels – April 2014

Online Travel: Unique Visitors (000)				Online Travel: Unique Visitors (000)			
Browser		App		Browser		App	
<u>Intermediaries</u>	<u>Browser</u>	<u>App</u>	<u>Traffic Edge</u>	<u>Hotels</u>	<u>Browser</u>	<u>App</u>	<u>Traffic Edge</u>
TripAdvisor	9,970	2,197	4.5X	Marriott	2,998	0	na
Expedia.com	6,493	2,525	2.6X	Hilton Hotels	2,858	0	na
Priceline.com	3,502	1,191	2.9X	Intercontinental Hotels Group	1,784	0	na
Hotels.com	2,934	565	5.2X	Wyndham Worldwide	1,212	0	na
Orbitz	3,167	257	12.3X	Starwood Hotels And Resorts	950	0	na
Kayak.com	2,085	1,131	1.8X	BestWestern Hotels	895	0	na
VRBO.com	2,947	0	na	Choice Hotels International	649	0	na
Booking.com	2,234	0	na	Global Hyatt Corporation	538	0	na
HomeAway.com	1,784	0	na	<u>Accor</u>	<u>0</u>	<u>0</u>	<u>na</u>
Hotwire	1,363	0	na	<b>Median</b>	<b>950</b>	<b>0</b>	<b>na</b>
<u>Travelocity</u>	<u>527</u>	<u>0</u>	<u>na</u>				
<b>Median</b>	<b>2,934</b>	<b>257</b>	<b>11.4X</b>				

Source: Comscore, SFG Research

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# Social: No Question Travel Cos. Can Get Likes and Followers

## # of Likes on Facebook – May 2014

in millions

<u>OTA/Travel Intermediaries</u>	<u>Facebook Likes</u>
Hotels.com Sites	2.103
Booking.com	2.025
Expedia Inc	1.971
TripAdvisor Sites	0.917
Priceline.com Incorporated	0.636
Orbitz Worldwide	0.562
<u>Kayak.com Network</u>	<u>0.088</u>
<b>Median</b>	<b>0.917</b>

FB Total MAUs	1,276
<b>Penetration</b>	<b>0.1%</b>

## # of Followers on Twitter – May 2014

in millions

<u>OTA/Travel Intermediaries</u>	<u>Twitter Followers</u>
TripAdvisor Sites	1.346
Kayak.com Network	0.454
Expedia Inc	0.207
Orbitz Worldwide	0.117
Priceline.com Incorporated	0.069
Hotels.com Sites	0.047
<u>Booking.com</u>	<u>0.044</u>
<b>Median</b>	<b>0.117</b>

TWTR Total MAUs	255
<b>Penetration</b>	<b>0.0%</b>

Source: Comscore, SFG Research

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# Social: No Question Travel Cos. Can Get Likes and Followers

## # of Likes on Facebook – May 2014

in millions

<u>Hotels</u>	<u>Facebook Likes</u>
Marriott	1.466
Hilton Hotels	1.201
BestWestern Hotels	1.055
Accor	0.440
Choice Hotels International	0.270
Starwood Hotels And Resorts	0.104
Intercontinental Hotels Group	0.093
Wyndham Worldwide	0.074
<u>Global Hyatt Corporation</u>	<u>0.074</u>
<b>Median</b>	<b>0.270</b>

FB Total MAUs	1,276
<b>Penetration</b>	<b>0.0%</b>

## # of Followers on Twitter – May 2014

in millions

<u>Hotels</u>	<u>Twitter Followers</u>
Hilton Hotels	0.139
Starwood Hotels And Resorts	0.121
Marriott	0.115
Intercontinental Hotels Group	0.070
BestWestern Hotels	0.063
Global Hyatt Corporation	0.041
Accor	0.031
Choice Hotels International	0.023
<u>Wyndham Worldwide</u>	<u>na</u>
<b>Median</b>	<b>0.066</b>

TWTR Total MAUs	255
<b>Penetration</b>	<b>0.0%</b>

Source: Comscore, SFG Research

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## But Ad Spend ROI Is Still in Question

“For Facebook and Twitter, we have endless amounts of money...But we haven’t found anything there.”

**-Darren Huston (CEO, Priceline) - Bloomberg News 4/15/2014**

“...we do spend money on Facebook and Twitter...But it's still a small fraction of our spend... and for direct response advertisers, there are these large sources of audiences in the world that just haven't figured out how to translate that audience into a transaction.”

**-Darren Huston (CEO, Priceline) – 1Q14 Conference Call (May, 2014)**

Source: Bloomberg News, Company data, SFG Research

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# Ironically, We See Priceline With Most Traffic From Facebook

## Worldwide Entries From Facebook, OTAs vs. Hotels – 1Q13, 1Q14

OTA/Travel	Abs Entries (000)			<u>Hotels</u>	Abs Entries (000)		
	<u>1Q:13</u>	<u>1Q:14</u>	<u>YoY % Chg</u>		<u>1Q:13</u>	<u>1Q:14</u>	<u>YoY % Chg</u>
<b><u>Intermediaries</u></b>				Choice Hotels Int'l	486	3,343	587.8%
Priceline.com	21,069	25,184	19.5%	Hilton Worldwide	1,620	3,184	96.5%
TripAdvisor Inc.	21,782	22,507	3.3%	Marriott	1,757	1,417	(19.3%)
Expedia Inc	12,521	13,063	4.3%	Global Hyatt Corp.	298	1,309	339.2%
Orbitz Worldwide	3,663	3,366	(8.1%)	Wyndham Worldwide	2,026	843	(58.4%)
Kayak.com Network	4,257	3,149	(26.0%)	Accor	1,268	695	(45.2%)
<u>Travelocity</u>	<u>4,519</u>	<u>2,387</u>	<u>(47.2%)</u>	InterContinental Hotels	1,110	679	(38.8%)
<b>Total</b>	<b>67,811</b>	<b>69,656</b>	<b>2.7%</b>	Starwood Hotels	436	507	16.2%
				<u>BestWestern Hotels</u>	<u>172</u>	<u>199</u>	<u>15.8%</u>
				<b>Total</b>	<b>9,173</b>	<b>12,175</b>	<b>32.7%</b>

Source: Comscore, SFG Research

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## But Still Small Relative to Total Pie of Traffic

### Worldwide % of Entries from Facebook to OTAs and Hotels – 1Q14

#### % Entries from Facebook

##### OTA/Travel Intermediaries 1Q:14

Priceline.com Incorporated 2.5%

Orbitz Worldwide 2.3%

TripAdvisor Inc. 2.1%

Kayak.com Network 2.1%

Expedia Inc 1.7%

Travelocity 1.5%

**Total** **2.1%**

#### % Entries from Facebook

##### Hotels 1Q:14

Choice Hotels International 8.6%

Hilton Worldwide 4.2%

Global Hyatt Corporation 4.0%

Marriott 2.0%

Wyndham Worldwide 1.9%

Starwood Hotels And Resorts 1.5%

BestWestern Hotels 1.1%

Accor 1.0%

InterContinental Hotels Group 1.0%

**Total** **2.7%**

Source: Comscore, SFG Research

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Neutral (Hold) 46.39% (135)	Neutral (Hold) 0.00% (0)
Negative (Sell) 3.09% (9)	Negative (Sell) 0.00% (0)

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