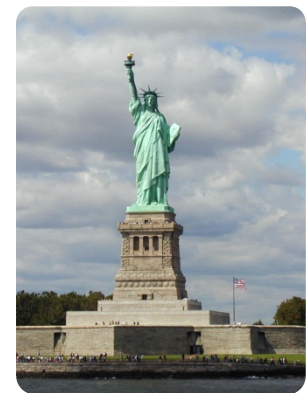


# Travel Trends

Lee McCabe

Director of Market Management, Oceania



# What we represent



**58M+**  
visitors/month



**67M+**  
roomnights  
booked



**\$21B**  
gross bookings

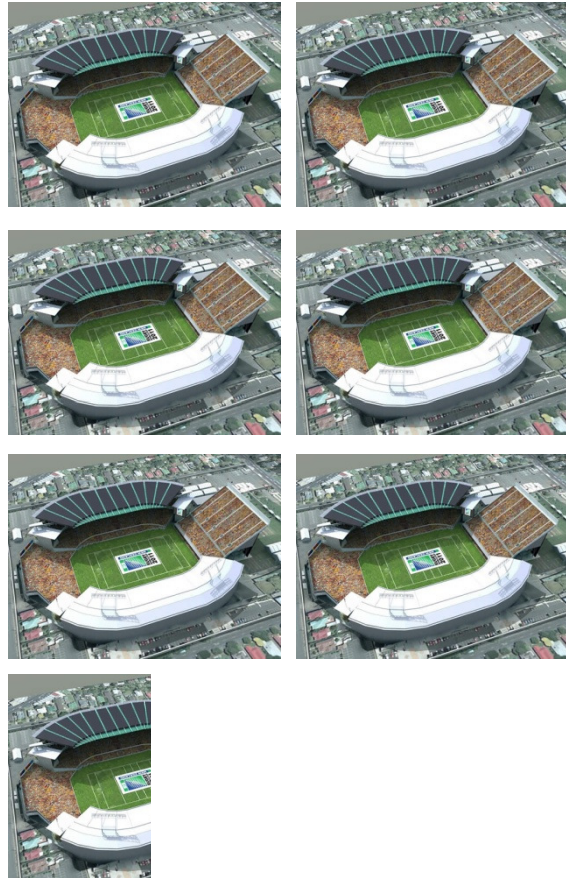


**25M+**  
air tickets sold

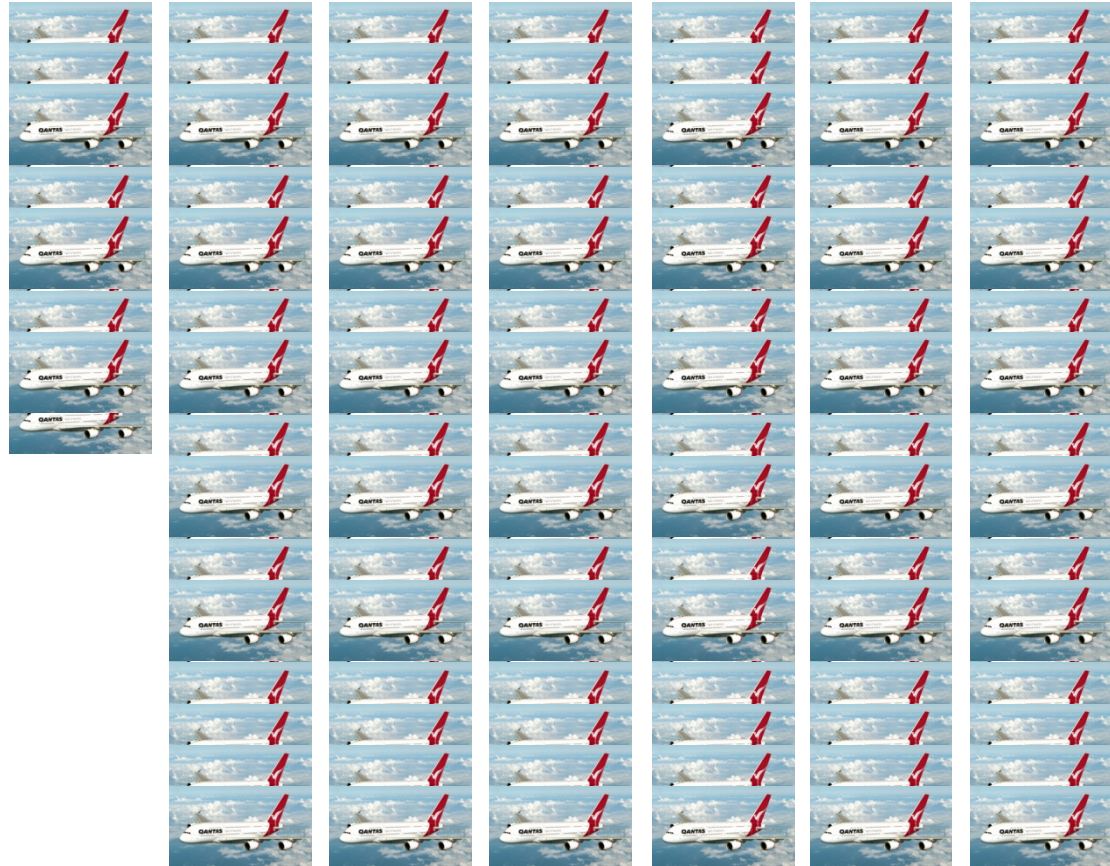
Source: Expedia, Inc. Feb 2010

# On average, every day we fill.....

Eden Park 6.5 times



130 A380s

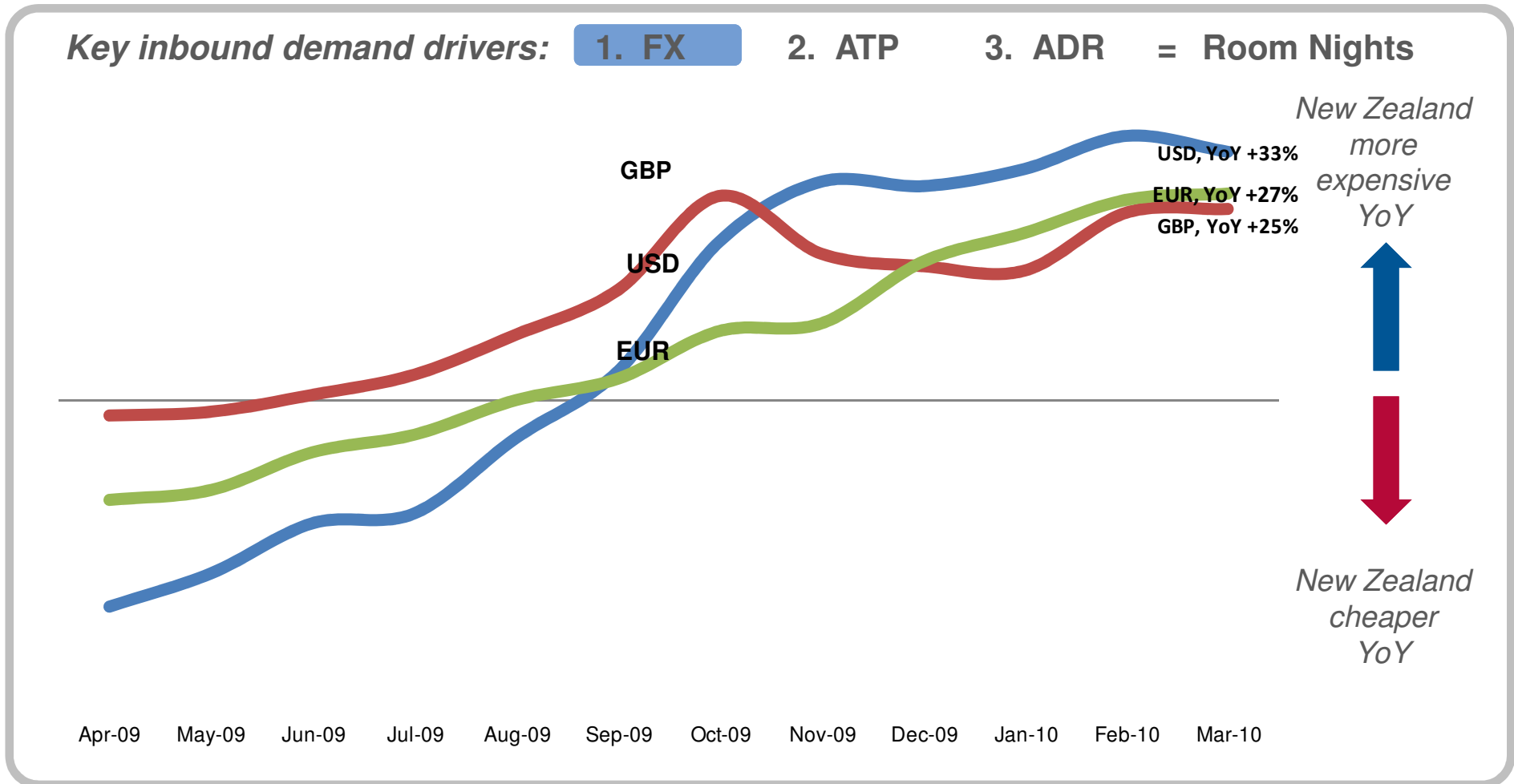


Note: (183,561 room nights booked per day \*1.6 Ave Pax)/ Eden Park capacity 45,472. 68,493 air tickets per day/ A380 capacity 525

# Short Term Trends

# Demand drivers: FX shaped demand!

Top inbound vs. NZD currency YoY fluctuations (Last 12 Months)

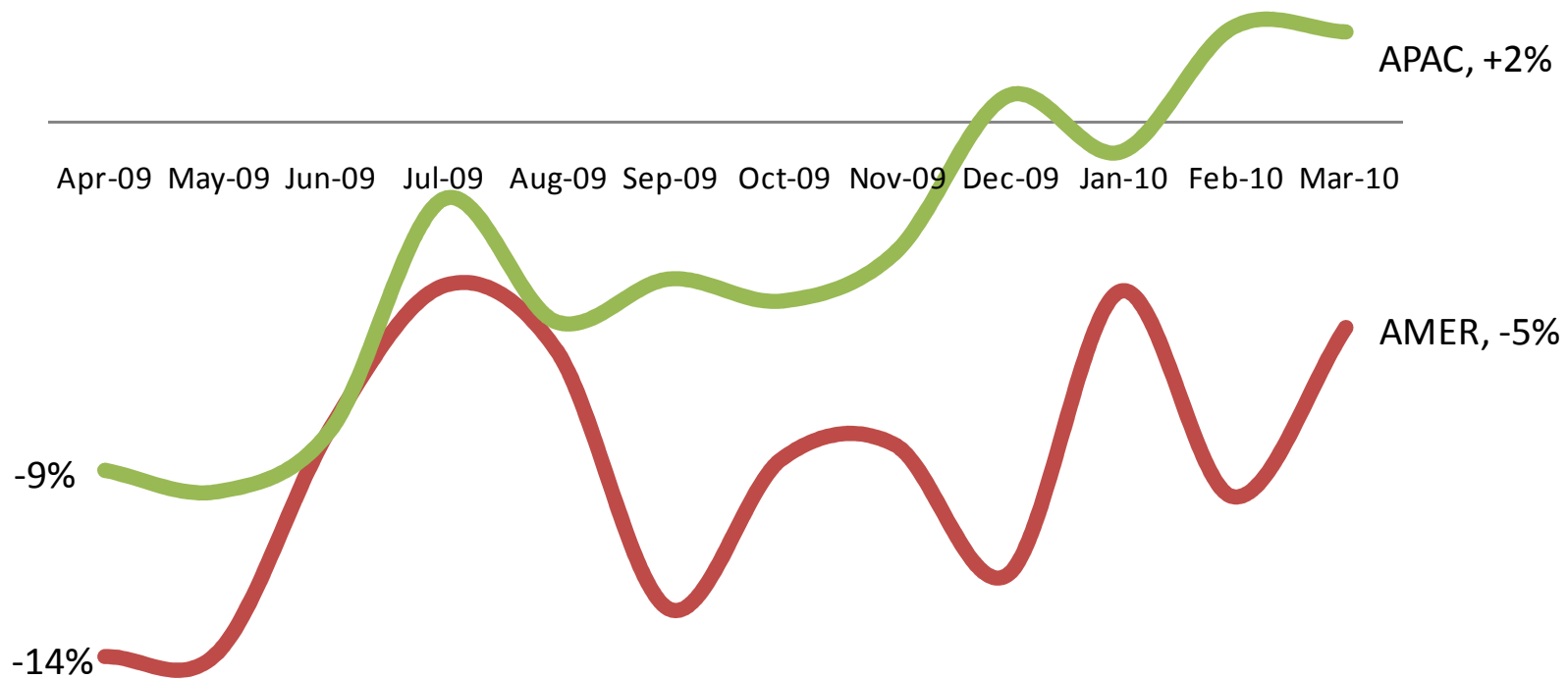


Source: Oanda.com. Last 12 months 1 Apr 09 through 31 Mar 10;

# Demand drivers: Air Capacity added since Q3 09 (JQ)

Air capacity into New Zealand YoY growth (Last 12 Months)

Key inbound demand drivers: 1. FX 2. ATP 3. ADR = Room Nights

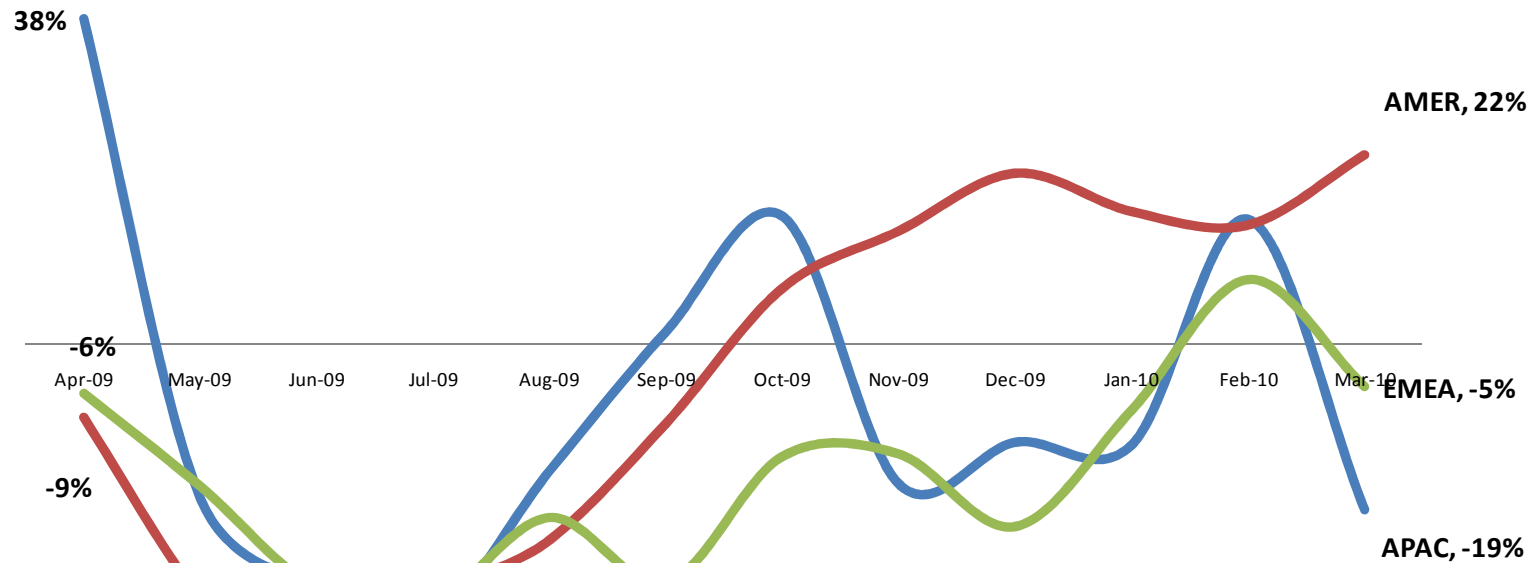


Source: YTD through Mar 2010; APG

# Demand drivers: Ticket prices Slightly increase after Q2 09

Avg. Air Ticket Price into New Zealand YoY growth (Apr 08 – Mar 10)

Key inbound demand drivers: 1. FX 2. ATP 3. ADR = Room Nights



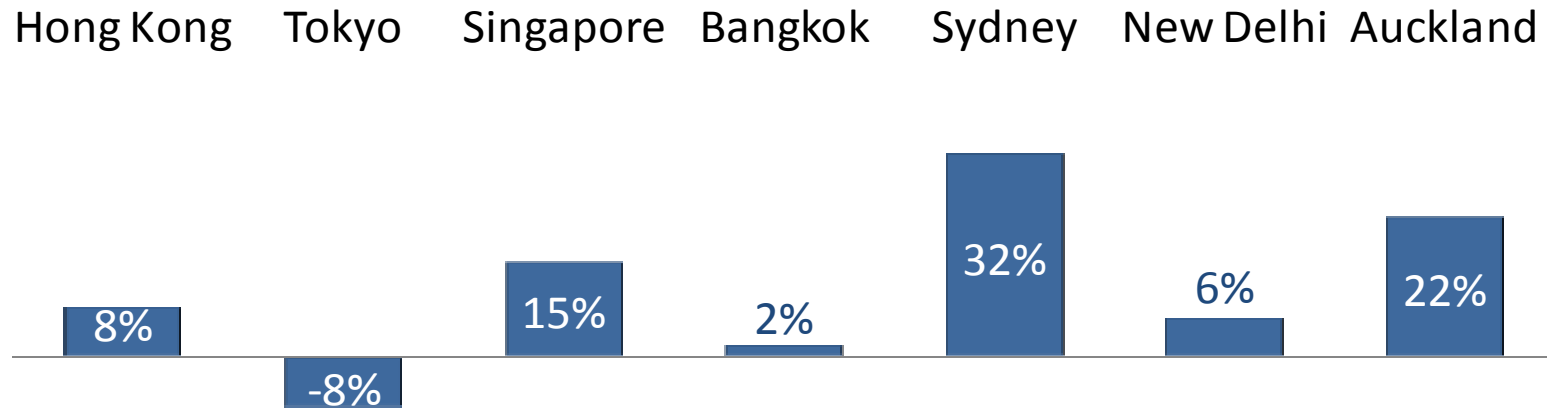
Source: Expedia Inc booked data

# Demand drivers: Hotels aggressively competed on rates

Avg. ADR booked YTD Q1 2010 vs. 2009 in local currency

Key inbound demand drivers: 1. FX 2. ATP 3. ADR = Room Nights

## YOY ADR YTD Q1 10/09



Source: Expedia Inc booked data

# Booking trends: Regional travel gained popularity

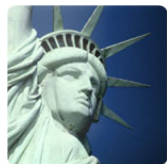
Origin of Expedia Room Nights into APAC, Q1 '10 vs. '09



APAC POS



EMEA POS



AMER POS

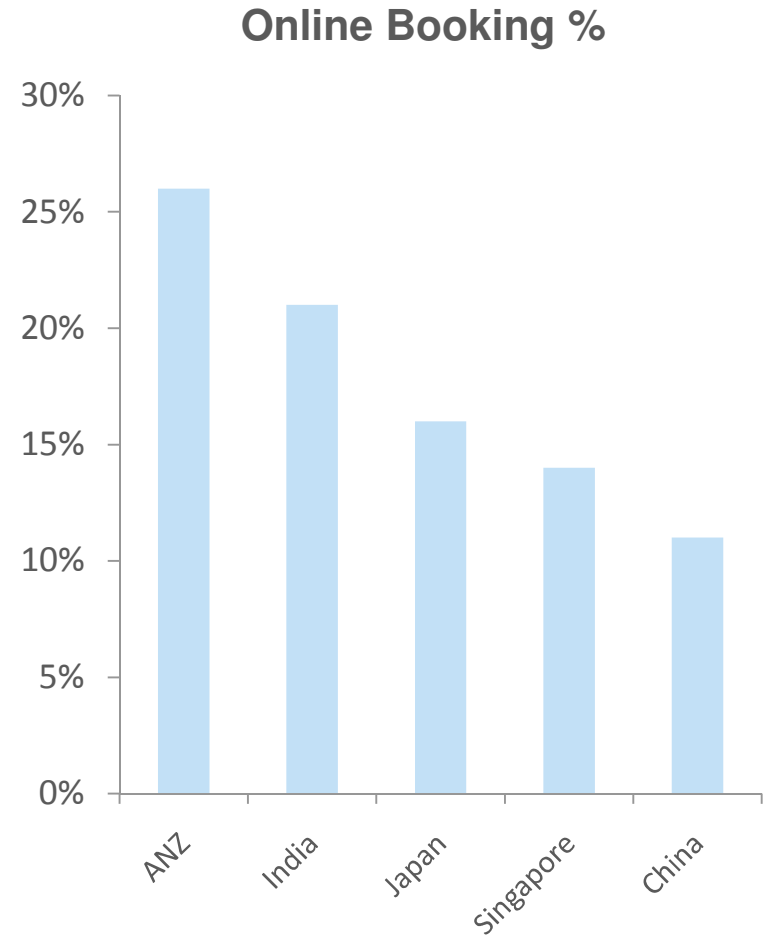
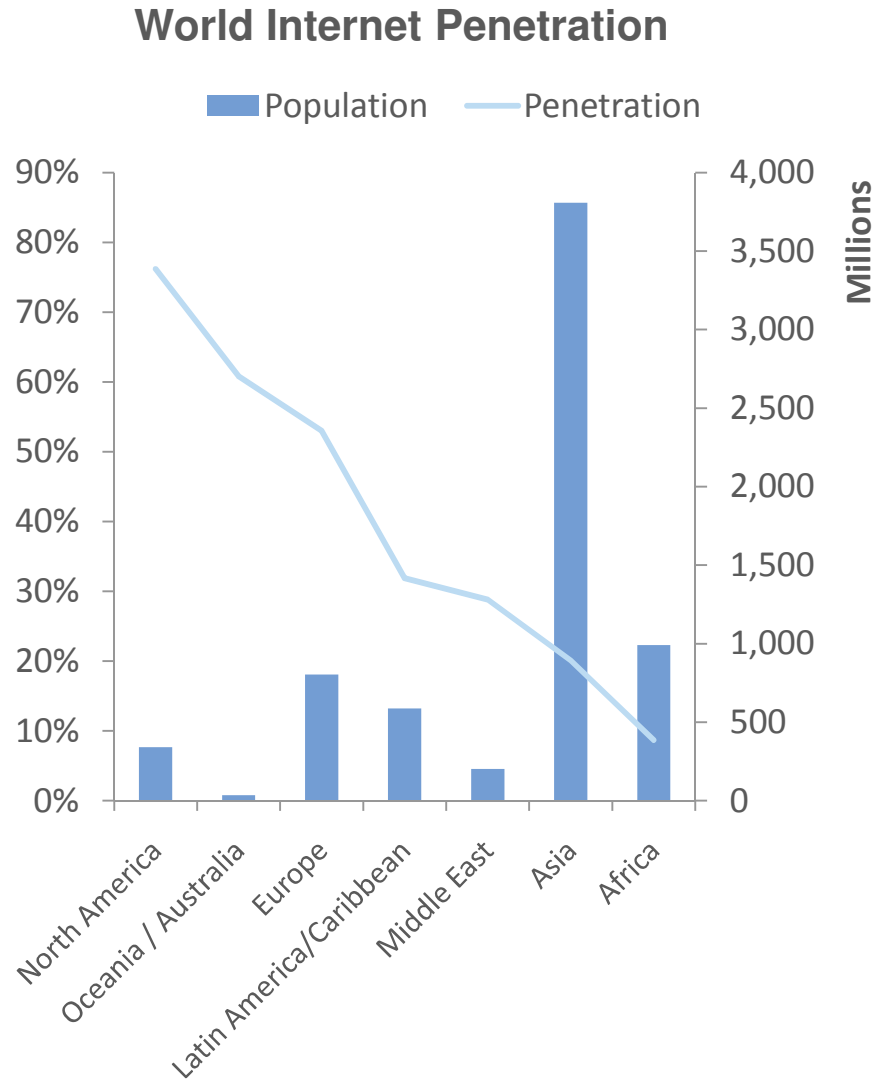
	2009		2010
APAC POS	38%	↗	50%
EMEA POS	25%	↘	21%
AMER POS	37%	↘	29%

Source: Expedia Inc booked data YTD as of Mar 31, 2010

# Long Term Trends

# 1. Online Business Will Grow

Asia growth driver



Source: Internetworldstats.com, data updated Dec 31<sup>st</sup> 2009. Online Booking % from PhoCus Wright's Asia Pacific Online Travel Overview Third Edition

## 2. Distribution Points will Expand

Expedia generates more leisure travel bookings – online or offline – than any other travel company

Hotel	Air	Destination	Media/Retail
        	              	      	           

### Expedia's Travel Agent Affiliate Program (TAAP)

Providing travel agents direct access to Expedia's global inventory

- Agents can earn commission on airline and hotel bookings, packages, car rentals and activities
- In Europe alone, 6000 agents have already joined the Program

Source: EAN Internal Feb2010

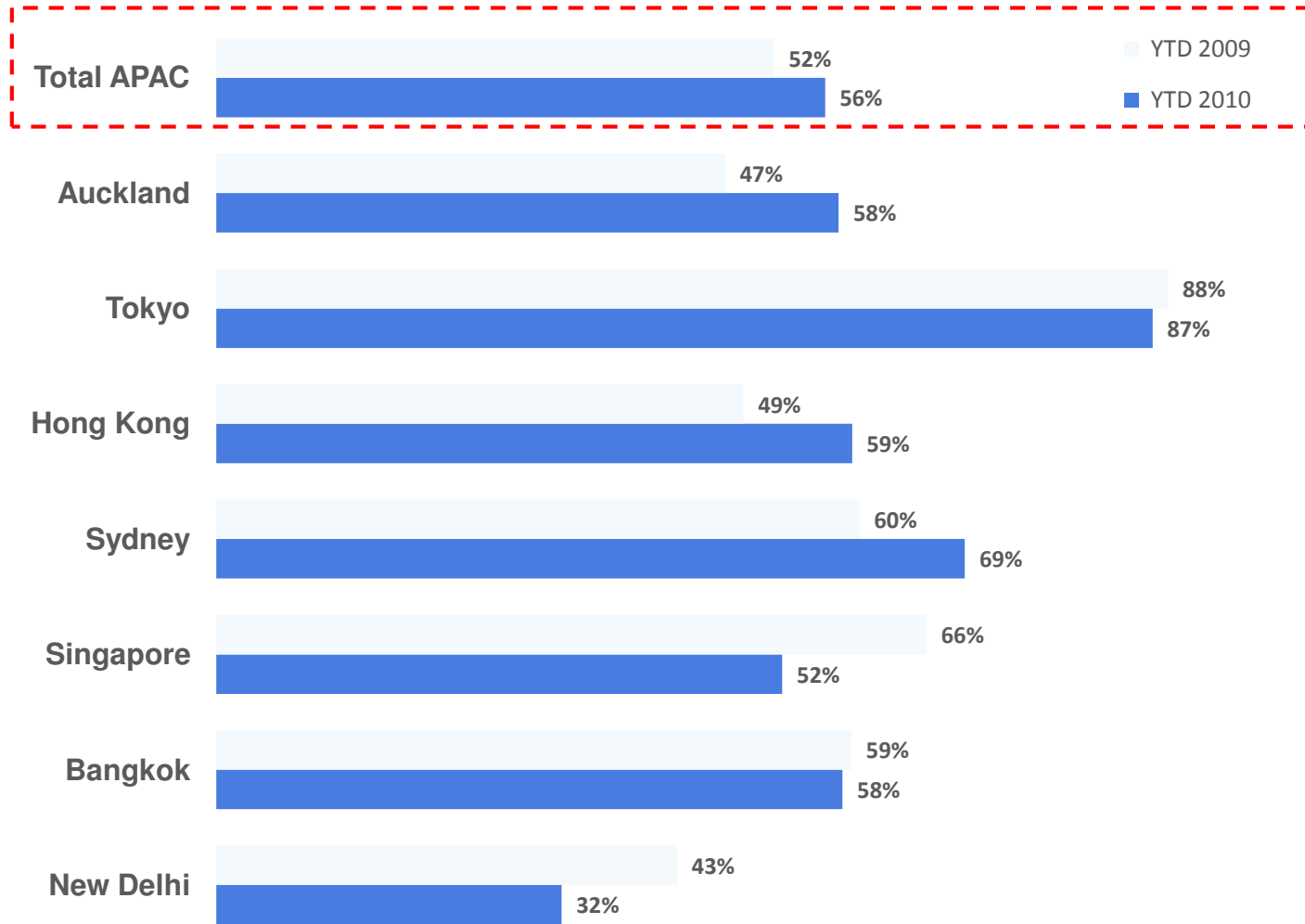
Over 10,000 partners globally

### 3. User Generated Content space will grow



# 4. Travelers are more value driven

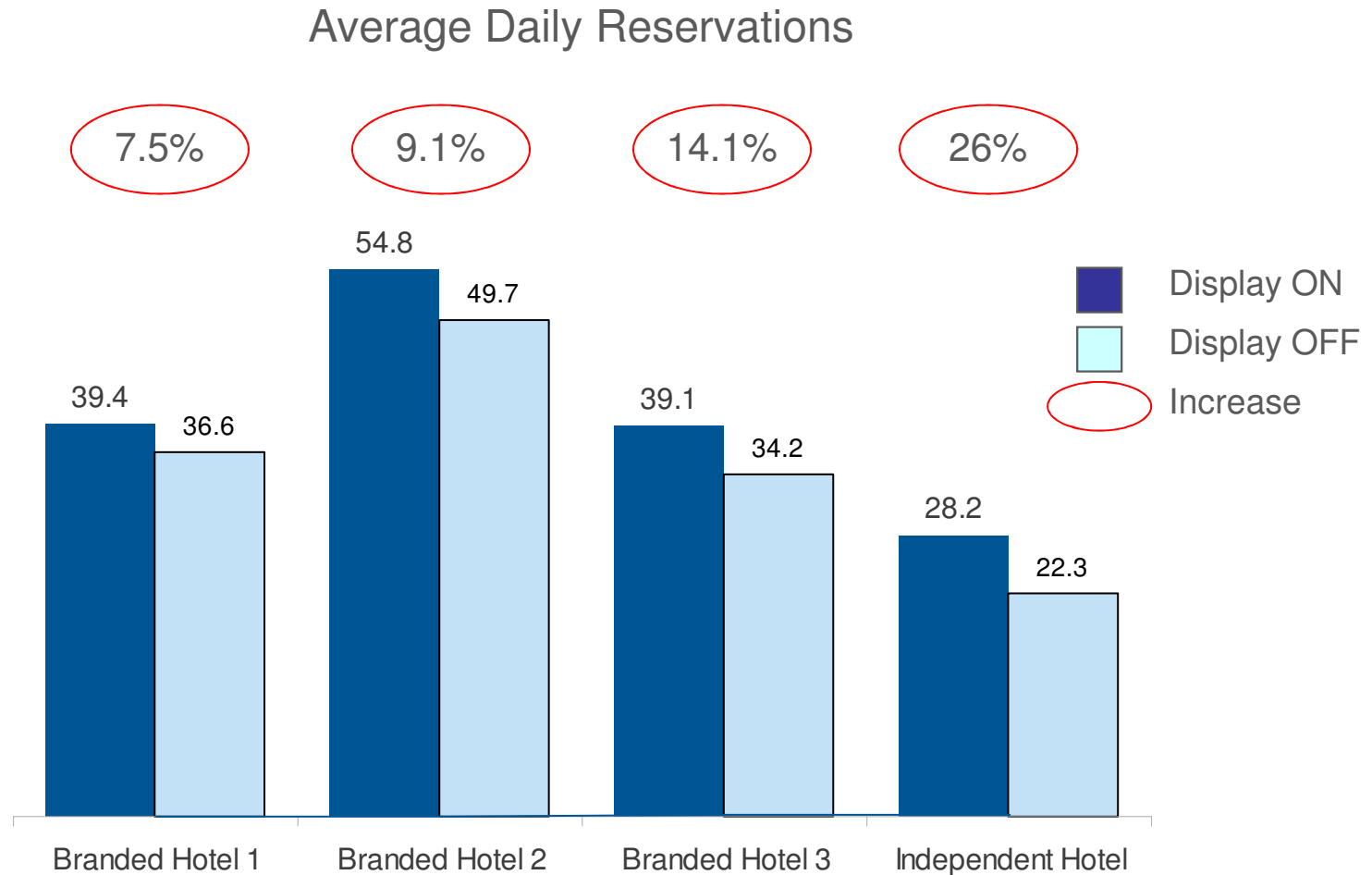
Share of bookings with promotions YTD 2010 vs. 2009



Source: Expedia Inc. booked data YTD Q1 2009/2010

# 5. Consumers Shop Around: The Billboard Effect

Incremental Direct Reservations (excluding OTA)



Source: The Billboard Effect: Online Travel Agent Impact on Non-OTA Reservation Volume  
by Chris K. Anderson, Cornell Research

# 6. Consumers want to engage

## Traveler reviews

The image shows a screenshot of the Expedia website. At the top, the 'hotels.com' logo is visible. Below it, there are several hotel listings. The main focus is on the 'Hotel Monaco - a Kimpton Hotel' listing, which is highlighted with a red box. This listing includes a 'Traveler Opinion' section with a 4.7 rating out of 5 and 85+ reviews. The hotel is located in San Francisco, CA, in the Union Square - Convention Center area. It is described as an eclectic building from 1910. The listing also features a 'Special Offer' for a 30% discount and an 'Expedia Special Rate' of \$125 per night. A table below the listing shows room types and prices for Friday and Saturday.

Room type	Fri	Sat	Avg per night
Canopy Queen & Hosted Wine Reception Includes: Free Wireless Internet	<del>\$179</del> <b>\$125</b>	<del>\$179</del> <b>\$125</b>	\$125.30

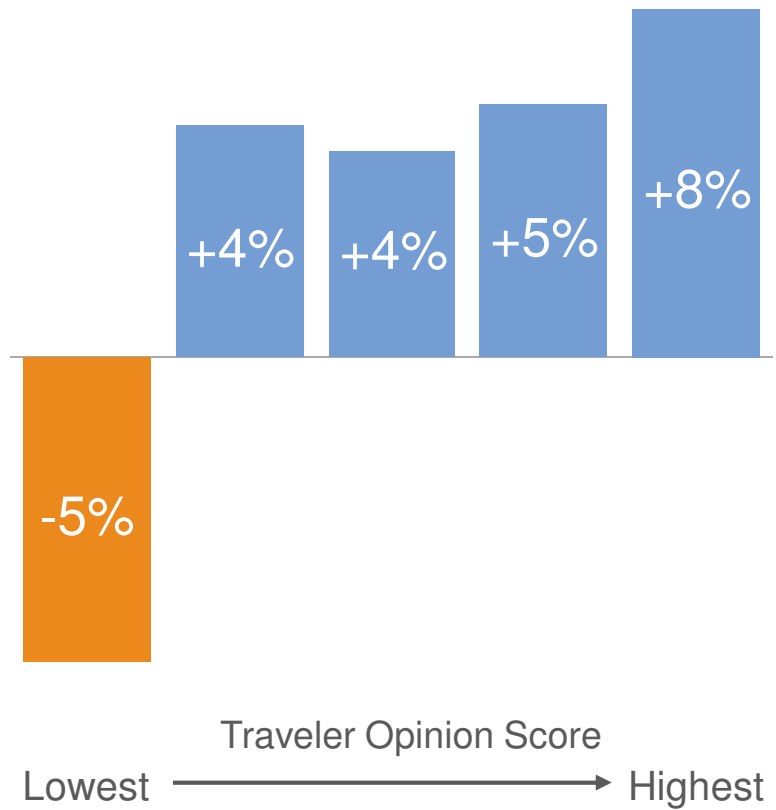
# 6. Consumers Want to Engage

Travelers opinions effect on conversion

Did you know?  
"87% of travelers found traveler-generated reviews from people they didn't know influential in deciding where they would purchase their leisure travel"  
(PhoCusWright Inc)



Impact of traveler reviews on purchase conversion (relative growth)



Source: Expedia, Inc.; The PhoCusWright Consumer Travel Trends Survey 10th Edition

# 6. Consumers Want to Engage

UGC – The Wisdom of Crowds



## The WhitSundays

Destinations > Australasia > Australia > Airlie Beach/WhitSundays >

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About This Travel Blog

From the diverse Multi Culture of Asia to the warmth and scenic beauty of Australia.

Table of contents

★★★★★ 3 votes [rate it](#)

Visitors: 10699 - 119 this month

★ This is a top pick!

tries (24) [Guestbook \(17\)](#)

Map Satellite Hybrid

POWERED BY Google

© 2009 Data Sciences Pty Ltd, PSMA, AND, Tele Atlas - [Terms of Use](#)

Show trip route Enlarge map Toggle lines

## Rants & Raves

The best and worst revealed

**Hotel Sugar Beach**  
Province of Guanacaste, Costa Rica

●●●●●

"We had a family of monkeys in the trees outside our room and it was magnificent. The water and beach are incredibly beautiful and relaxing." [more](#)  
By Nicole065

**Bed by the Stream B&B**  
Saugerties, New York

●●●●○

"Clunks and pings and water gurgling through the pipes all night. I never ate the breakfast; there was way too much animal hair flying around." [more](#)  
By idahotraveler34

### SeatMap Key

- Good Seat
- Mixed Review
- Standard Seat
- Some Drawbacks
- Poor Seat
- Power Port
- FA Crew Seat
- ⏏ Emergency Exit
- V Overhead TV
- G Galley
- L Lavatory
- C Closet

# 6. Consumers want to engage

SeatGuru content on Expedia.com

**Expedia** NO FEES! Home Vacation Packages Hotels Cars Flights Cruises Activities DEALS & OFFERS Maps Business Travel My Itineraries My Account Search

## Seat Map

The following seats are available for this flight. You will be able to select specific seats once you have selected a flight to purchase.

Flight 1

**Legend**

- Available seat
- Preferred seat
- Occupied seat
- Disability seat
- Exit row

SEATGURU

- Good review
- Poor review
- Mixed review

Powered by **tripadvisor**

Seat attributes are the opinion of **SeatGuru** and are provided on an as-is basis. Seating preferences will be communicated to the airline but are not guaranteed.

Seattle (SEA) to San Francisco (SFO)

**Seat 10A**

**SEATGURU** by **tripadvisor** **Seating information**

**Seat:** 10A  
**Class:** Coach  
**Seat Type:** Standard  
**Review:** Be aware

**Power:** None  
**Video:** Personal TV

Seat 10 A is missing a window. If you like having a view, choose a different seat.

[Choose this departure](#)

[Return to trip price](#)

QUESTIONS?



Thank you!

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