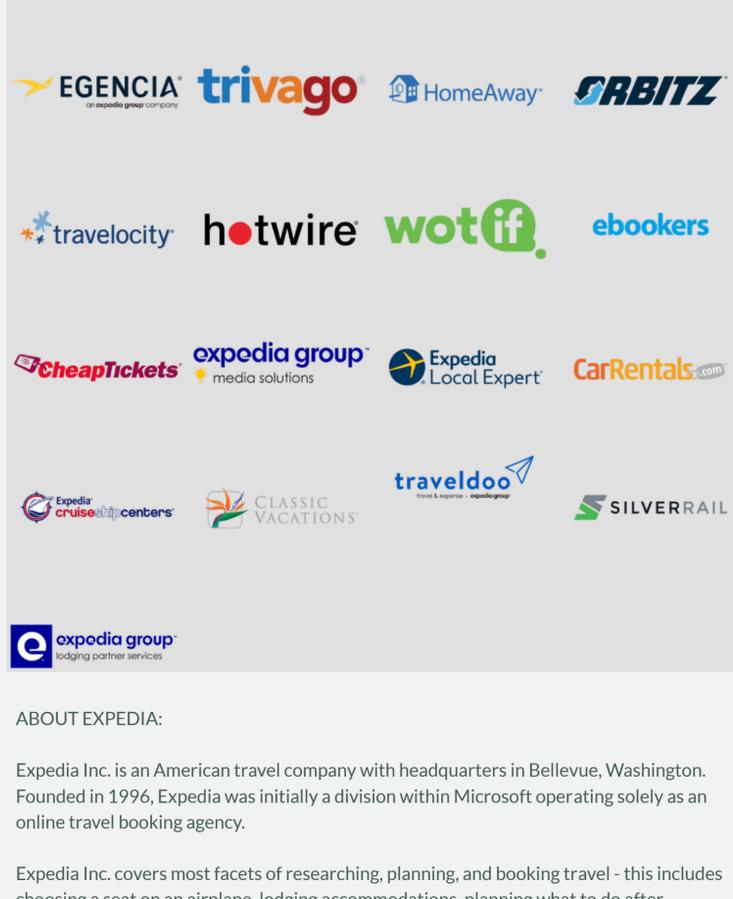


## TWO "TRAVEL" POWERHOUSES

# What Does Expedia's Alliance with Marriott mean for Hotel Bookings & other Brands?

## Expedia Group Brands



### ABOUT EXPEDIA:

Expedia Inc. is an American travel company with headquarters in Bellevue, Washington. Founded in 1996, Expedia was initially a division within Microsoft operating solely as an online travel booking agency.

Expedia Inc. covers most facets of researching, planning, and booking travel - this includes choosing a seat on an airplane, lodging accommodations, planning what to do after arriving your destination, and more.

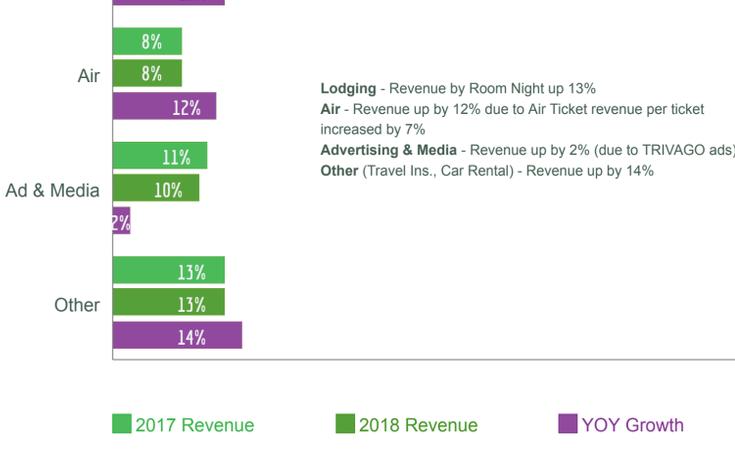


Source: [Travel Tech Media](#)

## Expedia Group - Lodging partner services



Revenue by Business Model of the 11.6% Growth 2017 vs 2018 YOY Results



In revenue by product basis, lodging is the best seller and the highest revenue producer for Expedia Group. Second in place is Air Travel bookings but far behind lodging reservations.

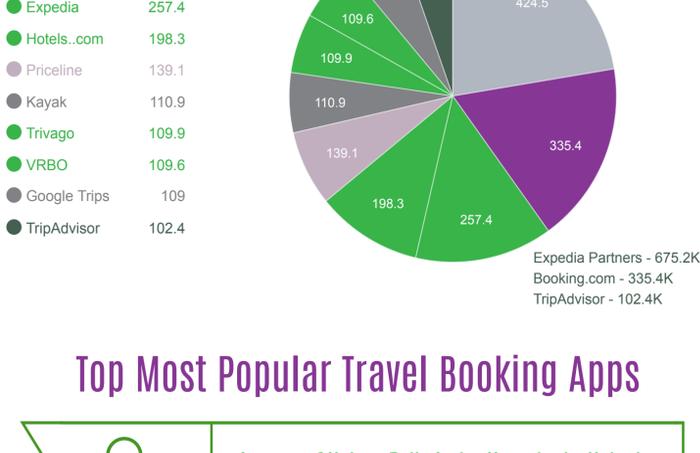
Interesting to note that the lodging overall revenue increased by 4% from 65% to 69% while the YOY room nights booked increased by 13%, which can be an indication that these rooms were sold at a higher discount than the previous year

Source: [Expedia 2018 Annual Results](#)

## Top Most Downloaded Travel Booking Apps



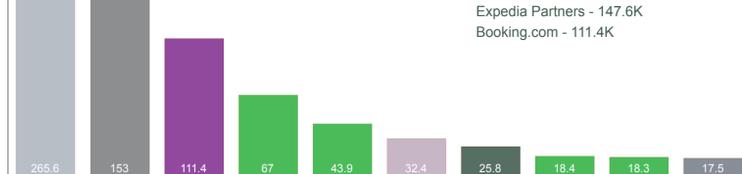
Number of App downloads in Google Play store in the United States - August 2018



## Top Most Popular Travel Booking Apps



Average of Unique Daily Active Users in the United States - August 2018 (for Android)



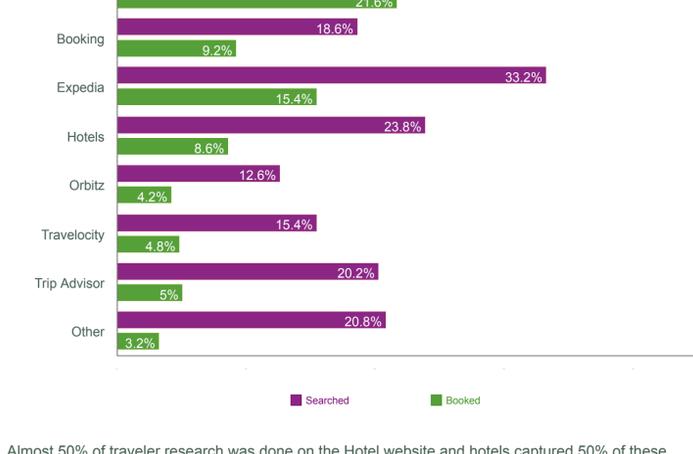
Even though Expedia has the highest number of apps that is being downloaded, TripAdvisor is still in the #1 spot for bookings.

Source: [Geckoroutes.com](#)

## Top Most Popular Travel Booking Channels



OTA Channels used to Search and Book reservations vs Brand's Own Site



- Almost 50% of traveler research was done on the Hotel website and hotels captured 50% of these lookers to convert them to bookers. Industry statistics is showing, and our own data confirms, that the efforts by brands to entice consumers to book direct is making a difference
- Loyalty member advertising campaigns and added perks for rewards members have helped increase the rate of OTA bookings while the OTA channel has either held steady or somewhat declined
- Among the OTA channels, Expedia leads the pack and they too have close to half of searchers on their site convert to a booking
- NOTE: Hotels.com, Orbitz and Travelocity are all Expedia Group brands - all 4 are top channels for searching and booking

Source: [iResponse Survey January 2019; Ages 18-65+](#)

## Expedia & Marriott



What does it mean?

*"We are thrilled to launch this new product with Expedia's technology, and to explore new areas of partnership beyond our existing distribution relationship"*

Arne Sorenson  
CEO  
Marriott International

### What it does:

- Expedia is the exclusive distributor of Marriott International wholesale and promotional room rates and availability
- Enables bedbanks such as HotelBeds, WebBeds and other distributors to have a direct connect with Marriott Hotels. This makes it "a single gateway for the redistribution of Marriott's wholesale inventory" through "optimized distributor"
- "The optimized distribution solution through Expedia Partner Services will greatly increase the compliance with Marriott's channel standards" - Alexander Pyhan, Marriott International, Vice President Distribution
- Marriott had always been strong with the business traveler and this agreement "will increase Marriott's visibility in the leisure travel market"
- Expedia Group brands has been given an expanded role in powering flights and hotel packages on Marriott Vacations. They provide the technology as well as flights, ground transportation, tours and activities and Marriott provides its own hotel
- Marriott's BONVOY members will earn their rewards points when they book packages
- The site has the "look and feel" of Expedia.com including messaging such as; "We have 5 left at \$1,889" for an eight-night stay at a particular property
- Marriott has agreed to have an increased presence on Expedia's discounted inventory site, Hotwire, which was a taboo many years back due to their working relationship with Priceline.
- Tour operators and travel agents who currently do not have a direct access to wholesale rates are now directed to Expedia Partner Solutions to establish ties.

### What it does not do:

- Give Marriott a more high-profile presence on Expedia Group sites such as Expedia.com and Hotels.com in terms of hotel search results.
- Marriott's wholesale rate distribution to Online Travel Agencies such as Expedia, Agoda, Booking.com, Priceline and Ctrip would not be directly impacted by this agreement.
- Expedia will not impact tour operators, travel management companies, global distribution systems and airlines that may have direct ties with Marriott.
- Expedia is not taking a revenue hit from the agreement nor is Marriott International.
- This agreement only covers the U.S. point of sale and is not Global at this time.

Source: [Skift](#)

## Key Takeaways

- Expedia Group covers many OTAs under their umbrella and has become a powerhouse for online reservations.
- Lodging reservations is still the top producer of revenue on Expedia Group
- Expedia Partner Channels are used most when searching and booking Lodging online.

- Even though Expedia Partners have the highest number of Apps that are being downloaded, TripAdvisor is still in the #1 spot for most active users making hotel bookings through their App.

- The Expedia and Marriott venture is more of a distribution relationship of inventory control for "bed banks" than a "placement" agreement. This will help Marriott International with their leisure business.

- Expedia and Marriott venture is currently only for United States point of sale.

CREATED BY  
Rose Mentrie / November 2019



### CONTACT US

Phone: 800-528-3135  
Email: [info@iresponse.com](mailto:info@iresponse.com)  
Website: [www.iresponse.com](http://www.iresponse.com)

