

# TRAVELTRENDS™

Monthly travel insights from Compete

By Gregory Saks

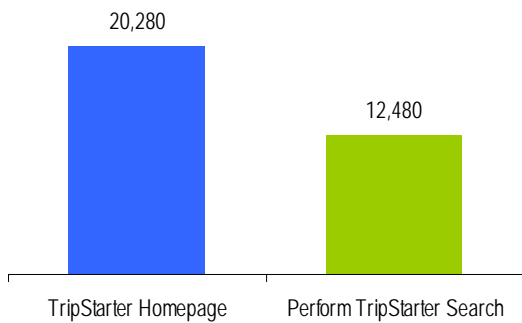
## ARE CONSUMERS ADOPTING HOTWIRES' TRIPSTARTER PRODUCT

Travel price prediction and modeling tools are evolving rapidly, and Hotwire is the latest to implement such a functionality on its site. Using the Hotwire TripStarter tool that was launched in February, consumers can view trended historical pricing data for flights and hotels. The display gives consumers an easy way to identify the ideal time to schedule a trip... if minimizing cost is the primary objective. The TripStarter product joins a mix of offerings from Farecast, Kayak, Farecompare, and others that offer price modeling tools, but are consumers really using this information?

**Hotwire's TripStarter tool attracted an audience of 20,000 users during the month of March 2007.**

Compete's Travel practice researches the entire online consideration and booking process for consumers, offering an unmatched level of insight into how travelers engage, cross-shop, and convert across all agency and supplier destinations.

Usage of Hotwire TripStarter Tool, March 2007



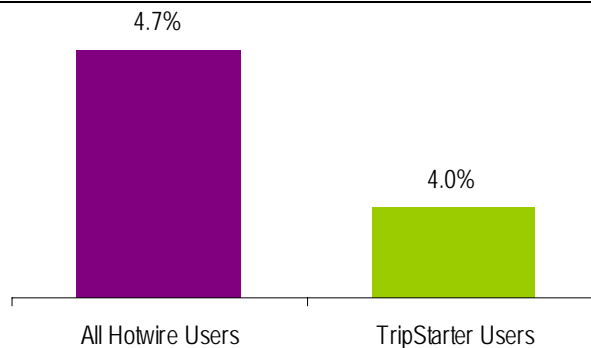
After launching in February, Hotwire's TripStarter product attracted an audience of 20,000 users during the full month of March, or 0.4% of Hotwire's total U.S. site traffic of 4.9 million. Of the visitors to the TripStarter homepage, 60% actually engaged with the tool and performed a search. Beyond performing a search to look at price trend charts, the tool does not contain additional unique functionality.

Does usage of the TripStarter tool increase a consumer's likelihood to book travel? In the short term at least, the opposite effect may take place. 4.0% of the March users of the TripStarter tool booked a travel product on Hotwire during the same month. This compares to an overall booking rate of 4.7% for all of the traffic to Hotwire. If consumers are using a tool that helps them plan the timing of future trips, it is an indication that they are not far along enough in their consideration process to jump into completing a transaction.

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Hotwire has developed a compelling, albeit bare-bones, tool for consumers. The consumers who are most likely to use it, though, are often not ready to book. As a result, additional features that are built around the tool should focus on generating an ongoing dialogue with consumers rather than force-feeding them into a booking funnel. If Hotwire evolved its TripStarter tool into a vehicle for getting inserted into the early stages of planning cycle, it could significantly improve its effectiveness. Some marketing muscle to bring in more users wouldn't hurt either.

Percentage of Users Booking on Hotwire March 2007



Want more information on this analysis? Contact Compete at [travelpractice@competec.com](mailto:travelpractice@competec.com)