

TRAVELTRENDS™

Monthly travel insights from Compete

EXPEDIA DRIVES BOOKINGS WITH BEST PRICE GUARANTEE

Expedia.com's Best Rate Guarantee launched in January. This program, which offers customers who find a better price elsewhere a refund of the difference and a \$50 travel coupon, is a solid performer. Consumers interacting with the program are twice as likely to book as the average site visitor, leading to an incremental 5,000 transactions per month during the first quarter. Compete assessed the program's usage among Expedia's 15 million monthly U.S. visitors.

Expedia Conversion Rate: Q1 2006



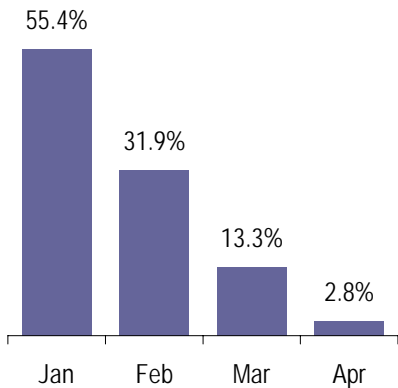
The largest obstacle for Expedia to overcome with its new guarantee is generating consumer awareness. Over 100,000 consumers per month clicked to learn more about the program during the first quarter – a number most travel Web sites would consider a success. For Expedia, however, this represents a scant 0.6% of its visitor base. The homepage contains over 75 different links for visitors to choose from so real estate is at a premium and the Best Price Guarantee is hard to find. With a 10% booking rate among those who did click on the program, however, Expedia will want to find a way to capture additional consumer interest in the program.

Ultimately travel marketers may want to take a page out of Marriott's book. Marriott.com is one of the best converting hotel sites online. It integrates Best Price Guarantee messages throughout the booking funnel and frees up space on the homepage for other promotions.

GOTRUMP.COM DOESN'T TRUMP ESTABLISHED TRAVEL SITES

GoTrump.com, the new online travel agency Web site branded by Donald Trump, has not been able to generate significant business since launching in January 2006. Dedicated to "The Art of the Travel Deal," the site has attracted many curious visitors, most of whom are only window-shopping. Booking Rates are a fraction of one percent, making GoTrump.com a harbinger for other companies considering creating affinity-based online travel agencies.

GoTrump.com Visitor Engagement Rate



Traffic to the site peaked in March 2006 at 170,000 unique U.S. visitors and has since plateaued. Moreover, among consumers who do visit the site, they are increasingly less engaged. Initially 50% of visitors conducted one or more travel searches. This engagement metric has declined sharply; just 3% of the site's visitors performed a search in April.

Features such as "Trump Picks" have been met with limited interest. In all, the average visitor spends under two minutes on the site compared to the 10 minutes spent at traditional agencies like Orbitz, Expedia, and Travelocity. This apathy has led to a limited number of transactions and booking rates of under 0.5%. While the Trump name and TV show helped attract an audience, the web-savviness of travelers will make it difficult for upstarts like GoTrump.com to siphon bookings away from established travel brands.

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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.

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