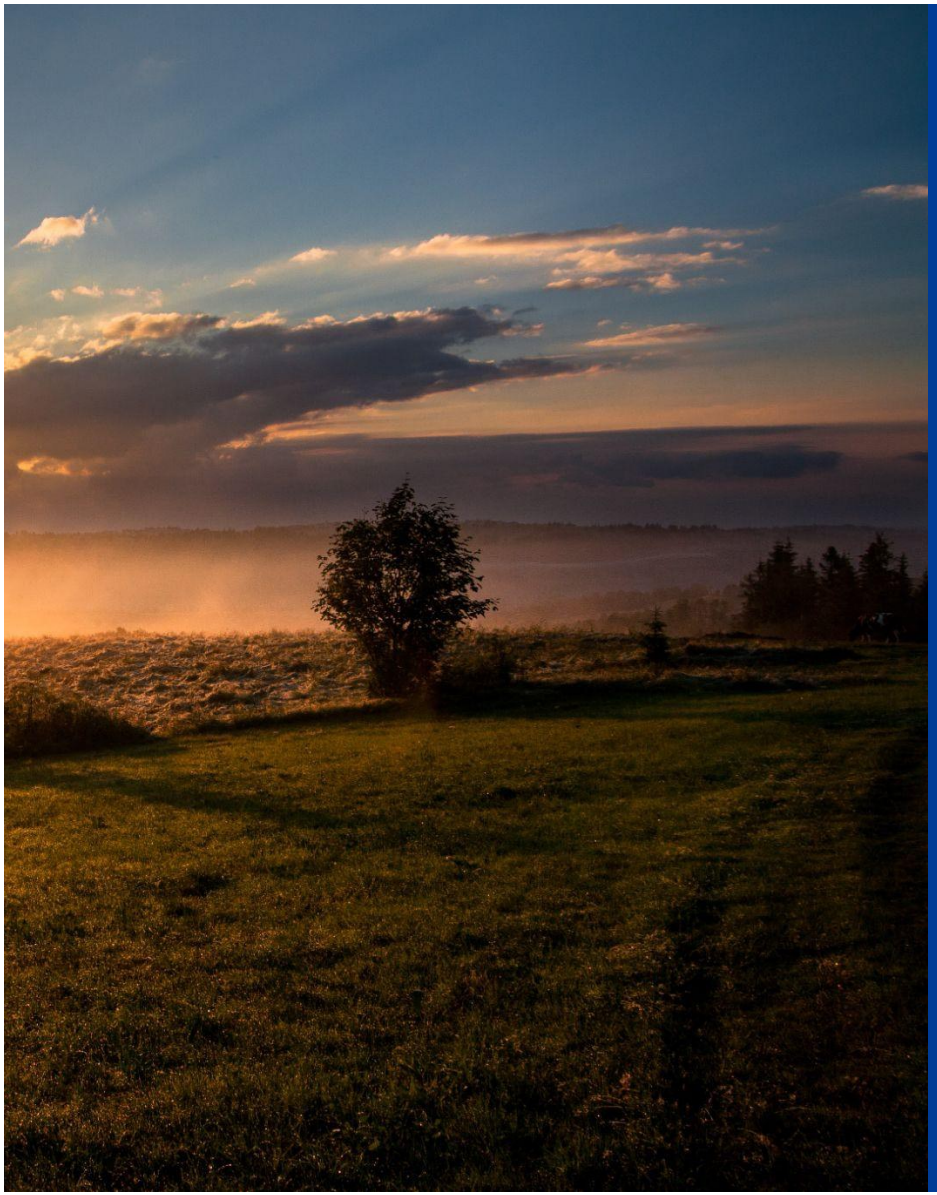
Discover how we can set ourselves up for success as travel returns.

June 11

Today's agenda.

- **Hope on the horizon**
  Setting the scene for today's conversation
- **What's cooking at Booking.com**
  Getting the scoop on the latest initiatives we're working on
- **Regional snapshot**
  Looking at relevant insights and data from our region
- **Product spotlight**
  Sharing details on some of our strategic products
- **Q&As**
  Opening the floor for a great conversation with you



B.

Industry headlines.

Travel's Reopening

We've entered the second year of the global coronavirus pandemic and vaccination progress in many countries [...] offers bright spots, as do effective containment measures. Vaccine passports are making progress in fits and starts around the world.

Skift

Vaccines Inject Travel Optimism For Summer 2021

After an extraordinarily long bout of cabin fever, plenty of travelers are looking to go big this summer. Most travelers (59%) are booking seven-night trips and 37% are booking six-night trips, according to Allianz.

Forbes

5 Reasons to Feel Optimistic About Travel in 2021

We do have reasons to be optimistic for travelling in the upcoming year. The promise of COVID vaccination, harmonized testing, and digital health passports will render traveling an exciting prospect once again.

Travel Daily Media

Gauging the Prospects for International Travel

Roadblocks abound, but airlines, hotels, and tour companies are trying to balance optimism with caution.

New York Times

Customer insights.

28,042 adults surveyed

across 28 countries and territories

Traveler optimism returns as vaccines fuel hope

66%

of global travelers feel more **hopeful** about traveling in 2021 due to the roll-out of COVID-19 vaccines

59%

won't travel internationally until they've been **vaccinated**

55%

will only travel to countries or territories that have implemented **vaccination programs**

66%

said that not being able to travel extensively in 2020 has made them **yearn for travel** even more in 2021

Source: **Back to Travel Research** (Booking.com).

B.

Customer insights.

28,042 adults surveyed

across 28 countries and territories

Travel wins in post-pandemic priorities

71%

of global travelers would rather go on a vacation in 2021 **than find true love**

66%

would prioritize traveling **over success at work**

64%

say travel is **more important** to them now than it was before the pandemic

Source: **Back to Travel Research** (Booking.com).

B.

Customer insights.

28,042 adults surveyed

across 28 countries and territories

A joint effort for a common goal

95%

of global travelers think the industry **needs to be supported** to get back on its feet

66%

believe that government **financial stimuli** are needed to help travel's recovery

74%

of accommodation partners believe **their local government needs to do more** in the future to support the travel industry during the ongoing crisis

56%

worry the industry won't survive unless it's supported with **government grants**

Source: Back to Travel Research (Booking.com).

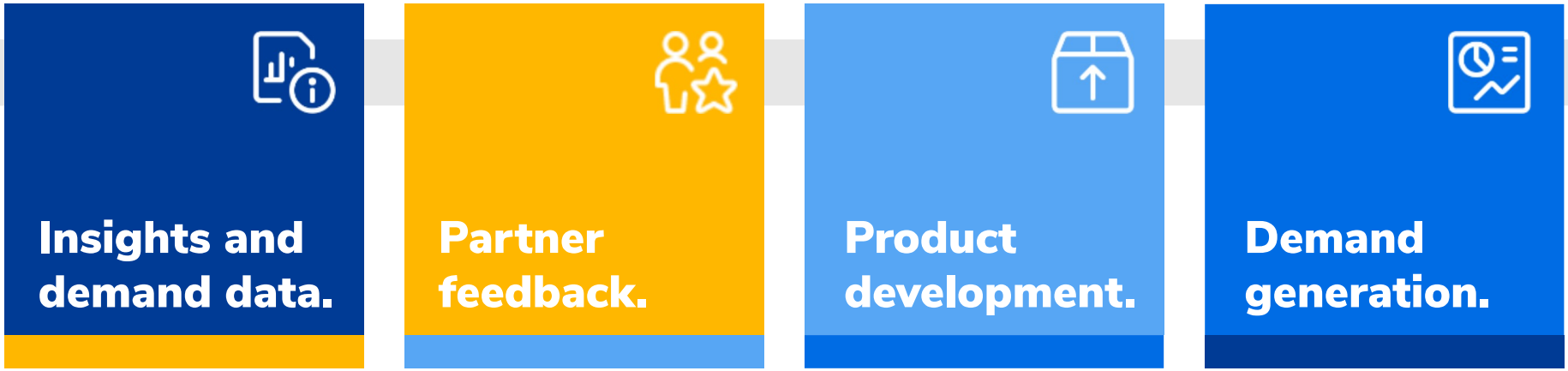


art 2.

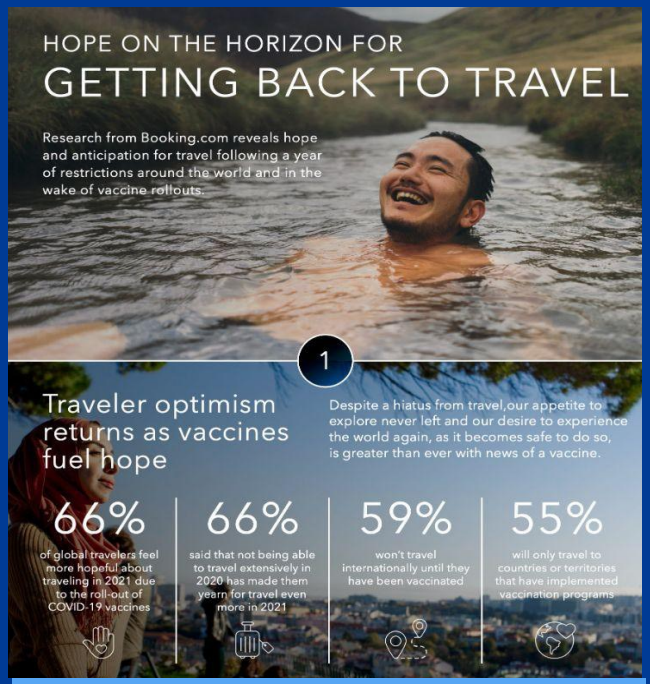
What's cooking at Booking.com.

B.

What Booking.com has been working on...

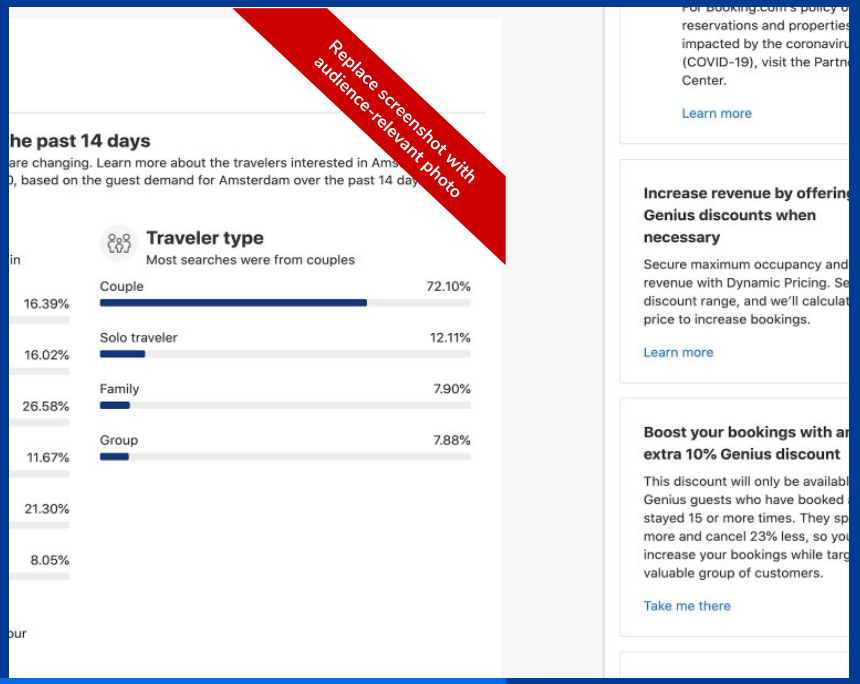


Insights and demand data.



New research spanning 28,000+ travelers across 28 countries and territories reveals the travel hopes and anticipation among people around the world.

"Back to Travel" research insights



To help partners understand changes in market trends, we now share more demand data including traveler type, length of stay, and domestic vs. international travelers' share to help partners match guest needs.

Demand data via the Extranet's Performance tab*

*Available only for eligible partners.

Partner feedback.

Need 1.
Grow and maintain revenue.

Need 2.
Enhance operations.

Need 3.
Improve guest experience.

Product development.

Pillar 1.

Capture local demand.

- ❏ Staycation packages
- ❏ Campaigns
- ❏ Mobile Rates
- ❏ Family Rates
- ❏ Domestic Geo Rates

Pillar 2.

Offer flexibility.

- ❏ Policies
- ❏ Advanced rates set-up
- ❏ Credit card detail exceptions
- ❏ Bookable until 12–16 months

Pillar 3.

Increase visibility.

- ❏ Partner Performance Investment Program
- ❏ Preferred Partner Program
- ❏ Closed User Group

Demand generation.

Vaccinations are rolling out

+

Restrictions are slowly lifting

+

Increasing pent-up demand

—

Re-energizing our marketing efforts

- ❏ **Reactivate travel demand** in recovering markets both from existing and new customers
- ❏ Drive **awareness and adoption** of the new Genius Level 1 benefits for all logged-in Booking.com users
- ❏ Being an **active and early voice in catalyzing** the travel industry recovery to help our accommodation partners capture growing demand



Part 3.

Regional insights.

B.

Market Demand Dashboard.

Source of business

Traveler type

Device used

Booked policies

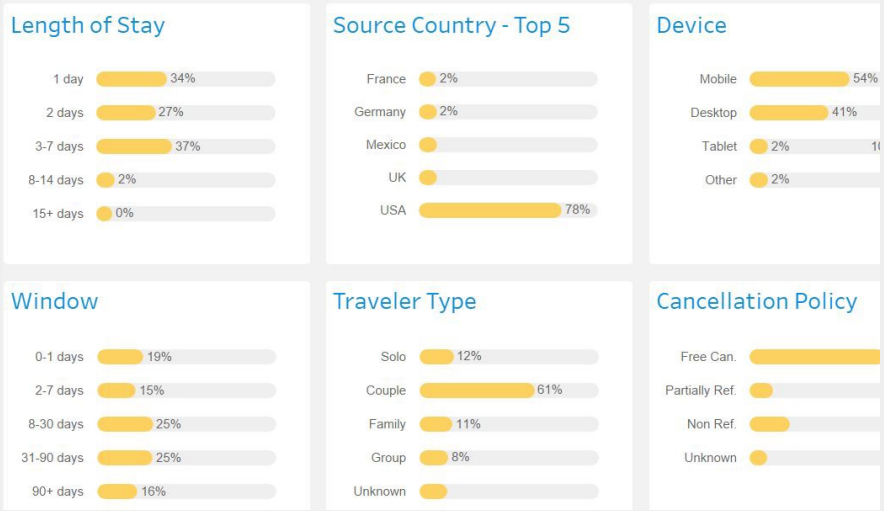
Book and search windows

Length of stay

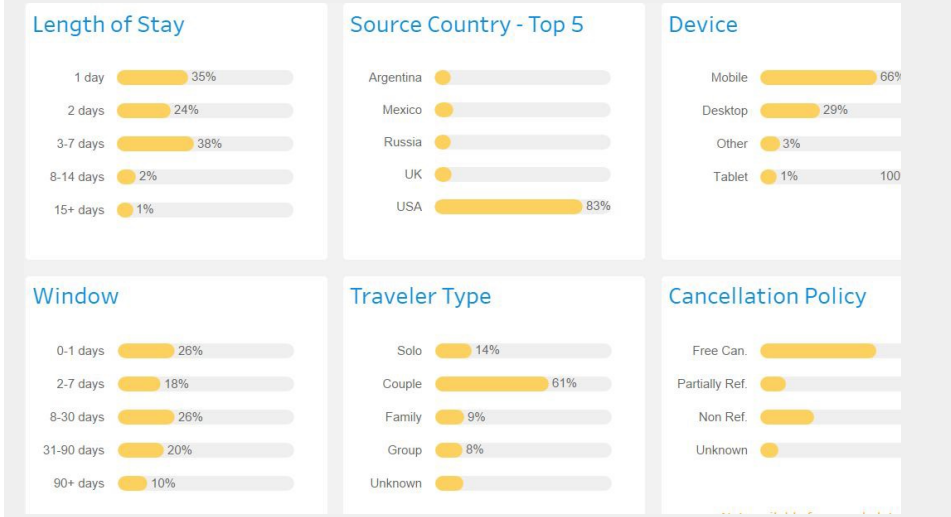
EXAMPLE

California MARKET

Search data (last 30 days)- SF



Booked data (last 30 days)-LA



Offer flexibility-California Specific Data

Long stays

Almost 25% of bookings for summer months are for longer stays of 7+ days, up from 5% in 2019. Appeal to these guests by setting up rates specifically designed to attract lucrative stays of a week or longer.

- ✓ Demand for longer stays is increasing on Booking.com, millions of guests are searching for stays longer than a week.
- ✓ Filling occupancy and securing a stable revenue are the key drivers for long stays
- ✓ Reduce operational work as longer stays mean less frequent check-ins/check-outs and less day-to-day operational work



Recommended actions:

- Set up Weekly Rates [for bookings above/including 7(+) room nights]
- Set up Monthly Rates [for bookings above/including 28(+) room nights]
- Set up availability and rates for a length of stay of over 30 days (up to 90 days)



Part 4.

Product spotlight.

Our focus for peak season.

Mobile bookings

More than **2/3 of bookings** now made on **mobile** devices.

More Geniuses

Genius

On average, **29% more bookings** for **Genius** partners.

Health and safety

11% more bookings for partners displaying safety measures.

Proud certified

1 in 3 LGBTQ+ travelers **fear judgment** from hotel staff.

Heightened sustainability

83% of travelers are prioritizing **sustainable** travel.

More bookings made on mobile.

More than 2/3 of bookings now made on mobile devices.

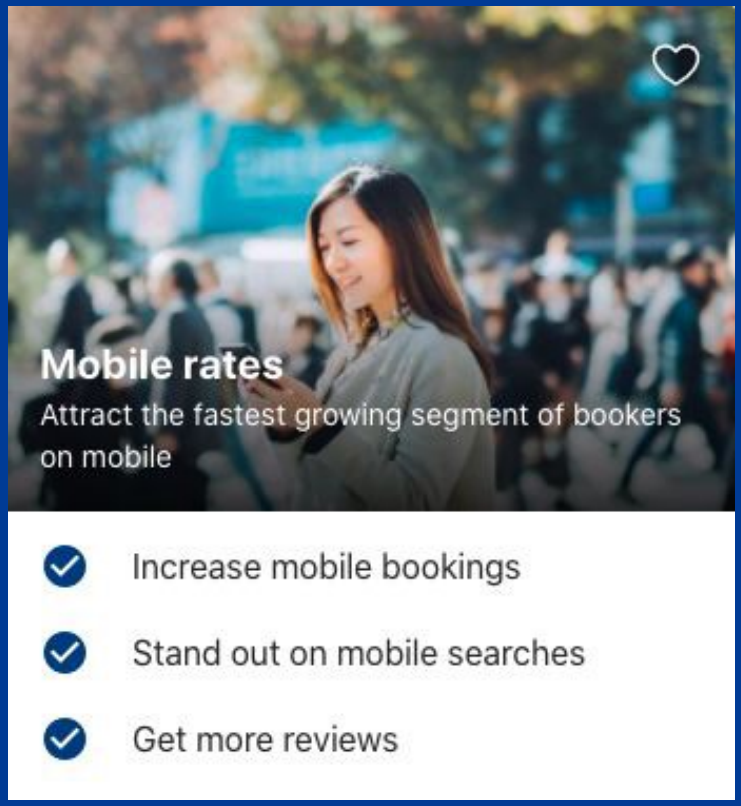
In Q1, ours was the most downloaded travel app globally, and more searches and bookings are coming from travelers using mobile devices than ever before.

When partners offer Mobile Rates to appeal to this growing booker segment, we see them capture 28% more mobile bookings.

What can you do?

- ❑ Mobile rates (inc. app-only)

Partner Hub / Solutions



More Geniuses.

On average, 29% more bookings for Genius partners.

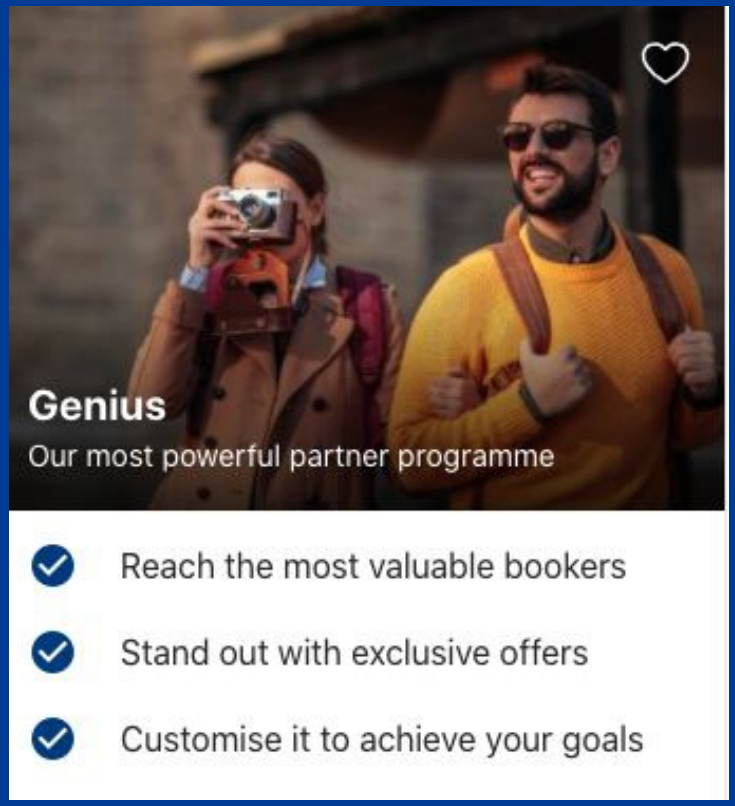
To help our partners be more visible and secure more bookings in this crucial time, we recently expanded Genius membership to all travelers with a Booking.com account.

Partners joining Genius since this change have seen (on average) 29% more bookings. Genius is also powerfully incremental. 3 in 4 reservations are made by members who visit Booking.com directly, through strategic partners, or via Booking Holdings sister brands.

What can you do?

- ❑ Genius
- ❑ Genius Value Adds

Partner Hub / Solutions



Health and safety.

11% more bookings for partners displaying safety measures.

Despite their eagerness to travel again, it's understandable that travelers want reassurance about the extra measures put in place to protect their health and safety.

We know most partners are already doing a lot to protect travelers, but making this clear and up to date for potential guests is key. Partners who display their health and safety measures see 11% more bookings

What can you do?

- ❑ Display health and safety measures
- ❑ Keep them up to date
- ❑ Contactless (TBD)

Partner Hub / Solutions



Inform your guests and promote your cleanliness

B.

Heightened sustainability.

70% of travelers are prioritizing sustainable travel.

The crisis has made travelers more aware of sustainability issues than ever, with increasing concern for the impact their travel choices have.

70% of travelers say they're more likely to book an accommodation that follows sustainable practices, so sharing your efforts is important to help you attract more demand.

What can you do?

- ❑ Update sustainable practices
- ❑ Read the Sustainability Hospitality Handbook

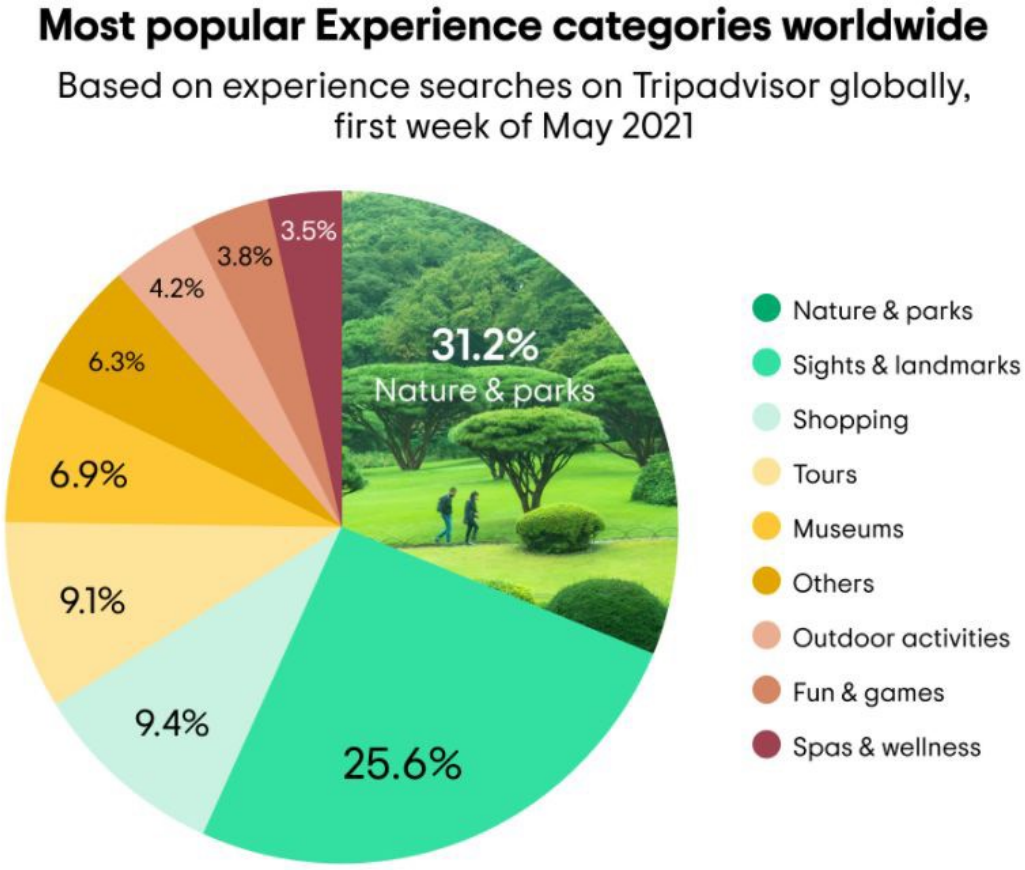
Partner Hub / Partner Help

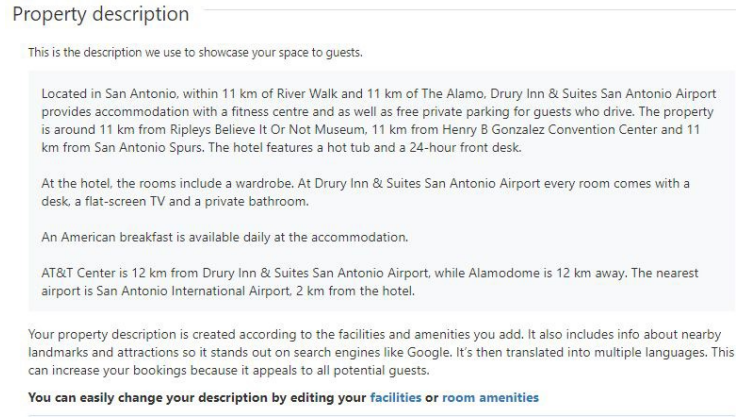


At Booking.com, we're committed to making sustainable travel easier for everyone. This sustainability guide is the first step on our collaborative journey to change the travel industry.

B.

Update Your Content To Reflect Local Attractions In Both Free Form Text As Well As Distance From





https://www.tripadvisor.com/TravelTrendsReportJune2021

Proud certified.

Partner Hub / Travel Proud

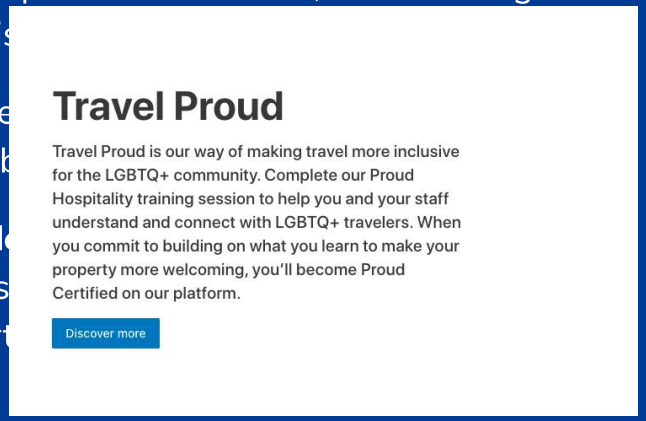
1 in 3 LGBTQ+ travelers fear judgment from hotel staff.

Research shows that a third of LGBTQ+ travelers fear judgment from hotel staff, meaning a huge part of the travel population still can't comfortably show up as themselves. Because our mission is to make it easier for everyone to experience the world, we're setting out to change thi

That's why we de
help remove the b

What can you d

- ❑ Proud Hos
- ❑ Proud Cert



https://partner.booking.com/en-gb/proud-certified

SF Bookings L30 Days

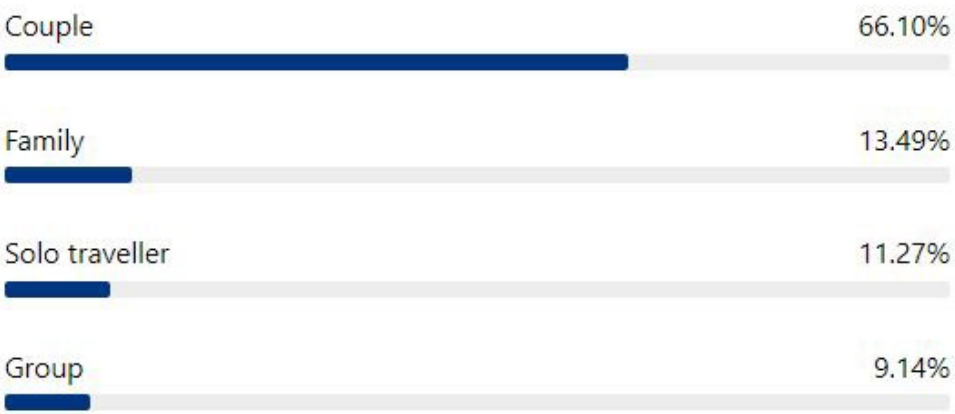
Book window

Most searches were looking for 31-90 days in the future



Traveller type

Most searches were from couples



Domestic and international travellers

Most searches were made by domestic travellers



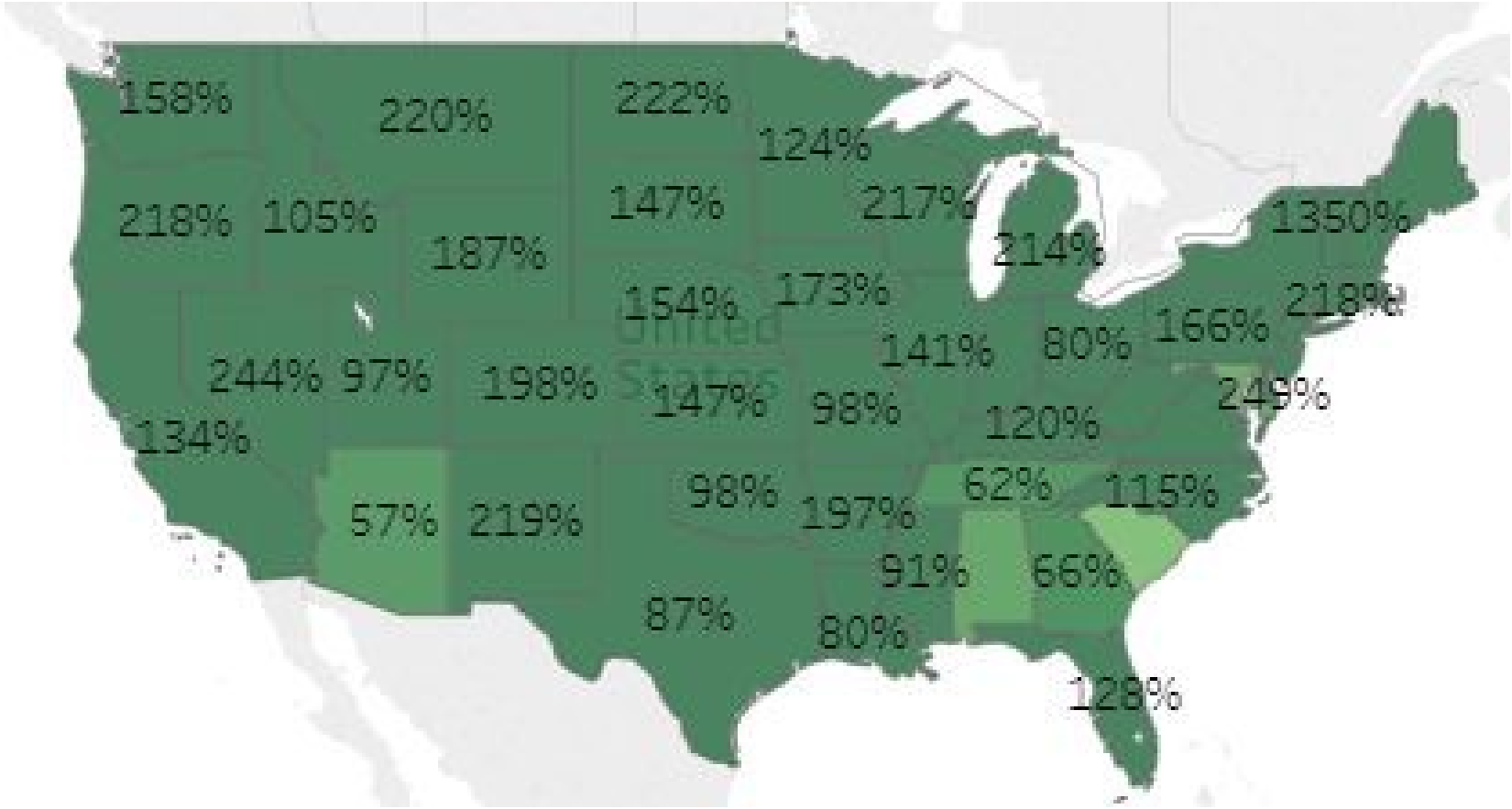
Device

Most searches were mobile searches



YOY Growth-Intrastate

Bookers from CAL, Staying in CAL



Domestic Booking Source by City For San Francisco

Staycations (locals)

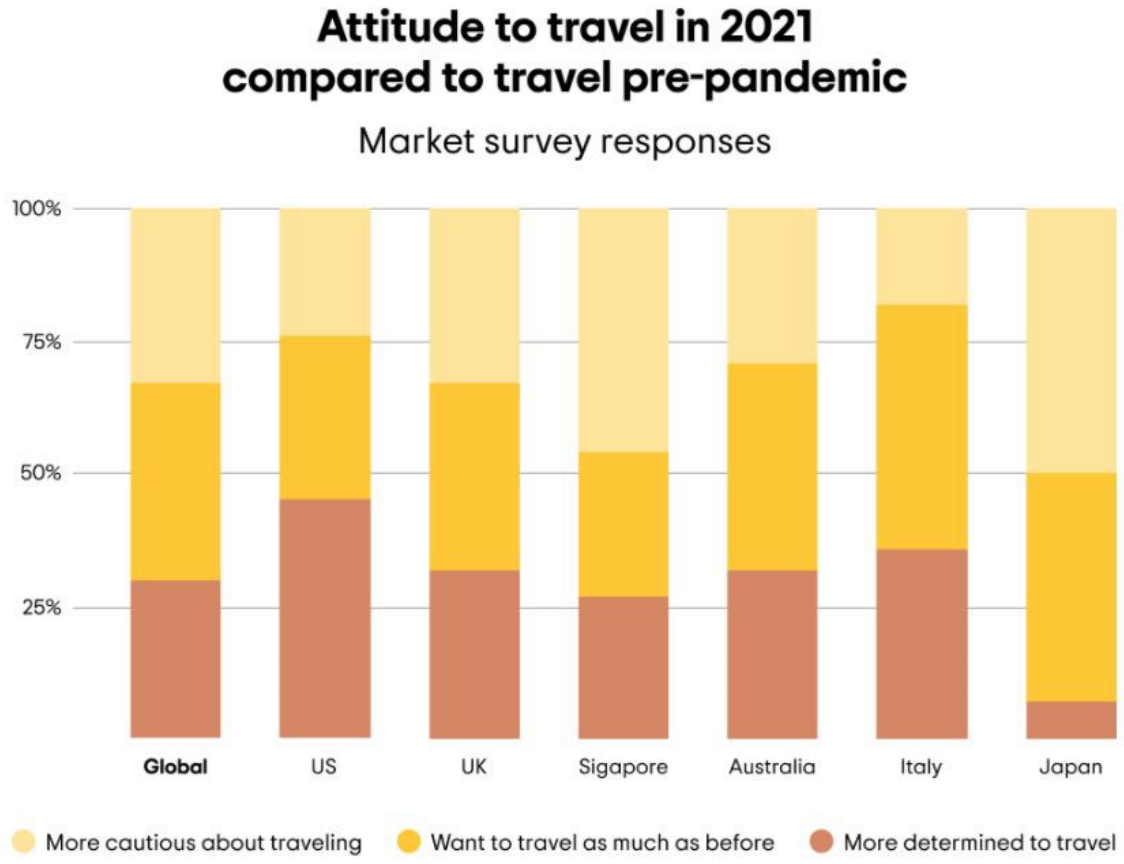
City	Weekly Rank	YoY growth	Avg Adr Euro	Avg Bw	Avg Los
Las Vegas	1	662%	125	28	2.1
Los Angeles	2	154%	140	13	1.8
San Diego	3	237%	142	17	1.9
Anaheim	4	395%	118	28	2.2
San Francisco	5	246%	119	19	1.9
Monterey	6	217%	171	20	1.7
Sacramento	7	47%	97	12	1.7
South Lake Tahoe	8	504%	168	31	2.1
Reno	9	257%	100	19	1.8
Palm Springs	10	1425%	150	20	1.8

Tons of International Bookings Coming Right Now!

San Francisco		
Booker Country	% Contribution	Rank
United Kingdom	23.11%	1
Germany	12.95%	2
France	9.37%	3
Mexico	7.92%	4
Netherlands	5.19%	5
Israel	5.18%	6
Russian Federation	4.52%	7
Colombia	3.95%	8
Switzerland	3.89%	9
Spain	3.88%	10
Italy	3.29%	11
Canada	3.12%	12
Argentina	2.48%	13
Brazil	1.76%	14
Peru	1.75%	15
Chile	1.63%	16
Austria	1.61%	17
Puerto Rico	1.59%	18
Belgium	1.59%	19
Poland	1.22%	20

Top U.S. UFI's by % INTL Contribution & Volume			
Rank	UFI	City Name	% INTL
1	20088325	New York	52.06%
2	20023182	Miami Beach	19.75%
3	20023181	Miami	27.59%
4	20023488	Orlando	15.48%
5	20014181	Los Angeles	20.39%
6	20079110	Las Vegas	9.65%
7	20128761	Houston	19.91%
8	20015732	San Francisco	25.86%
9	20030916	Honolulu	12.66%
10	20033173	Chicago	14.58%

Which Countries Are Not Coming Back Immediately



https://www.tripadvisor.com/TravelTrendsReportJune2021

UK Back to Travel
How will it work?

- ✓ On 30 April, we launched Welcome Back to Travel, a campaign inviting travellers in the UK to make a booking on our mobile app and get 10% back in travel credit (up to £200) after their stay
- ✓ The reward will be available to travellers via the Booking.com mobile app and applicable to bookings made up until 30 June, with a check-in date up until 31 December 2021.

1.

WHAT ARE BUNDLE RATES

Our definition

Bundle Rate

Rate that apart from a room, cancellation policy, occupancy, also includes additional benefits - aka value adds - (e.g. any paid - now included - service or facility). Our most successful bundle rates are rates w/ Breakfast included.

Enrich the existing foundational rates with other benefits than meal plans - list of standard services provided by Chains, e.g., early check-in, parking, spa access, property credits - in a structured and scalable way.



[Customer]
Value Customer & Brand.com Parity

Capture all available inventory, rates and benefits that enable us to reach parity with Brand.com and incentivize customers looking for **more value for money** - additional benefits and perks such as car parking, in-stay credits, SPA, free room upgrades - to book with us and not direct - Brand.com parity.



[Partner]
Protect ADR & Grow Occupancy

Our Strategic Chains, representing 60% of our Chains ABRN, **are looking for bundle rates** / packaged stays as a way to offer more value without deep discounting, while **optimizing/protecting their ADR and filling in underutilized facilities** in the property (F&B, SPA, parking, etc.) - they state that they could share 20-40% more rates w/ benefits.



[Booking.com]
Marketshare & ABRN Growth

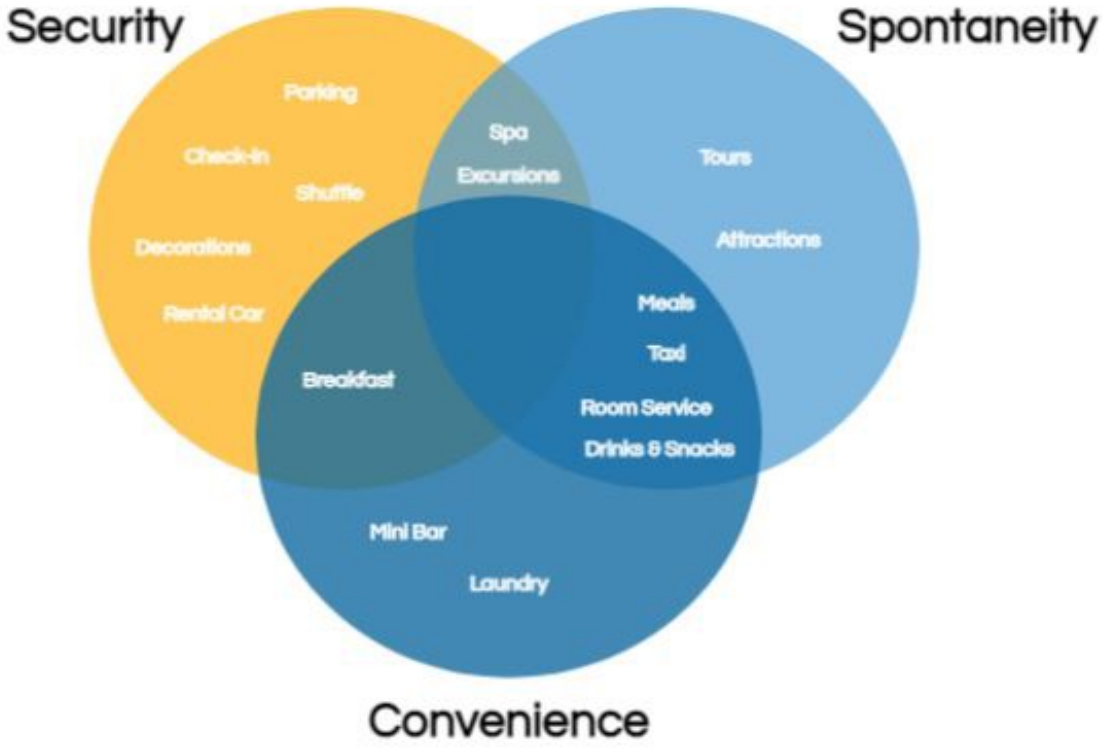
Our **market share to Brand.com has decreased in the past year from 7% to 4%,** with research identifying as key reasons for customers to book directly being their 1) better prices and rewards (mostly via membership programs), and **2) better packages / rate bundles.**

Top requests for benefits from guests... and why?

Guests

From [1], [2], and [3]

- ***Food and Beverage*** *(e.g. breakfast, dinner, meals included / discount or credit*
- ***Parking / Airport Shuttle***
- ***Early Check-in / Late Check-out***
- ***Room Upgrade***
- ***SPA & Massage****



What GUESTS told us [pricing] will most likely influence their preference for Booking.com for their next trip?



Deals & Offers		Added value (% increase in pref
40% off accommodation	(M)	53.7%
30% off accommodation	(M)	53.5%
$50 to spend at hotel	(V)	52.9%
30% Credit	(T)	52.5%
20% off accommodation	(M)	52.1%



Deals & Offers		Added value (% increase in prefere
Free Breakfast	(V)	45.6%
40% off accommodation	(M)	45.6%
30% off accommodation	(M)	44.1%
Free night	(V)	42.2%
20% off accommodation	(M)	40.4%
€50 to spend at hotel	(V)	37.8%



Deals & Offers		Added value (% increase in prefe
£50 to spend at hotel	(V)	63.0%
Free Breakfast	(V)	61.7%
40% off accommodation	(M)	60.4%
30% off accommodation	(M)	58.7%
30% Credit	(T)	56.3%



Deals & Offers		Added value (% increase in
Free Breakfast	(V)	33.2%
40% off accommodation	(M)	30.2%
30% off accommodation	(M)	29.8%
20% off accommodation	(M)	29.2%
30% Credit	(T)	27.9%
€50 to spend at hotel	(V)	27.0%

Bundle Rate & Value Adds

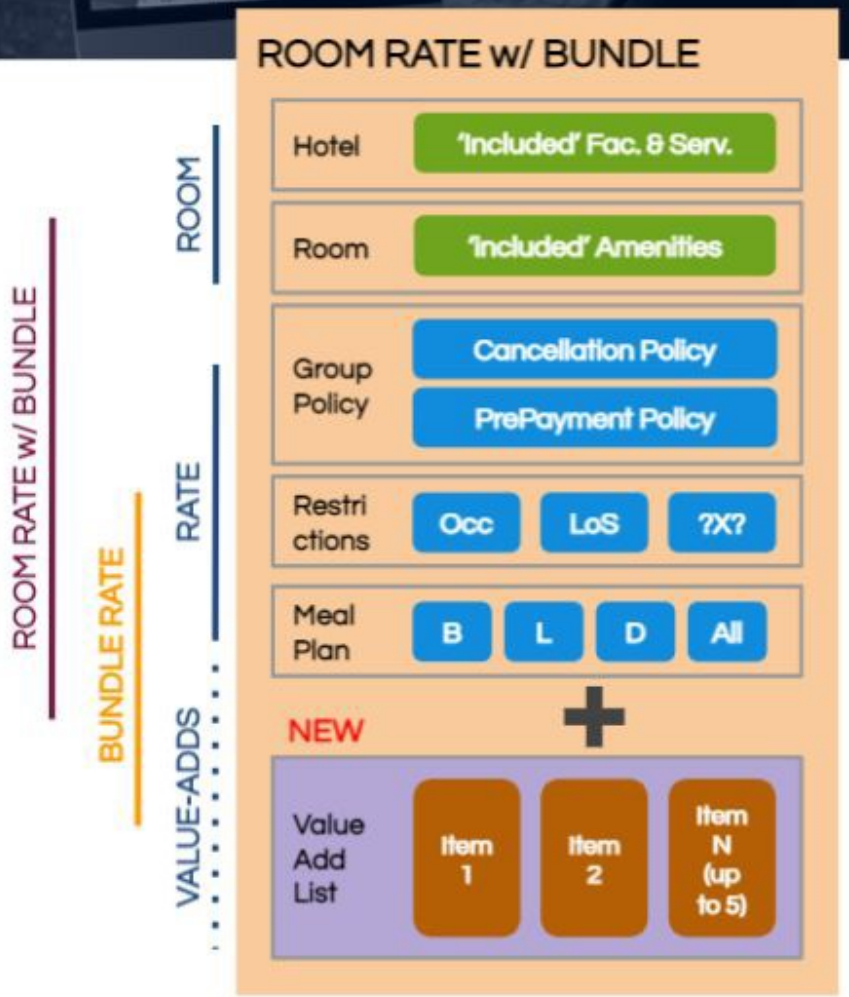
Add-On → Any product, service or good, like a paid facility that the partner wants to market to the guest prior to arrival and are added to the booking when selected by the guest.
E.g. Breakfast, Parking, etc. when sold individually or post-booing.

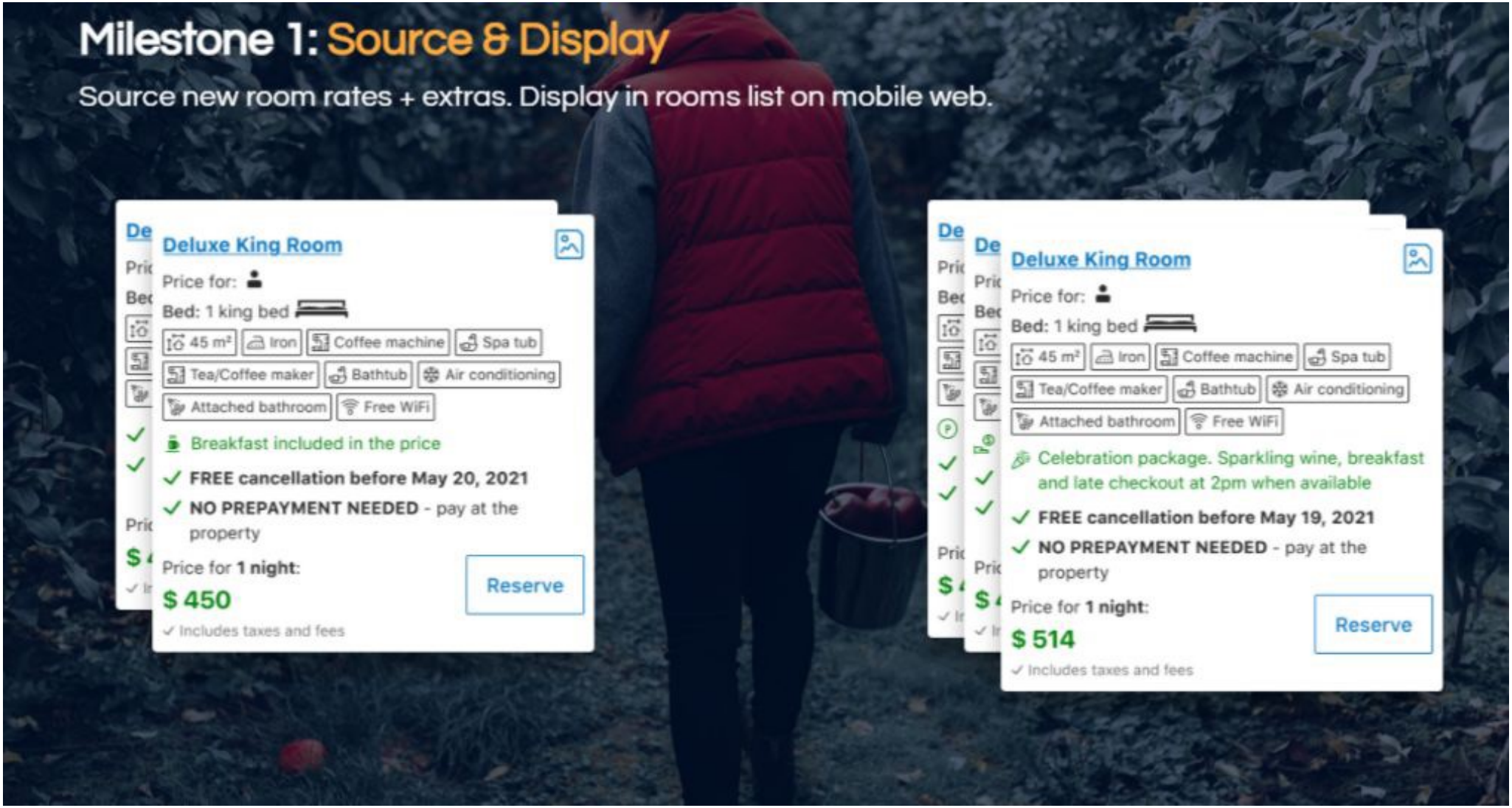
Value Add → Any Add-on that when bundled with a Standard or lower price rate has an inferior price to the sum of its constituent parts.

Bundle Rate (conceptually) → Any rate that apart from the Room / Rate combination includes also add-ons, like a Meal Plan Vector;

Limitations of Current Approach

- **Users can only pick one of the options from Rates,** e.g. if one rate has parking and another breakfast, they will not be able to add them as add-ons (similar to what happens today on Brand.com)
- **Bundles exist at a rate Level**, so value adds exists for all the Room Rate combinations where we upload AV for a bundle rate.
- **Sourcing of Bundle Rates to be done manually** via Central Chains Ops team - sourcing tool to be built.




Milestone 1: Source & Display
Source new room rates + extras. Display in rooms list on mobile web.
Deluxe King Room
Price for:
Bed: 1 king bed
45 m²
Iron
Coffee machine
Spa tub
Tea/Coffee maker
Bathtub
Air conditioning
Attached bathroom
Free WiFi
Breakfast included in the price
FREE cancellation before May 20, 2021
NO PREPAYMENT NEEDED - pay at the property
Price for 1 night:
$ 450
Includes taxes and fees
Reserve
Deluxe King Room
Price for:
Bed: 1 king bed
45 m²
Iron
Coffee machine
Spa tub
Tea/Coffee maker
Bathtub
Air conditioning
Attached bathroom
Free WiFi
Celebration package. Sparkling wine, breakfast and late checkout at 2pm when available
FREE cancellation before May 19, 2021
NO PREPAYMENT NEEDED - pay at the property
Price for 1 night:
$ 514
Includes taxes and fees
Reserve

Key takeaways

- ❏ Use Industry Insights to Drive Strategy
- ❏ Examine your Long Term Stay Strategy
- ❏ Plan your Value Add Strategy
- ❏ Focus on sustainability and health standards in your content

B.



Part 5.

Q&A

B.



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