Foster Garvey

Duff on Hospitality Law

B2B and AI: The Twin Engines of Travel's Future?

11.09.25

Good Sunday morning from Seattle . . . Our weekly Online Travel Update for the week ending Friday, November 7, 2025, is below. Expedia's quarterly earnings report garnered most of the attention this week as Expedia reported relatively strong third quarter results. We'll include a transcript from this week's earning release call in next week's Update. Enjoy.

Expedia Posts Better Than Expected Quarterly Earnings. Expedia's third quarter earnings reflected continued strength in its B2B business and a stabilizing B2C business. Here are a few of the key numbers:

- Company-wide revenue grew 9% YOY to $4.4 billion (B2B revenue grew 18% YOY)
- Advertising revenue grew 16% YOY
- Company-wide gross bookings grew 12% YOY (B2B bookings grew 26% and B2C bookings grew by 7%)
- Booked room nights grew by 11% (outpacing competitors Airbnb and Booking.com for the quarter)

When asked during the earnings call about Expedia's current AI efforts, CEO Ariane Goren noted that the Company had two primary priorities - ensuring that its brands and content appeared in responses to users' prompts on the major AI platforms and directing traffic from those platforms back to Expedia. Goren's comments regarding the leads received by Expedia from popular AI platforms mirrored those of Booking Holdings' Glenn Fogel just a week earlier – few leads today but growing and good quality.

AI, AI Agents and Corporate Travel. For the past few months now, the industry (us too) has focused almost exclusively on AI and AI agents and their effect on leisure travel. What about managed and corporate travel? What complexities do travel policy compliance, expense management and duty of care obligations introduce? According to recent comments from some of the largest corporate travel players, these added complications will make it impossible to replace TMCs and expense platforms entirely. Sounds like self-preservation talk to me. From my perspective, as AI tools are perfected in leisure travel, their extension into corporate and managed travel (and their complex data sets, which seem like natural fits for AI) seems inevitable. Anyone agree?

What Lessons Can Be Learned from Airlines and ChatGPT? According to recent research conducted by PROS, an airline retailing and revenue management company, referrals from leading AI platforms to airline websites is growing quickly. In September of this year, ChatGPT accounted for 2.3% of all referral traffic from search engines to airline websites (this number is up from 1.8% in August). While the importance of AI platforms may be increasingly generally, airlines may have a hard time benefitting from the increased

© 2026 Foster Garvey PC. All Rights Reserved.

usage. According to PROS, a wide margin of the traffic generated through ChatGPT today goes to OTAs and metasearch sites and not airlines themselves. Note that these results are quite different than the results of the AI behavioral study by Propellic that we featured in an earlier post, but they may be indicative of where hotel search is going in the future.

Have a great week everyone.

Expedia Group's B2B Engine Gains Momentum as Consumer Business Stabilizes
November 6, 2025 via Skift
Expedia's B2C and B2B segment strategy is taking off. The B2B side continues to grow, while the consumer division is finally steadying after a long tech overhaul. After several uneven years, Expedia Group appears to be regaining its stride. The company posted better-than-expected third-quarter results, with strong business-to-business ...

Expedia Group Outlines Strategies for OpenAI Partnership, Highlights B2B Strength
November 6, 2025 via PhocusWire
During its third-quarter earnings call, Expedia Group detailed priorities for its OpenAI partnership and its plans for artificial intelligence (AI) moving forward.

Airbnb Sees Lift in Third Quarter From Reserve Now, Pay Later
November 6, 2025 via Skift
Reserve Now, Pay Later is giving an unexpected boost to Airbnb's outlook for the year. It is rare for a new feature to have such as immediate impact. Reserve Now, Pay Later has become a significant growth driver for Airbnb. Airbnb said Thursday that the feature, which enables ...

OpenAI's Agent Mode May See Concur and Amadeus Develop a Hybrid Business Travel Model
November 5, 2025 via Skift
A browser like OpenAI's Atlas may be able to book a trip, but that's just one facet of the business travel mission. Concur and Amadeus agree that OpenAI's new Atlas browser and its agentic features won't kill managed travel platforms, but could eventually lead to a hybrid model. ...

How MCP Could Reshape Travel
November 5, 2025 via PhocusWire
Implementing model context protocol (MCP) could improve customer experience and save travel companies time and money.

Right Now, OTAs Have an Edge Over Airlines in ChatGPT
November 4, 2025 via Travel Weekly
ChatGPT is the dominant force in GenAI search for air bookings. Within ChatGPT, however, airlines are getting short shrift.

© 2026 Foster Garvey PC. All Rights Reserved.

Google AI Overviews Disrupt SERPs, Affect Paid Search CTRs

November 3, 2025 via SmartBrief

Google's AI Overviews are increasingly altering the search landscape, appearing more frequently across industries such as finance, retail, healthcare, travel and automotive. Adthena data shows that the rates of paid search click-through can drop by 8 to 12 percentage points while AI-generated answers take prime positions on search engine results …

Posted in Online Travel Update

Authored by

Greg Duff

Principal|Seattle

206.816.1470 greg.duff@foster.com

© 2026 Foster Garvey PC. All Rights Reserved.