

Online Travel Update: TripAdvisor's Potential Sale Dominates Headlines as Expedia's CEO Departure Announcement Still Reverberates

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TripAdvisor's rumored sale garnered most of this past week's headlines, though reaction to Expedia's recent earnings release and in particular, Peter Kern's announced departure, came in a close second. Salacious headlines out of Expedia's HQ's bathrooms featured prominently at the end of the week, but we won't be "viewing" those stories; this is a family publication after all.

- **News of a Potential Sales Overshadows TripAdvisor's Recent Earnings Release.** It was a busy week for TripAdvisor. Last Monday, the company announced it had formed a special committee and retained a strategic advisor to evaluate proposals for a potential transaction. Just two days later, TripAdvisor released a solid fourth quarter and full year earnings report highlighted by record annual revenues and strong growth in its experiences and activities platform, Viator. Analysts speculate that the potential sale (together with a sale of TripAdvisor's controlling shareholder, Liberty TripAdvisor Holdings) is likely to a private equity company (and not an established OTA or booking platform). As for the earnings release, highlights include (i) total annual revenue of \$1.78 billion (up 20% YOY and 10% greater than previous high point), (ii) total annual EBITDA of \$334 million (up 13% YOY), (iii) Viator annual revenue of \$737 million (up 40% YOY and now accounts for 40% (previously 33%) of overall company revenues) and (iv) total annual selling and marketing costs of \$940 million (up 20% YOY).
- **Priceline's Penny Is Getting Smarter.** Following six month of intense on the job training, Priceline's generative artificial intelligence chatbot, Penny, is getting an upgrade. Leveraging the intelligence she (it?) has gathered from the millions of customers who have used the chatbot, Penny is now expanding beyond hotels to flight, car rentals and vacation packages and can be used for planning, booking and modifying trips. New functionality will allow users to use Penny to save coupons, airline credits, etc. and to monitor and report changes in airline fares.
- **Travel Platforms Seek Changes to Pending FTC Junk Fees Regulation.** Earlier this month, the Travel Technology Association (members include OTAs, GDSs, etc.) submitted comments in response to the FTC's proposed junk fee regulation. While supportive generally with the FTC's effort, the Association advocated that intermediaries be absolved of liability when travel suppliers (mostly hotels) fail to provide accurate, complete and timely mandatory fee information so long as intermediaries make reasonable efforts to collect such information. According to the Association's comments, hoteliers don't always provide the information necessary to ensure compliance with the proposed transparency requirements.

Most influencers fail to admit to advertising, EU study shows

February 16, 2024 via Reuters

Four out of five influencers on social media fail to disclose commercial content they post is advertising as required under EU law, a European Union study released on Wednesday showed.

With speculation of a sale in the air, Tripadvisor reports record revenue driven - again - by

Viator

February 14, 2024 via Phocus Wire

Two days after announcing it has created a special committee and retained a mergers and acquisition advisory firm, Tripadvisor reported an all-time high for revenue in 2023 led by a 49% growth in revenue for its Viator segment.

Priceline expands generative AI chatbot across all products on its platform

February 13, 2024 via Phocus Wire

Priceline said it has created more than 30 new features built on intelligence it has gathered from millions of customers that have used the technology since it debuted in June.

Tripadvisor forms special committee to evaluate "potential transaction"

February 12, 2024 via Phocus Wire

A statement specified the committee may evaluate proposals from Liberty Tripadvisor Holdings, which holds a controlling interest in Tripadvisor.

Expedia Recorded \$326 Million in Losses on Its Stake in Amex Global Business Travel

Group

February 12, 2024 via Skift Travel News

Expedia Group's equity stake in American Express Global Business Travel has taken a shellacking to date, but other aspects of the deal have long-term benefits.

The Expedia Makeover Under CEO Peter Kern

February 9, 2024 via Skift Travel News

A lot of behind-the-scenes work has taken place at Expedia Group under CEO Peter Kern over the past four years. Were the moves successful?

Travel Technology Association Seeks Changes to FTC Junk Fees Rule

February 8, 2024 via Travel Tech Association

Comments Advocate for Intermediaries and Liability Protections When Travel Suppliers Fail to Provide Accurate Mandatory Fee Information February 8, 2024 - The Travel Technology Association (Travel Tech) filed comments on the FTC's Trade Regulation Rule on Unfair or Deceptive Fees NPRM.

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