Evolution Of Travel
The Users Take Control – Advanced Discovery

“Plan & Have The Perfect Trip”

D.R. Photo Fakeout: The myth of mega resort serenity

Source: Oyster.com a TripAdvisor owned company
The Power of Community & Reviews

88% of consumers say they trust online reviews as much as personal recommendations.

Source: Phocuswright/TripBarometer/CIM & YouGov
TripAdvisor: The World’s Largest Travel Site

Over 6,000 unique users looking at reviews every second of every day

- **2000:** 20 million monthly unique visitors
- **2005:** 1 million reviews & opinions
- **2008:** 35 million reviews & opinions
- **2010:** 1 million businesses listed
- **2011:** 75 million reviews & opinions
- **2012:** 50 million monthly unique visitors
- **2013:** 100 million reviews & opinions

*Source: Google Analytics, worldwide data, average monthly views Q4 2014—does not include traffic to daodao.com / TripAdvisor internal data*
TripAdvisor – The World’s Largest Travel Site

Note: For comparison purposes data above reflects Desktop only
Date source: comScore October 2015
From “look” to “book” on TripAdvisor

Advocate
Reviews, Facebook, Word of mouth

Awareness
Not planning… but open to inspiration

Experience
Actively on vacation

Consideration
Starting the process

Booking
Flight -> Hotel

Comparison
Short list of hotels

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Flight -> Hotel

Comparison
Short list of hotels
No Roaming Charge – A City in Your Pocket!

A great user experience
TRIP ADVISOR’S IMPACT ON TRAVEL
TripAdvisor’s Impact On Travel
Oxford Economics Study – Effects To Travellers & The Industry

Traveller Effects

- Emboldened Travel Decisions
  - New Trips
  - New Destinations
  - New Properties
  - Longer Stay
  - Value For Money
  - Increased Spending

- Better Travel Experiences

Travel Industry Effects

- Direct Customer Feedback
  - Service Improvement
  - Better Relations
  - Positive Reviews
  - Repeat Visits
  - Pricing Power
  - Greater Exposure

TripAdvisor - Increases in net destination trips, nights, spending

Source: Oxford Economics - The Global Impact of TripAdvisor on Travel and the Economy
TripAdvisor’s Impact On Travel
Oxford Economics Study - Putting some figures behind the Impact

11% Of Global Travel Market Online

Influenced 1.9bn (10.9%) Tourism Nights In 2014

Impact - $64bn would not have happened without TripAdvisor (9.9% Of Total)

Source: Oxford Economics - The Global Impact of TripAdvisor on Travel and the Economy
IMPACT OF USER GENERATED REVIEWS
TripAdvisor’s Impact – User Generated Content

It is all about confidence and experiences for THE TRAVELLER

More than 80% of TripAdvisor travellers feel that TripAdvisor reviews help them feel more confident in their travel decisions and have a better trip.

Do Online Reviews Impact Booking?

86% of global travelers say reviews are influential when choosing where to book

93% of global hotels say reviews are influential in future bookings

Source: TripBarometer by TripAdvisor, October 2015
Reviews influence traveller decisions

80% of respondents say seeing a hotel management response to reviews makes me believe that it cares more about its guests.

85% of respondents say an appropriate management response to a bad review improves my impression of the hotel.

Source: Independent PhoCusWright study “Custom Survey Research Engagement”, September 2015
TripAdvisor Reviews are Largely Positive

Focus of the site and the users are aligned = **what is a great experience!**

Average Review Score: **4.13**

Source: TripAdvisor, September 2015
Key factors that influence your popularity

- Quality
- Recent Reviews
- Quantity

919 Reviews

“Perfect Holiday”

4.5 Reviewed yesterday NEW

Rooms 4.5
Service 4.5
Value 4.5
Cleanliness 4.5

Compare best prices from top travel sites

Official Hotel Site
Hotels.com
ASIAWEB

and 2 more sites!
Fantastic Recognition for Great Service
Russia has some fantastic winners!

The Very Best of Travel
Chosen by Millions of Travellers

Best Hotels 2016
Best Destinations 2016
Best Beaches 2016
RUSSIAN REVIEWS ON TRIPADVISOR
Russia Reviews and Ratings

Russia saw an impressive growth in reviews in 2015, some 6 times higher than 2013 mostly driven by restaurants and attractions.

The average review score for Russia hotels has also increased significantly year on year, from an average of 3.90 in 2013 to over 4.14 in 2015.

Source: TripAdvisor Internal Reviews Data
Russia Hotels sub Bubble Ratings

Overall Bubble Score 4.14

Accommodations Sub-bubble Scores

- Location: 4.35
- Cleanliness: 4.30
- Sleep Quality: 4.19
- Staff / service: 4.17
- Room: 4.06
- Value: 4.00

Source: TripAdvisor Internal Reviews Data
Russia vs. EU Countries Ratings

Global IPs

- Russian attractions and restaurants are consistently rated higher than the average EU rating, and accommodations have improved since Sept 2015.

Source: TripAdvisor Internal Data
Russia Ratings by Reviewer Country

- Visitors to Russia from Kazakhstan tend to write the higher overall review scores for all Russia properties.

### Hotels

<table>
<thead>
<tr>
<th>Country</th>
<th>Rating</th>
</tr>
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<tbody>
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### Attractions

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### Restaurants

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<tr>
<td>Austria</td>
<td>4,23</td>
</tr>
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</table>

Source: TripAdvisor Internal Data

Date range: Jan 2015 – Feb 2016. Based on top 25 markets reviewing Russian properties.
Russia Views on TripAdvisor

- The top market viewing Russia pages on TripAdvisor is Russia itself, making up more than 80% of total 2015 views to Russian content.
Top International Markets viewing Russia

- 14% of international views to Russia pages on TripAdvisor are from US users.
- Views from Belarus and Kazakhstan more than doubled in 2015.

% Int’l Countries, 2015

- United States: 14%
- Ukraine: 9%
- United Kingdom: 7%
- Germany: 5%
- Italy: 4%
- China: 4%
- France: 4%
- Belarus: 3%
- Kazakhstan: 3%
- Spain: 3%

Countries YoY 2015 – 2014

- United States: 14%
- Ukraine: 111%
- United Kingdom: 12%
- Germany: 4%
- Italy: 20%
- China: 30%
- France: 39%
- Belarus: 126%
- Kazakhstan: 127%
- Spain: 0%

Source: TripAdvisor Internal Site Data
TripAdvisor Review of Bubble Score by Star Rating

% Total Russia Reviews
Hotel Star Rating

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<thead>
<tr>
<th>Row Labels</th>
<th>1.0-3.0</th>
<th>3.0-4.0</th>
<th>4.0-4.5</th>
<th>4.5-5.0</th>
<th>Grand Total</th>
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</thead>
<tbody>
<tr>
<td>4.5-5.0</td>
<td>0.3%</td>
<td>2.5%</td>
<td>4.3%</td>
<td>15.7%</td>
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<tr>
<td>Grand Total</td>
<td>15.7%</td>
<td>39.7%</td>
<td>23.5%</td>
<td>21.1%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Low Stars & Low Bubble Score
1.0-4.0 Bubble Score & 1.0-4.0 Star Rating
42.2%
The long tail: many smaller properties

High Star, Low Bubble Rating
1.0-4.0 Bubble Score & 4.5-5.0 Star Rating
0.6%
Potentially affecting Russia brand

Source: TripAdvisor Internal Reviews Data
Key Takeaways

- Reviews impact the whole travel purchase funnel.
- Traveller confidence through reviews creates real economic value.
- Building and responding to all reviews creates positive influence.
- TripAdvisor reviews on Russia have grown strongly.
- Russian scorecard is strong, largely matching expectation.
- Scope for Russia to build internationally traffic outside the region.