

Major Hotel Chains Grew Internet Reservations by 34% in 2003

TravelCLICK Reports eTRAK Results from 30 Leading Brands

CHICAGO (March 30, 2004) – TravelCLICK today released full-year results from the company’s 2003 eTRAK report, demonstrating that Internet reservations received at the central reservation offices (CROs) of the major hotel brands grew 34% in 2003 versus 2002. The report noted that brand Web sites were the source of 66% of the brands’ centrally booked Internet reservations.

eTRAK is a quarterly benchmarking report that allows hotel chains to track booking trends on the Internet and GDS. The 2003 eTRAK report highlights the continued dramatic growth of electronic hotel bookings and the continuing importance of GDS e-commerce for hotel brands and chains. Despite the impressive growth of the Internet, eTRAK shows that 35% of CRO reservations come through GDS channels, while Internet sites contribute 27%.

Results from this study may differ from overall hospitality industry trends on the Internet and GDS because eTRAK reflects only the performance of 30 major brands. The conclusions, however, are directional for the industry as a whole.

“Electronic channels represent the primary source of CRO bookings today, and will be even more dominant in the near future” said Ray Cohen, president and co-CEO for TravelCLICK. “Though the Internet channel continues to organically grow at a double-digit rate, hotels still need to focus on the GDSs to ensure that they are maximizing ADR and occupancy.”

The 30 major brands participating in this survey reported that, on average, 18% percent of their CRO reservations were received from their brand Web site in 2003 (i.e. marriott.com, hilton.com, etc.), while 6% of CRO reservations were sourced from third party Internet sites. A bit more than one third, or 37%, of CRO reservations were made via phone.

Reservation Sources for Major Hotel Brands – 2003

2003 Central Reservation Office Hotel Bookings	Percent of 2003 Reservations	Percent of 2002 Reservations	Change in Volume of Reservations 2003 Over 2002
Third Party Web Sites	9%	7%	35%
Brand Web Sites	18%	14%	33%
Total Internet	<u>27%</u>	<u>21%</u>	<u>34%</u>
GDS Travel Agent	<u>35%</u>	<u>38%</u>	<u>-2%</u>
Total Electronic	62%	59%	11%
Voice	<u>38%</u>	<u>41%</u>	<u>-4%</u>
TOTAL For CROs	100%	100%	5%

The top ten third-party websites for hotel bookings to brand CROs were, in order: Priceline, Expedia, Travelocity, Orbitz, Hotwire, TravelNow, USA Hotelguide, Lodging, Worldres and Southwest. Some well-known third party web distributors, such as Hotels.com, did not place in the top ten on this list because such sites typically obtain rates and inventory directly from individual properties rather than from a brand CRO.

The eTRAK report covers all central reservation office booking results including GDS, voice, and Internet bookings. The report allows subscribers to compare their own performance versus their direct competitors, and the industry in general. The unique information contained in eTRAK is intended to help hotel companies decide e-commerce priorities, such as where to invest their Internet advertising dollars and which sites create the best returns. For more information about TravelCLICK's eTRAK report, contact Rebecca Bodenhamer at rbodenhamer@travelclick.net.

About TravelCLICK

TravelCLICK (www.travelclick.net) is the leading provider of solutions that help hotels and other travel industry suppliers maximize profit from electronic distribution channels. TravelCLICK's competitive benchmarking reports provide hotels with price and booking performance information unavailable through any other source. The company's exclusive electronic marketing networks allow hotels and other travel related suppliers to target promotional messages to specific travel agents, consumers, and group meeting planners when they are booking travel. The company's portfolio of Web marketing and reservations services enable hotels to maximize online strategies to increase consumer direct business.

Established in 1996 and headquartered in the Chicago area, TravelCLICK operates in more than 140 countries around the world. The company has over 6,000 clients, including national and international companies such as Accor, Air France, Avis, Best Western International, British Airways, Carlson Hotels Worldwide, Choice Hotels, Fairmont Hotels & Resorts, Four Seasons Hotels & Resorts, Grupo Posadas, Hilton Hotels Corporation, Hyatt Hotels & Resorts, Kempinski Hotels & Resorts, Leading Hotels of the World, Loews Hotels, Lufthansa, Marriott International, NH Hotels, The Peninsula Group, The Ritz-Carlton Hotel Company, SAS, The Savoy Group, Shangri-La Hotels, Sol Melia, Starwood Hotels & Resorts, Thistle Hotels, USAirways, Virgin Atlantic and Wyndham Hotels & Resorts.

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