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FOR IMMEDIATE RELEASE

Major Chains Report Internet Bookings Growth of 20 Percent in Q2 2006 As Consumers Continue to Choose Electronic Channels

CHICAGO (October 26, 2006) — Consumers continue a three-year upward trend of shopping for hotels online and booking electronically, according to TravelCLICK's consolidated second quarter eTRAK results, released today. The data shows the Internet contributed 37.3 percent or 7,605,440 reservations of the total Central Reservation Office (CRO) reservations at major hotel brands, a 19.9 percent increase compared to the same period in 2005. The data also highlights the continuing importance of Global Distribution System (GDS) e-commerce with 36.4 percent, or 7,425,301 bookings, of CRO reservations coming through those channels, a 4 percent increase over Q1 2006. This is the first quarter that Internet reservations surpass GDS reservations, or bookings made through the travel agent focused Global Distribution System (GDS). The eTRAK reports shows that voice represents the final 26.3 percent of CRO reservations, down 1.2% over the same time last year. Phone reservations continue to lose share as consumers migrate to the web but still offer an alternative for the older population demographic and those with limited or no Internet access.

In the second quarter of 2006, brand websites grew again and continued to gain share compared to third-party merchant and opaque websites, which are increasingly used for hotel rate shopping prior to consumers booking direct on hotel websites. According to eTRAK, brand websites were the source of 79.3 percent of the brands' centrally booked Internet reservations.

eTRAK is a quarterly benchmarking report that enables individual hotels to track booking trends on the Internet and GDS through Central Reservations Office (CRO) performance. The consolidated results provide industry indications based on performance trends for 23 major hotel brands and chains.

Observations for the market based on this latest data from eTRAK include:

- The mix of reservations through the CRO will continue its recent trend throughout the next two years. Voice reservations will continue to decline as consumers choose self-shopping options through the Web or assistance from travel agents. A more dramatic decline in the voice channel will be realized in coming years as traditional call-in business, such as group meetings and conventions, shifts online.
- Supplier websites will grow to 35 percent of CRO bookings as hoteliers continue to recognize the value of presenting their identity online and investing in e-commerce websites that provide a simple yet dynamic shopping experience.
- The GDS channel increased over 250,000 transactions compared to the previous quarter. Although GDS volume increased 4.8%, it fell slightly as a percent of overall CRO reservations overshadowed by the dominating influence of Internet bookings growth of 19.9%. The GDS will continue to grow, but at a slower rate for at least the next 24 months as this channel represents

primarily steady corporate and business travel.

- Although voice reservations will decline, hoteliers can expect the voice channel to increase in profitability as call times decrease and conversion rates grow due to consumers researching destinations and making buying decisions online before calling to confirm.

“As hoteliers better understand consumer shopping behavior in this distribution landscape, they are successfully moving business into the channels that bring them the highest Average Daily Rate — their own websites and the GDS,” said TravelCLICK Senior Vice President of Product Management Scott Farrell. “Intelligent electronic marketing efforts that successfully place hotels in the buyer’s consideration set during the shopping experience will allow hoteliers to capture more customer attention and increase conversion rates.”

Reservation Sources for Major Hotel Brands: Second Quarter 2006

CRO Hotel Bookings	Share of CRO Reservations Q2 2006	Share of CRO Reservations Q2 2005	Share Increase/(Decrease) 2006 over 2005
Internet	37.3%	33.6%	3.7% points
GDS Travel Agent	36.4%	37.6%	-1.2% points
Total Electronic	73.7%	71.2%	2.5% points
Voice	26.3%	28.8%	-2.5% points
Total for CROs	100%	100%	N/A

Internet Source Breakdown for Major Hotel Brands: Second Quarter 2006

Internet Bookings	Share of Internet CRO Reservations Q2 2006
Brand Sites ¹	79.3%
Retail Sites ²	7.2%
Merchant Sites ³	8.6%
Opaque Sites ⁴	4.9%
Total Internet	100.0%

Reservation Source Growth Rates: Second Quarter 2006

CRO Hotel Bookings	Percent Growth/Decline of Reservations 2006 over 2005
Internet	19.9%
GDS Travel Agent	4.8%
Total Electronic	11.9%
Voice	-1.2%
Total for CROs	8.1%

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 compared to that of their direct competitors and the industry in general. The unique information contained in eTRAK is intended to

help hotel companies determine e-commerce priorities, such as where to invest Internet advertising dollars and which sites create the best returns. For more information about TravelCLICK's eTRAK report, email etrak@travelclick.net.

Results from this study may differ from overall hospitality industry trends on the Internet and GDS because eTRAK reflects only the performance of 23 major brands. The conclusions, however, are directional for the industry as a whole.

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About TravelCLICK

TravelCLICK (www.travelclick.net) is the leading provider of hotel business process management (BPM) solutions that drive long-term profitability. TravelCLICK helps hotels maximize asset ROI by combining innovative market analysis and proven industry best practices with advanced technology to develop and implement high-return strategies. The company offers a full set of solutions including reservations and distribution management, market intelligence-based decision support and marketing services. Established in 1996 and headquartered in the Chicago area, TravelCLICK has more than 12,000 customers in 140 countries.

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¹ **Brand Website:** Website where distribution is operated and managed by the brand (e.g. www.marriott.com).

² **Retail Website:** Third-party distributor where the hotel lists inventory at the same price that it is sold to the consumer and hotel pays distributor agreed upon commission (e.g. *HRS, Bookings, Venere in Europe*).

³ **Merchant Website:** Third-party distributor where the hotel provides inventory to the site at a net rate. The merchant marks up the rate by an agreed upon percentage. The consumer pays the merchant at the gross rate and the merchant site pays the hotel the net rate (e.g. *Expedia/Hotels.com, Travelocity and Orbitz*).

⁴ **Opaque Website:** Third-party distributor that enables customers to chose a fare or rate without knowing the brand of the supplier until after the item is purchased (e.g. *Priceline*).