Summer Travel Report 2018

Takeaways

How did we build this report?

Every day, Criteo records 600TB of shopper data created by the 1.4B monthly active shoppers in our data pool.

On the travel side, this means we can base our analysis on more than **three billion bookings per year across desktop, mobile sites and applications.**

We have strict rules in terms of leveraging data: in order to protect the privacy of our clients, and for our data to better reflect the market, we only show data when we have at least 10 clients.

For more information regarding our analysis methodology, please refer to the end of this presentation.

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Criteo Travel in 8 takeaways

1. Europe shows the highest head & shoulders seasonality
2. Southern Europe summer bookings start as early as April
3. OTAs continue to dominate in their ability to leverage the summer demand
4. Trips including children are mostly booked around Christmas
5. Industry will most likely keep a high mobile share growth, boosted by summer
6. Regions with lower mobile share are catching up, especially in summer
7. OTAs capture most of mobile bookings
8. Mobile is key to catching last-minute high-yield bookings

Seasonality

Focusing on Europe & following OTA's path

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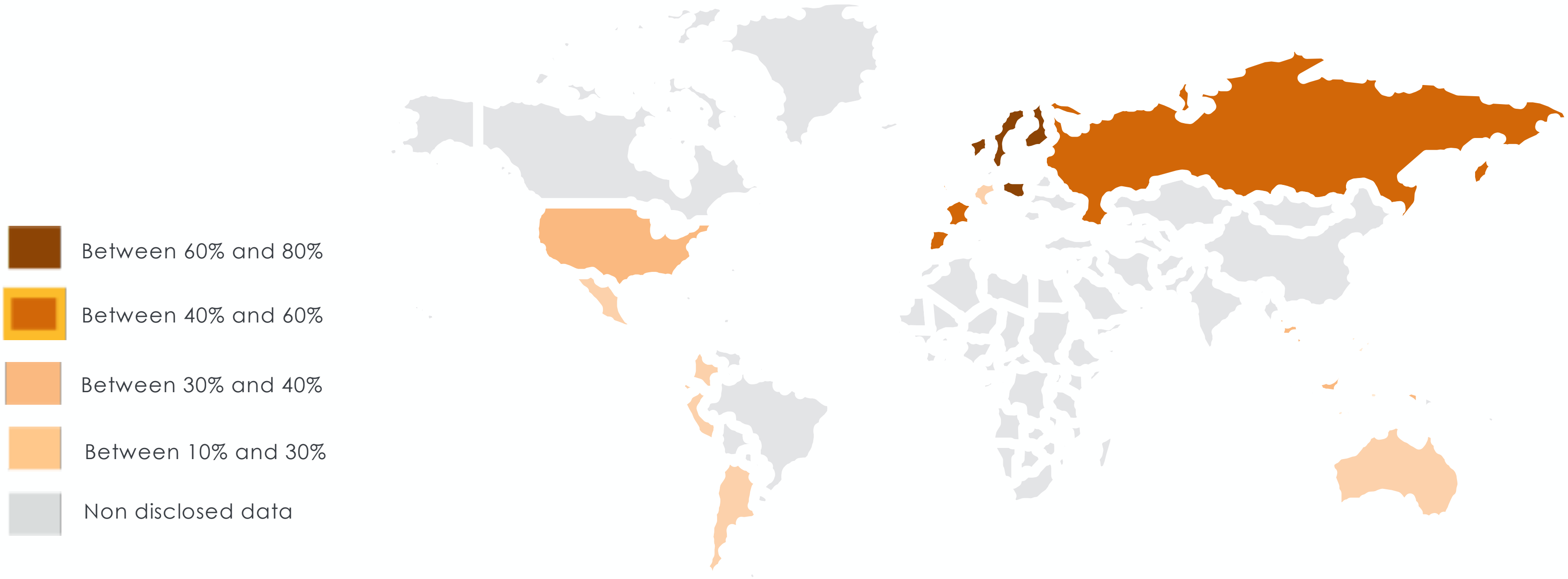
Germany & UK remain the outliers of the European summer trend

2017 average <June/July/August> online bookings increase, compared to Q4 2016



Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

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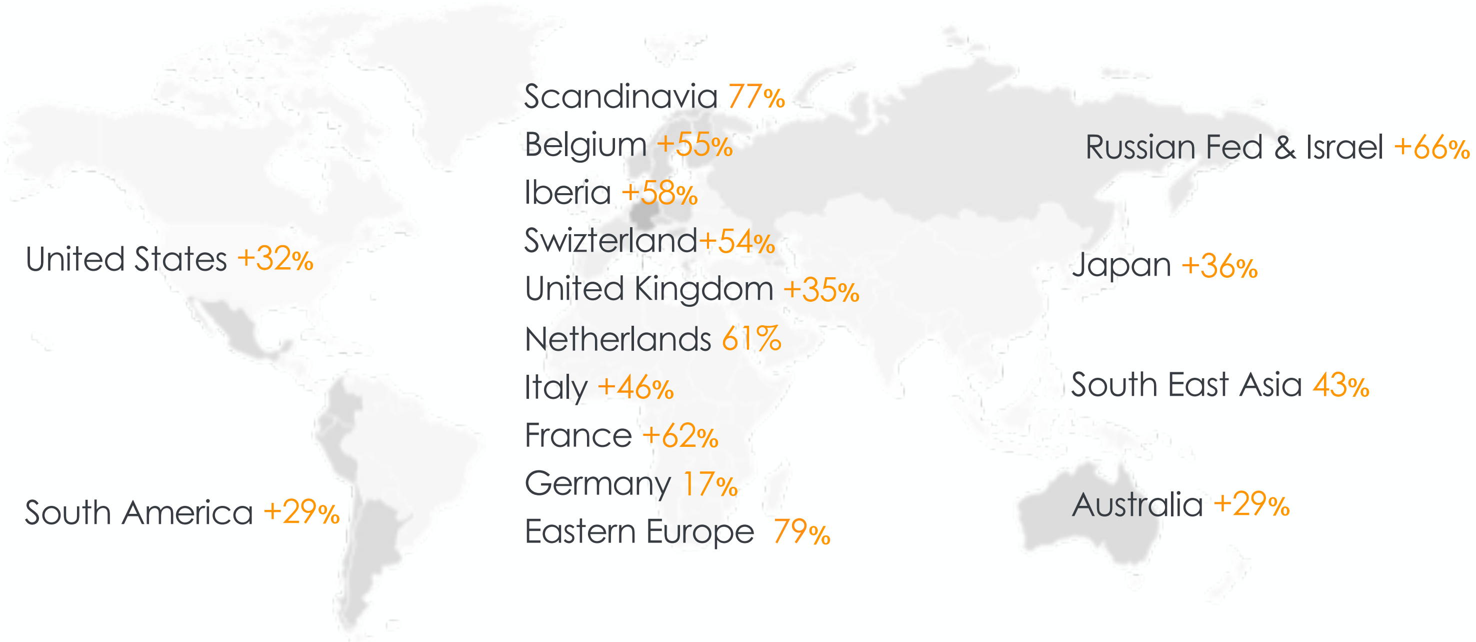

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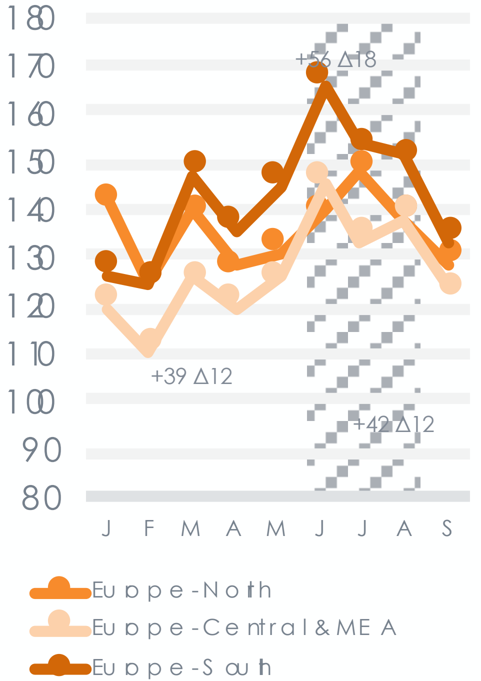
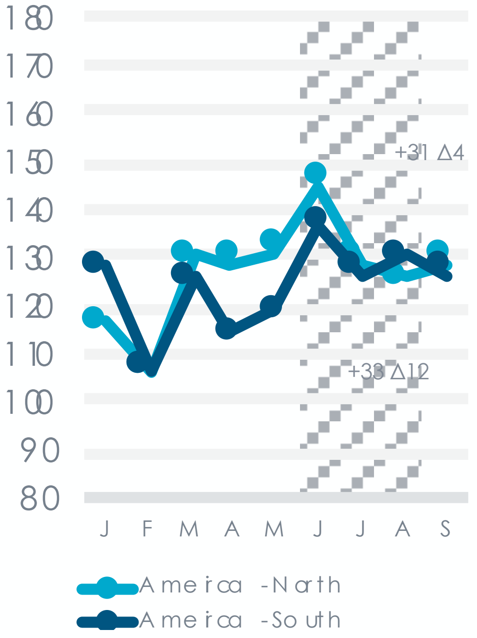
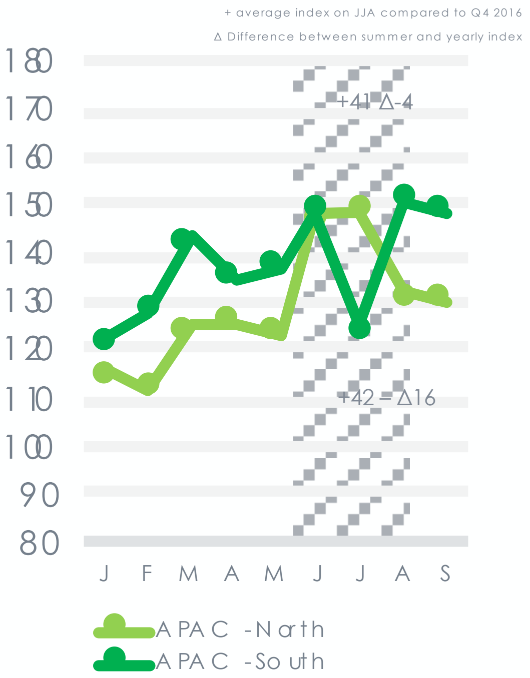
Europe shows the highest head & shoulders seasonality

2017 monthly online bookings, indexed on Q4 2016







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Southern Europe summer bookings start as early as April

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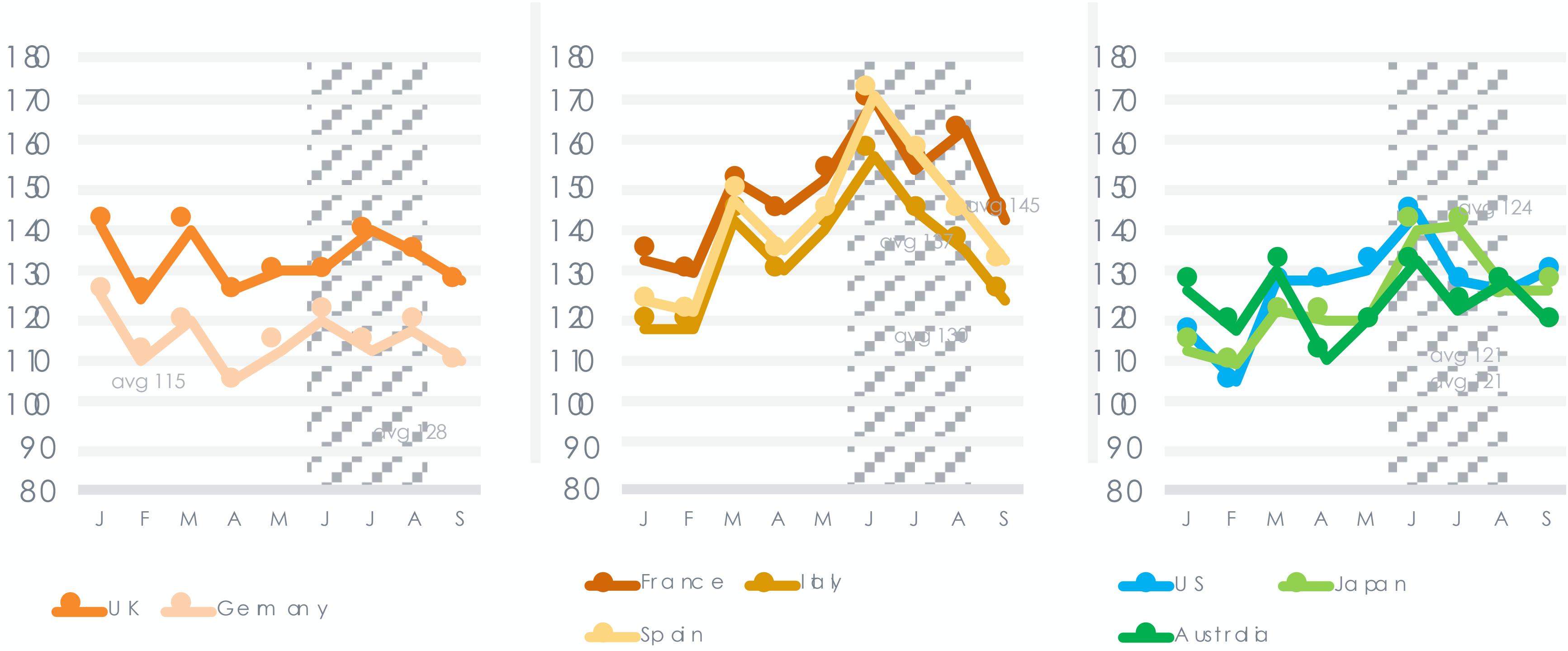

Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

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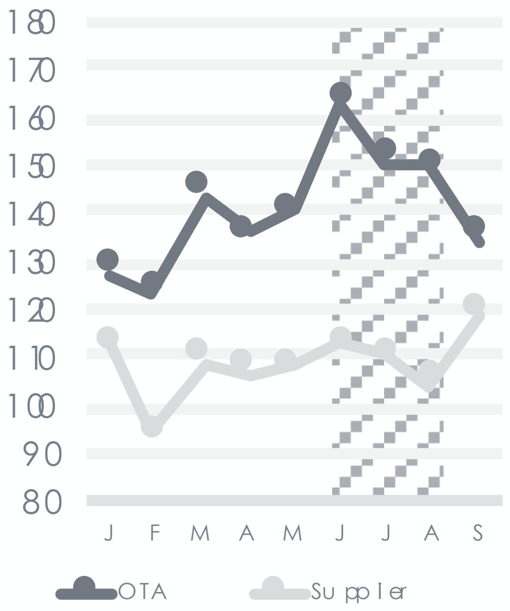
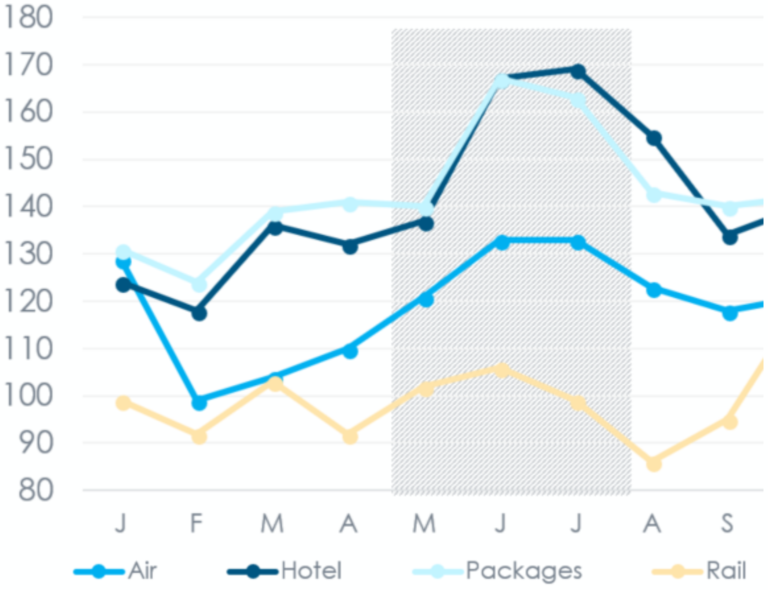
OTAs continue to dominate in leveraging summer demand

2017 monthly online bookings, OTA vs. Suppliers, and Travel sub-verticals, indexed on Q4 2016





Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

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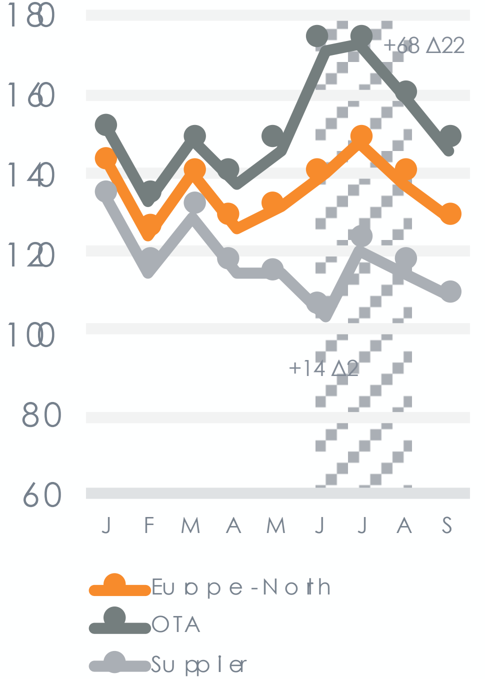
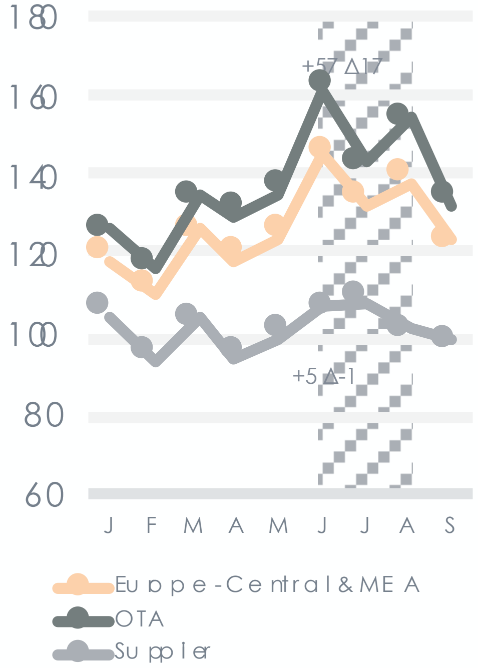
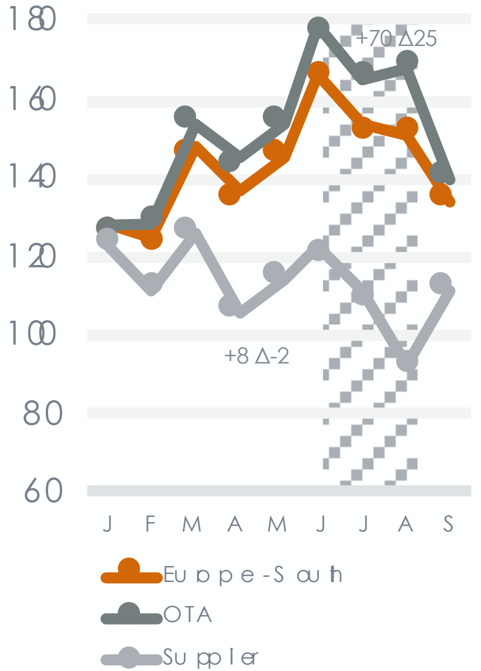
OTAs continue to dominate in leveraging summer demand

2017 monthly online bookings, indexed on Q4 2016

+ average index on JJA compared to Q4 2016
Δ Difference between summer and yearly index







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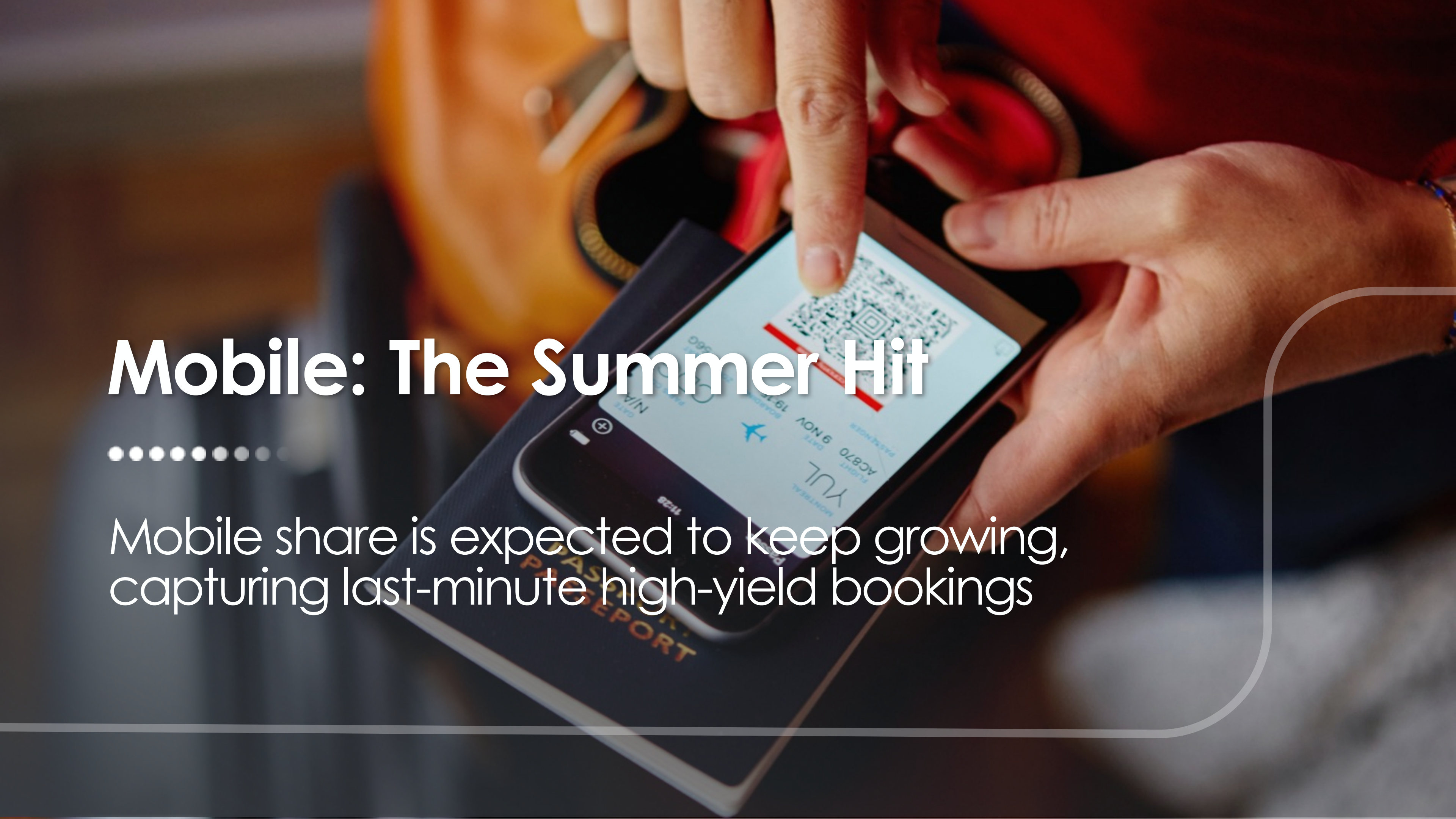
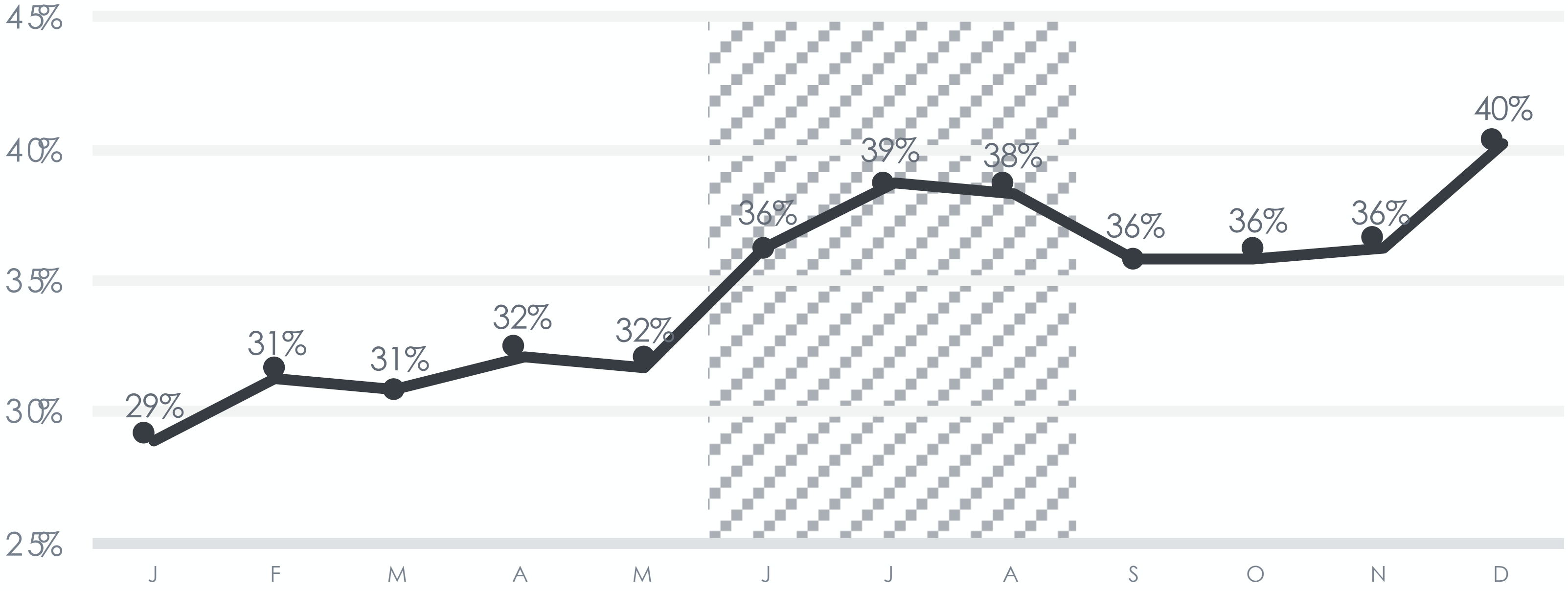


Mobile: The Summer Hit

Mobile share is expected to keep growing, capturing last-minute high-yield bookings

Industry will most likely keep high mobile share growth, boosted by summer

2017 monthly mobile share of bookings, worldwide



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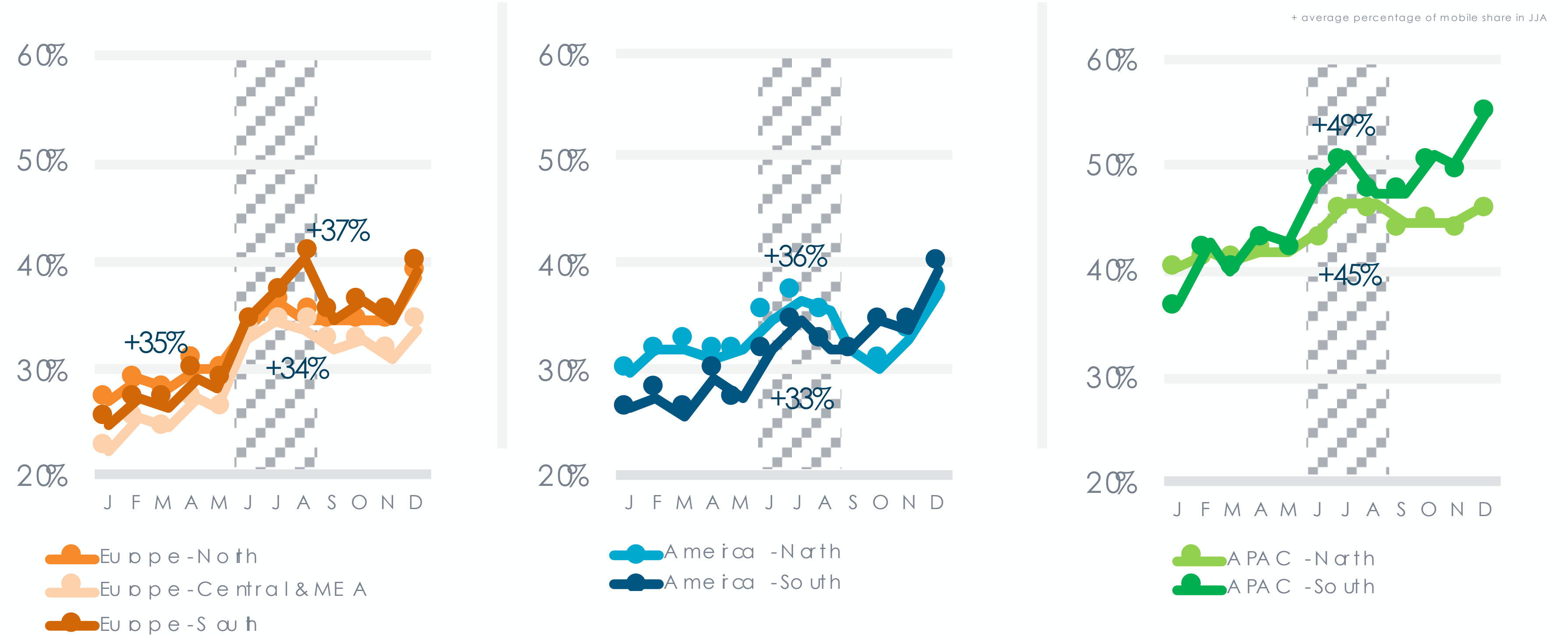
Regions with lower mobile share are catching up, especially in summer

2017 monthly mobile share of bookings, per region



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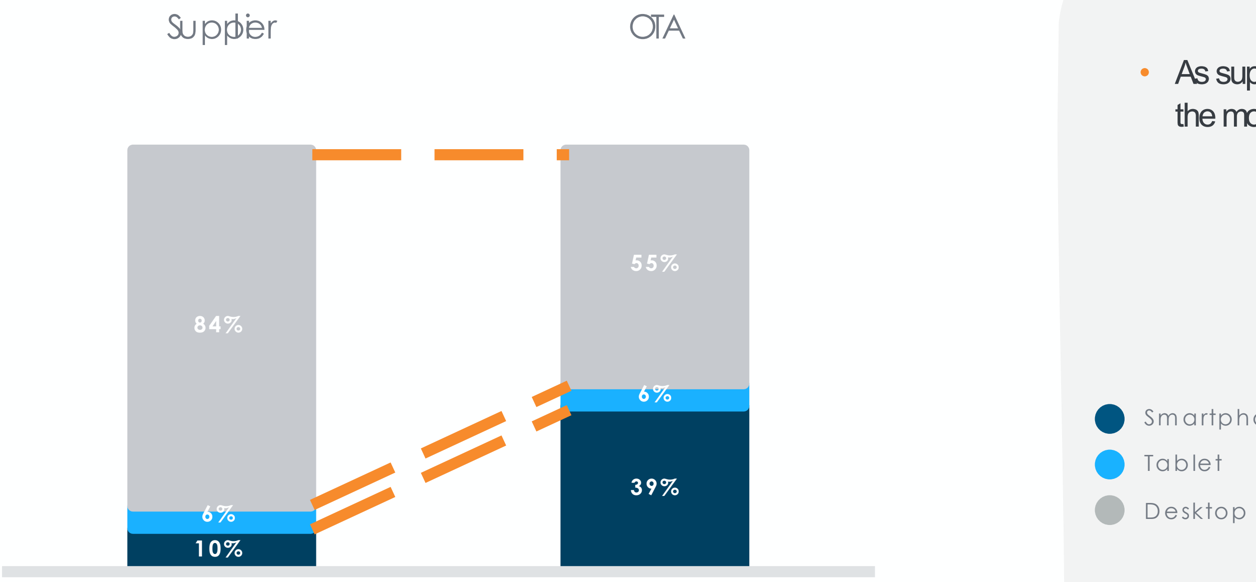
OTAs capture most of mobile bookings

Q4 2017 booking breakdown per device, worldwide

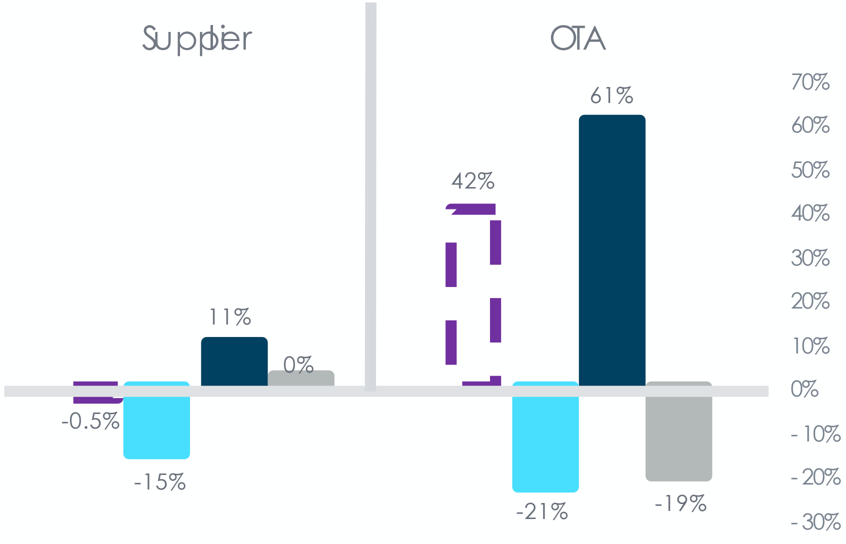


- As suppliers lag behind, OTAs get most of the mobile bookings

Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

The gap between OTA and Supplier grew during 2017

Growth of bookings per device, worldwide, Q4 2017 vs Q4 2016

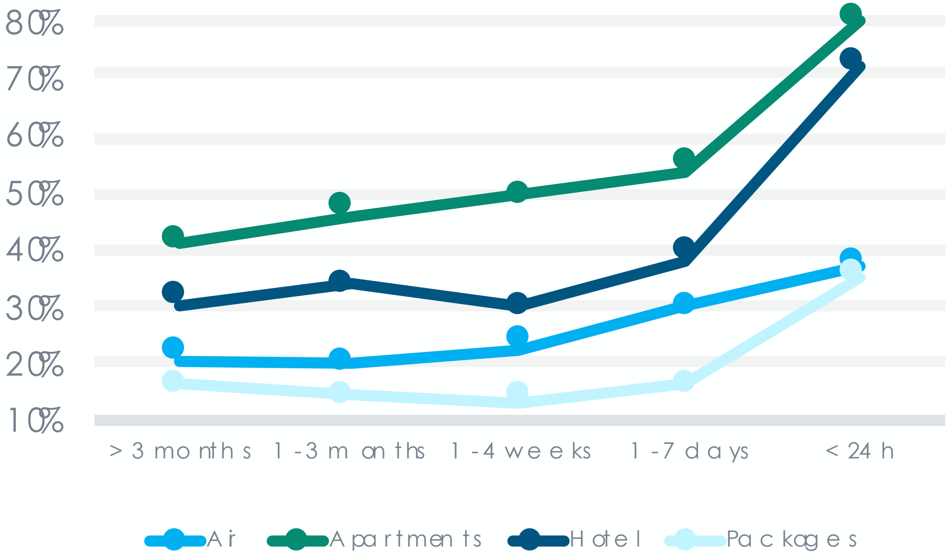


- OTAs grow quicker on Mobile
- Smartphone is growing steadily and tablet is declining

Smartphone
Tablet
Desktop
Total Mobile

Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

Mobile is key to catching last-minute high-yield bookings



- Up to 80% of last minute bookings are made on mobile devices

Source : Criteo Data, Worldwide, 2016 & 2017. Online travel agencies and suppliers. Excludes comparators and applications.

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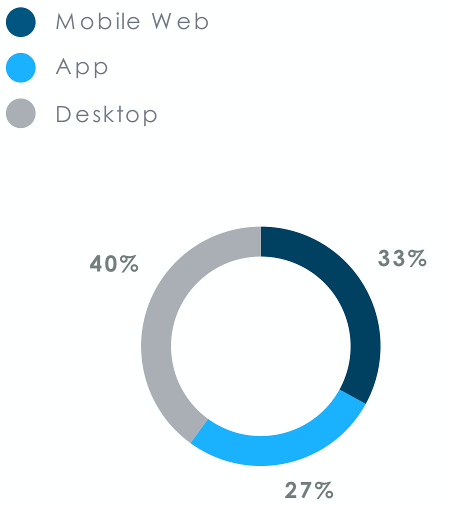
60%

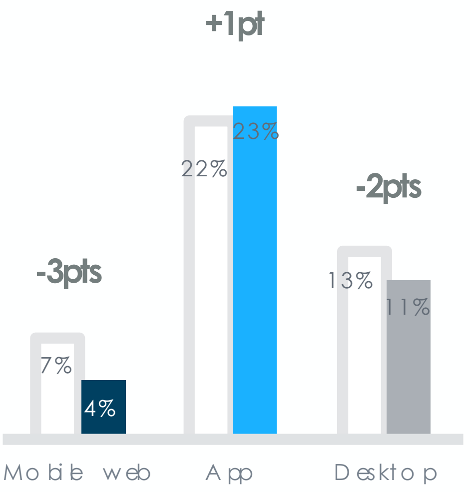
Travel players with a booking app make 60% of transactions on mobile devices.

*Share of bookings by device, apps included, worldwide, Q4 2017.

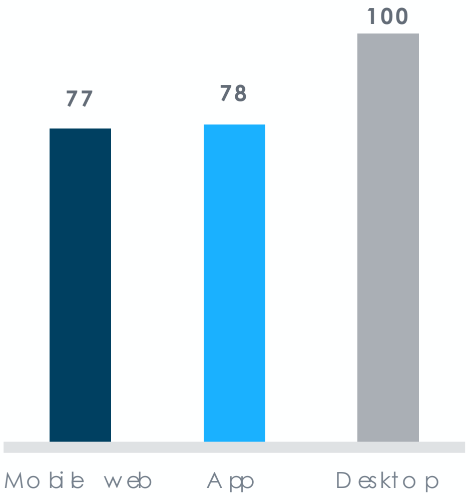
App share of bookings is significant, leading to more conversions and more booking dollars per transaction than mobile web.



Share of Bookings per environment, for travel players with a booking app.



Conversion rates per environment, worldwide, Q4 2016 vs. Q4 2017. CR = Buyers / Product Page Viewers. Average conversion rate on app for retailers of 17% worldwide in Q4 2017.



Average Booking Value per environment, when 100 is spent on desktop (index).

Source : Criteo Data, Worldwide, Q4 2017. Online travel agencies and suppliers. Excludes comparators.

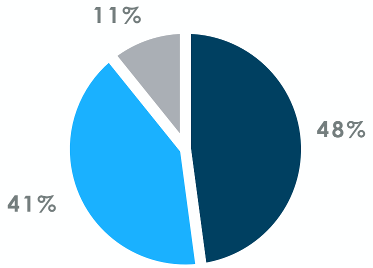
41%

Apps account for 41% of last-minute traffic.*

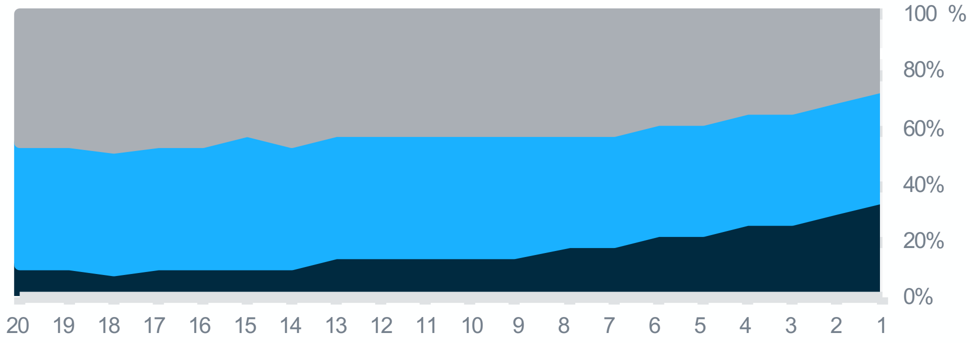
Source: For travel advertisers who generate bookings on both mobile web and in-app. Criteo, worldwide, Q4 2017.

Apps are critical when it comes to last-minute & quick bookings

Mobile Web
App
Desktop



Share of traffic by browsing environment for last-minute bookings: made less than 24h before check-in or departure.



Share of traffic by browsing environment by number of nights, for hotel players with a shopping app.

Source : Criteo Data, Worldwide, Q4 2017. Online travel agencies and suppliers. Excludes comparators.

Thank you

To learn more about how the Criteo Commerce Marketing Ecosystem drives sales and profits for thousands of brands, retailers, and publishers worldwide, visit **criteo.com/about.**

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Methodology

Individual browsing and booking data analyzed:

Over 1,800 global travel advertisers.

More than 3B bookings per year across desktop, mobile sites and applications.

59 countries in North America (2), Latin America (9), Europe (25), Middle East (6), Africa (4) and APAC (14).

How can marketers use this data?

Benchmark your performance on relevant KPIs for your mobile browser, mobile app and cross-device channels.