Business Model Canvas Expedia®

Key partners

- Hotels
- Property owners
- Airlines
- Rental car companies
- Activities providers
- Travel agents / affiliates
- Corporate travel managers
- Technology partners
- Meta search engines
- Lobbyists
- Other

Key activities

- Manage network effects
- Customer experience
- Customer support
- Grow the platform
- Observe external factors
- Enhance technology
- Guide customer journey

Key resources

- Number of hotels
- Number of locations
- Great content
- User data/algorithms
- User experience
- Global network
- Skilled staff

Value proposition

For travellers:
- Cheapest) prices
- Amount of choice
- Reduction of risk
- Customer service
- Useful app
- Useful travel content

For hotels:
- Incremental revenue
- Ability to react
- Global reach
- Risk reduction
- Additional web traffic
- Market intelligence

Customer relationships

Hotels:
- Commissions
- Ease of joining
- No booking, no pay
Travellers:
- Customer service
- Accuracy

Channels

- Website (mobile, desktop)
- App
- Partner channels
- Ad channels (meta search engines, etc)
 - Comms channels

Customer segments

Hotels:
- Property types
- Room types
- Star & user ratings
- Amenities, facilities
- Proximity
- Type of hotel
- Locations
- Type of infrastructure

Travellers:
- Travel motivation
- Demographics
- Booking details
- Employment
- Spending behaviours
- micro segments

Cost structure (FY 16)

Operational
- Performance advertising: $3.5b
- Cost of revenue: $1.6b
- Tech & content: $1.25b
- capitalised costs: $1.6b

Balance sheet:
- Property & equipment: $1.4b
- Intangible assets: $2.4b
- Goodwill: $7.9b

Revenues (FY 16)

- Merchant business model: $4.85b / $8.8b = 55%
- Agency business model: $2.4b / $8.8b = 27%
- Advertising and other revenues: $0.8b / $8.8b = 9%
- HomeAway (subscription): $0.69b / $8.8b = 8%

More on: www.innovationtactics.com/business-model-canvas/