

Data Fest 2017 - 5 college Beta Together

Assumptions:

1. For each booking, we assume that none of the users would do any further searching for the same trip after their booking.
2. We have categorized the consumer according to the following criteria: Family: 2 Adult + >1 Child; Couple: 2 Adult; Business: 1 Adult; Group: Others.
3. It takes at most 2 weeks for the same user to book a hotel for the same trip

The Consumer Discretionary industry is booming, and the Consumer Service sector is growing at a rate of 0.02%. This is the sixth year in a row that Travel & Tourism has outpaced the global economy, showing the sector's resilience, and the eagerness of people to continue to travel and discover new places, despite economic and political challenges across the world. It is the era of Traveling!

Both Expedia and its competitors have done many Acquisition of tour/activity companies in the past years in order to expand their market share in the travel sector. A month ago, Priceline CEO Darren Huston said that Priceline has doubled the hotel bookings of Expedia in the 4th quarter of 2016! So, how can Expedia compete with other similar companies in the same industry? **The answer is: Expedia should redistribute its marketing expense.** In 2014, Expedia spent \$2.8B on marketing, which is about 4 times of its investment in technology, mostly on advertising and keyword search.

Business Insights:

- 76% of travelers indicate that smartphones are "very important/critical" to their daily lives. Mobile users focus more on convenience, since 1 more click drops booking rate by more than 90%. **Expedia should change the booking default to non-package on mobile apps.**
- Channel 355 shows a comparatively high conversion rate. However, it has low absolute number in booking. **Expedia should invest on channels with high potential to generate bookings.**
- Comparing to general consumers, business travelers are more loyal to Expedia. **Expedia should focus more on the user experience on Egencia.**
- Navigation app is among the top 3 functions that people use the most often when traveling **Expedia can pattern up with them to more wisely distribute their marketing expense!**
- While laptops and desktop computers are the most common way to book travel, 78% of business travelers have used their smartphone in a travel planning capacity. **Expedia should keep improving the functionalities of Scratchpad, which syncs up cross-screen searches.**
- China ranked the 2nd in travel industry, but it ranked the 15th according to the number of clicks in the dataset. China's non-domestic travel has increased by 143% in a year. **Expedia should enhance their marketing in China! Expedia.cn is needed!**
- Family planning on far-away destinations are more willing to increase their spending bracket over their search sessions. **Expedia should push higher price bracket hotels on consumers in this preferred demographic.**

Dow, a former Marriott International Inc. executive said in an interview with Bloomberg, "Travel is a very fragile thing, and perception is a factor." President Obama initiate an organization called Brand USA, which has raised international visitors from 51 to 78 millions in 8 years. As the leader of this perception-sensitive industry, will Expedia be able to act as a successful leader and ambassador to welcome visitors from all over the world? We are looking forward to seeing it happens!