TravelCLICK

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FOR IMMEDIATE RELEASE

Worldwide Electronic Hotel Revenue Reaches $31 billion in 2007, According to TravelCLICK

Direct Web Bookings Increase 23.6% and GDS Revenues Grow at 17.7% and as Ready for Softer 2008

CHICAGO (May 1, 2008) — TravelCLICK's quarterly results indicate healthy growth for the hotel industry in the fourth quarter of 2007 with GDS revenue growth of 17.7 percent and Internet growth of over 23.6 percent . Based on a proprietary data from its eMonitor and eTrak reports, TravelCLICK estimates GDS related transactions at 56 percent of total 2007 electronic revenue with the Internet driving 44 percent, with over half of that coming from direct web bookings.

Key observations for the market based on this latest data include:

- Overall hotel RevPAR continued to grow at a strong pace, from a low of 6% in the Americas to a high of 22% in the Middle East/Africa region
- Direct website bookings growth dominates with 23.6% for branded hotels while independent hotels more than doubled their Web Direct production
- GDS revenue increased 14% bringing total revenue for the channel to $19.1B USD in 2007
- Online Travel Agents continue to show growth as they evolve in a world of more savvy consumers and hoteliers

In a recent TravelCLICK hosted webinar on global hotel distribution trends, TravelCLICK's John Hach, Vice President of eMarketing Solutions and Scott Farrell, Vice President of Revenue Strategy explained that although GDS bookings reached over 56 million transactions in 2007 growing revenues at 17.7% over last year, the Internet segment is the high-growth channel that is delivering greater profitability. "The GDS is still the number one electronic channel, delivering the highest ADR bookings, and will continue this position in 2008," said Hach. "However, at a growth rate of 23.6 percent, brand websites are catching up fast, now accounting for over 30% of bookings for the major chains," said Farrell. "Brands and OTAs have paved the way for web booking, so that consumers are now demanding the capability at the independent hotel level. And since the hotel website is the lowest cost booking channel, these reservations are a source of higher margins for hoteliers."

Looking ahead in 2008

In 2008, TravelCLICK estimates that the overall electronic channels market will grow approximately 6% to reach $33 billion in revenue in 2008. Growth will be seen through continued increase of Average Daily Rates while demand will be flat across the Americas and slightly up across Asia Pacific and Europe Driving the proliferation of web bookings, more advanced consumer segmentation and targeting will emerge through social media, email marketing and technology convergence. Branded hotels will reinvest in their web presence to keep pace with independent market innovators. And OTAs will continue to play an important role in delivering incremental demand.

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An archived copy of the webinar is available for a limited time to hoteliers on the Events page of the TravelCLICK website at www.travelclick.net/press/event-calendar/index.cfm.

Detailed data for the GDS channel and collective brand community follows to provide an additional segmentation on market performance. Historical information is available at the TravelCLICK Information Center at www.travelclick.net/information-center .

eMonitor Results, Fourth Quarter 2007

eMonitor results are compiled from TravelCLICK's comprehensive proprietary database, which is the exclusive source of hotel industry electronic distribution data from the Amadeus, Galileo, Sabre, and Worldspan GDS. The database of electronic distribution performance provides a comprehensive foundation for data analysis and trend forecasting that is used by the global hospitality industry in developing integrated distribution strategies.

GDS Channel Performance

Travel agent bookings represented 78.5 percent of total room nights. The travel agent component of GDS bookings showed a 12.5 percent increase in ADR and a 17.0 percent increase in revenue compared to the fourth quarter of 2006.

Internet room nights, sourced from consumer online transactions on third-party websites powered by the GDS and Online Distribution Database (ODD), showed a gain of 9.2 percent compared to the fourth quarter of 2006. ADR was up 11.4 percent for Internet bookings, and revenue was up 21.6 percent compared to the same period last year.

Consumer Internet represented 21.5 percent of the total GDS/ODD ecommerce, up from 20.7 percent last year.

Fourth Quarter 2007	**Room Nights**	**% Change**	**ADR**	**% Change**
Travel Agent Component	26,198,779	4.0%	$179.56	12.5%
Consumer Internet Component	7,189,909	9.2%	$123.77	11.4%
Total GDS and ODD e-Commerce	33,388,688	5.1%	$167.54	12.0%

Full Year 2007	**Room Nights**	**% Change**	**ADR**	**% Change**
Travel Agent Component	108,247,085	4.7%	$168.98	11.0%
Consumer Internet Component	29,758,525	7.6%	$117.68	9.1%
Total GDS and ODD e-Commerce	138,005,610	5.3%	$157.92	10.5%

GDS Performance by Market Segment

Results for the fourth quarter of 2007 by market segment are shown below for GDS bookings only. All market segments show increases in room nights and ADR compared to the fourth quarter of 2006.

All segments show strong growth in ADR, with the luxury segment increasing from 9.0 percent last year to 13.3 percent in the fourth quarter of 2007.

Market Segment	Room Nights	% Change	ADR	% Change
Luxury	1,089,796	17.5%	$412.20	13.3%
Upscale	10,166,056	2.8%	$210.30	10.1%
Mid-scale	11,534,882	3.4%	$136.74	12.3%
Economy	2,122,882	-0.6%	$89.15	9.3%

Top Destination Markets
The top 10 worldwide destination markets in room nights for GDS and ODD-powered third-party websites, in order, were:

Top Destination Markets	Room Nights	% Change	ADR	% Change
LONDON	1,597,689	8.9%	$236.95	11.0%
NEW YORK	1,487,648	0.6%	$340.03	13.7%
LOS ANGELES	988,620	-2.6%	$162.57	8.5%
SAN FRANCISCO/OAKLAND/SAN JOSE	938,788	-0.2%	$170.28	10.3%
WASHINGTON/BALTIMORE	856,788	-1.6%	$191.86	7.8%
CHICAGO	769,912	-4.3%	$174.41	6.1%
DALLAS	552,208	-1.0%	$128.92	8.0%
ATLANTA	486,540	-2.1%	$130.00	6.4%
BOSTON	475,698	2.3%	$190.81	13.1%
HOUSTON	450,783	2.9%	$136.42	9.7%

eTrak Results, Fourth Quarter 2007
The following results are derived from eTrak, TravelCLICK's quarterly benchmarking report that enables individual hotels to track booking trends on the Internet and GDS through CRS performance. The consolidated results provide industry indications based on performance trends for twenty-eight major hotel brands and chains.

Reservation Sources for Major Hotel Brands

CRS Bookings	Share of CRS Reservations Q4 '07	Share of CRS Reservations Q4 '06
Internet	**47.5%**	**42.0%**
Brand Website	36.2%	31.8%
3rd Party (Retail[2], Merchant[3] & Opaque[4])	11.3%	10.2%
GDS Travel Agent	30.7%	32.4%
Total Electronic	**78.2%**	**74.4%**
Voice	21.8%	25.6%
Total for CRSs	**100%**	**100%**

Reservation Source Growth Rates

CRS Hotel Bookings	**Percent Growth/(Decline) of Reservations Q4' 2007 over Q4' 2006**
Internet	21.9%
Brand Website	22.5%
3rd Party (Retail[2], Merchant[3] & Opaque[4])	19.9%
GDS Travel Agent	1.8%
Total Electronic	13.1%
Voice	-8.4%
Total for CROs	7.6%

For more data on worldwide electronic bookings trends including detailed reports for all other global regions, visit the Information Center of the TravelCLICK website at www.travelclick.net/information-center/.

Some historical calculations may have been adjusted based on the most recent data.

About TravelCLICK

TravelCLICK (www.travelclick.net) is the leading provider of emarketing solutions that help hotels sell rooms smarter and 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. Serving the hospitality industry since 1999 and headquartered in the Chicago area, TravelCLICK has more than 12,000 customers in 140 countries.

[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).*

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