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# EDITED TRANSCRIPT

EXPE - Expedia Group Inc at Phocuswright Conference

EVENT DATE/TIME: NOVEMBER 15, 2018 / 9:20PM GMT



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## CORPORATE PARTICIPANTS

**Mark D. Okerstrom** *Expedia Group, Inc. - President, CEO & Director*

## CONFERENCE CALL PARTICIPANTS

**Lorraine Sileo** *PhoCusWright Inc. - SVP of Research and Business Operations*

## PRESENTATION

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

When it came time to fill the top leadership role at the world's leading online travel agency last year, he was the only candidate the Board of Directors consider for the post. A Harvard Business School graduate and trained lawyer who takes pride in his dance moves, please welcome, President and CEO of Expedia Group, Inc., Mark Okerstrom. Come on.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Hi, how are you.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Good. What's up?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Not much.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Good, me neither.

## QUESTIONS AND ANSWERS

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

So it's been over a year, right, since you've been CEO? Yes, so it's a old hat now, right?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. Time flies. You got it.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Who has the year been for you?



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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

If it's just us, like, there's not thousands of people watching this, right? I could be honest.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Yes, or going home.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

It's amazing. It's amazing. And I -- once the announcement came out, one of our good friends and industry veterans, Tom Klein, called me on the phone. And he said it's going to be busy, it's going to be hectic, but enjoy it, it's rare air. And it is completely rare air. It's an honor, it's a responsibility. It isn't easy. We got competitors coming at us all the time, it's a knife fight, it's a game of strategy. But what an amazing opportunity, and I'm just so thankful to have it.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Well, thanks for being here. So you get to do these things, too, very big perk.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. Yes! This is the big perk of the job, yes.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Absolutely. So what do you miss about your old job??

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

What do I miss about your old job? The thing I miss about my old job was that, over the course of 12 years, Dara and I had developed such a great working relationship. And yes, he was the CEO and I was the corporate strategy, M&A, finance guy, but we really a great team and we could bounce things off of each other. I missed that. But the great thing is, is that the team at Expedia Group now, the executive team, everyone has stepped up. And actually now instead of Dara and I bouncing things off of each other, I'm bouncing things off of 14, 16, 30 different people, all of which have, usually, better ideas than mine. So I've gotten over it. But I do miss my buddy.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. That's what they're there for. So it's been a transformational year, not just in terms of leadership, but also in laying down strategy. I mean, you come in, you have a strategy, right? Do you feel like you've done a good job, kind of setting that strategy and getting everyone on board? Is that still a work in progress?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Well, it's always a work in progress. And the good news is, is that I had 12 years to think about the direction we needed to go, to deeply understand this business, what our competitors are doing, what we needed to do to take it to the next level. I've got incredible mentors in Barry Diller and Dara



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Khosrowshahi. So we feel very good about the strategic direction, but this business is not just about strategy, it is about execution. And we've got a ton of work ahead of us. We've got a ton of opportunity ahead of us. We feel like we are absolutely on the right track, but we've just got to keep getting better.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay, so let's stay on that point. So keep getting better. So one of the things, and I've been doing this a long time, and we've been -- in talking to CEOs of Expedia about expanding internationally, right? Still, 40% is domestic, of gross bookings.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. More than that, domestic. Yes.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Right. So I think it's under -- it's actually...

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes, we're underpenetrated nationally, yes.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

It's like 38% or something, right?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

International, yes.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

I mean, excuse me, I flipped that. So 38%, that 38% is international. And I'm sure that, that's a percentage you'd like to see get higher. What are some of the barriers to that strategy? You have a presence in Europe, you've had some fits and starts in Asia. What are the challenges and the barriers to getting that number up to maybe 50% or whatever you'd like to see it at?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. Well, I think firstly, we will get there. One of the big barriers has been that our U.S. business has been so strong and has been growing very nicely. And of course, through acquisitions, we've been able to build it even more. But at the end of the day, what it takes is -- and where our heads are completely at, is that -- I think Phillips says this very well. It's all about the customer. In the end of the day, the next 5, 10 years, they aren't going to be about traffic and conversion, they're going to be about customers. And the way that you win internationally is the way that we won domestically. I don't say that, like, we won, it's victory, it's ours forever. We got to earn it, keep it every day.



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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Well, there was a couple of acquisitions that got you to win more today.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes, yes. But we have to be what we call locally relevant on a global basis. You cannot expect to earn customers' loyalty if you don't have a product that is better than your competitors. And that means you've got to have all of the assortment of things that customers might want. It means you've got to have the payment types, the translation, the content, all of these things. And that's how we're going to expand internationally in the right way, the profitable way.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

So what weren't you doing that kind of was challenging?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. Well, listen. In the early days of the Internet, which is, we've been at this for 20 years, you view every growth opportunity as a -- well, it's a land grab. You have to go after it. And so what we were doing was expanding essentially simultaneously in 65 countries around the world. And you have to focus in this business. Because if you don't focus, someone else will focus and they'll do it better. And so our strategy now is about focusing and doing less, doing it better and ultimately delivering a much better experience for the customer.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. So how about with partnerships, right, with Despegar in Brazil and with the Traveloka acquisition in Indonesia. So is that something we're going to continue to see, some of these partnerships, investments, as the way to go?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. I think, possibly, that the -- we've got in this mantra at Expedia, the vision, which is we are in the world's travel platform. And the word platform is important. We run a massive platform that is essentially networking consumers and corporate travelers and companies and traditional travel agents and other online. Massive amounts on the demand side. And on the supply side, we're networking together every single provider of inventory. And part of that platform strategy is making sure that we expose our platform and allow other players like Despegar, like Traveloka, like Thomas Cook, get on the platform, use our technology, use our supply. So you may see more things like that. It's -- we're financially driven, of course, so they got to make sense. But it's part of the strategy.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. And then China, where you made -- you've got the AirAsia and then the eLong, sold eLong. You're looking more now in Southeast Asia. Have you kind of given up on China?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Well, we haven't given up on China. I'm pleased to announce a minority investment -- and I'm joking -- I'm not doing that. Think I shouldn't joke like that on stage. We're very focused on the parts of the Chinese opportunity where we can actually deliver value. So we're very focused on the outbound Chinese opportunity. Our big brands, Brand Expedia, Hotels.com, are absolutely serving Chinese travelers, sending them to all parts of Asia and Europe and the U.S. We have a large team in China who is signing up properties, doing deals with airlines so that, ultimately, we can bring



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international travelers into China. Right now, the domestic market doesn't seem like one where we have a real chance of winning any time soon. So in a world where you have to choose, and I'm going to quote Aman Bhutani, who's President of The Brand Expedia Group on this, we need to choose where you're going to play and how you're going to win. Right now, domestic China doesn't fit well on that 2 by 2, so we're focused on other areas.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Other areas. You mentioned that the U.S. market is continuing to grow. But -- and I'm not -- I'm no Jake Fuller here. But if I take out HomeAway, Egencia and I look at the core Expedia OTA, I see single-digit growth in the U.S. So are we seeing saturation in Expedia, the core Expedia in the U.S.?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Saturation is a strong word. I think that the U.S. is one of the more mature markets in terms of online penetration. So in that respect, some of the easy tailwinds of -- that to see in other places in the world, like, middle class is emerging, people are getting internet access, people are moving offline to online. Those tailwinds don't exist really in the U.S. to the same extent that they used to. But if you just look at the raw numbers, we're low double-digit percentage of the lodging business in the U.S. Our corporate business is growing very nicely. HomeAway hasn't even really begun the urban opportunity. We look at our lodging inventory, just pure conventional lodging, we think we still got opportunities. So it's definitely in a more mature state than Vietnam, but we are not done in the U.S.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

But Mark, it seems like the HomeAway acquisition just came at the right time because it really helps your domestic market and it looks great. And it's obviously a great acquisition. So -- and I know big plans to expand international as well with HomeAway, right? So how do you kind of prioritize? You have your supply for HomeAway, putting that on the Expedia bookable platform. And then also have the plans to grow HomeAway internationally. How are you prioritizing?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. Prioritization, it's always a hot topic. Well, in that case, we're doing both. And the challenge of getting some of these whole homes that are in Florida into a position where we can sell them on Expedia or on Hotels.com is something we're very focused on. We think that, at least for our customers, and we've seen this because even before we bought HomeAway, we had a deep partnership with them. We know that in certain circumstances, certain travel types, our customers absolutely love this inventory. We're focused on integrating that. But it's going to take some time.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

How many properties now are on Expedia, Hotels.com?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

We've got about 300,000.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. So are you starting to see patterns? Or is it too early? I'm looking -- kind of mixing inventory.



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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

It's -- honestly, it's too early to call, but you -- but some of the patterns you could imagine are quite predictable. Which is if someone says they're traveling with a trip -- with the group of 5, they're more likely to book the house. So we're learning. This is all about learning. How do you present it? Do you interlace it with the -- all of the hotels? Do you show it as a tab? Do you show it as a tile? We got a ton of work to do there. But at the same time, HomeAway is expanding internationally, and that is something that is going to be -- we're going to be doing over the course of the next couple of years. It's going to be a long road, but there's tons of opportunity out there.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Have to ask you. Who do you see as your biggest competitor in the private accommodation space? Is it Airbnb or Booking?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

I think they're both -- it's hard for me to call a bigger. I think they're both excellent competitors. They have both proven the ability to execute incredibly well. I have an incredible amount of respect for both of them. And I think about them both as being real competitors.

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**Unidentified Analyst**

So [go ahead on] Mark -- sorry.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Go, Phil.

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**Unidentified Analyst**

I have a question, if I may. Haven't been around a long time, thinking way back when Expedia bought Travelscape, I think it was called, in Las Vegas. Surprised the marketplace with the merchant model in hotels that led to Expedia's soaring to the top for a long time. And then Booking surprised the marketplace with a return to the commission model. And then just recently -- that's really what I want to know what you think about, Booking recently announced the merchant model is going to be a significant part of it's business going forward. What's going on?

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

That's such a flip-flop. You guys were all merchant, then you went to commission.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

And then those guys were all commission, and now what?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

We're just scattered all over the place. Listen, at the end of the day, you've got, I think anyways, 2 very data-driven companies, and 2 companies that listen to customers and they listen to partners. And at the end of the day, what we learned was that some customers like agency, some like merchant, some hotels like agencies, some like merchant. And we just said, "You know what? Let's just give everyone the choice." So it looks like Booking.com has done the same thing. I suspect, in an alternative accommodations world where a private home doesn't have a card scanner like a hotel does, some of that's in the necessity of going to more alternative accommodations. But it doesn't surprise me. I think it's what the data will tell you, you should do if you listen to it.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

But the travelers want to pay ahead of time. I mean, but that whole thing is about paying when you -- right, when you check in versus paying prior.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. So I'll give you an example where a customer will -- I swear, they will only book merchant, is if you've got a Brazilian traveler with a currency that is devaluing, like, faster than you can even -- your nose starts bleeding, and you're taking a trip to Miami 6 months from now, you just want to lock that in. Pay now. On the flip side, if you're a German traveler and you're a corporate and you know you're going to get the 17.5% VAT back if you get a VAT receipt, you know what, I'm going to go the hotel and get my VAT receipt. So this just different situations. And again, we put ourselves in the world where we're just -- we're agnostic. We're the world's travel platform.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

However you want to do it. So speaking of hotels, and there was an interesting quote of Kellyn Smith Kenny, so from Hilton, said there was a lot of paranoia and skepticism around prices and displays. And of course, the discussion was about loyalty rates and that there's different prices out there. What's your comment on that comment? Is there a lot of paranoia and skepticism on the consumer side? Are we creating this monster?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Geez, I don't know if there's paranoia or skepticism. I think that ultimately, we are -- we, anyways, are always trying to provide great value to our customers, but also help our partners drive ADRs and yield wherever we can. And in that type of dynamic environment, you can see dynamic changes in prices. And that part, however, we think that's a good thing. I think that when you have television advertisements that say book direct cause you're going to get the lowest price, it maybe creates a question in people's mind that, hey, there's another prize out of there, and maybe that causes the paranoia. I don't know. But it's not necessarily something that's new in the industry.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

The hotel -- okay.

**Unidentified Analyst**

We have a question.





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**Unidentified Analyst**

Mark, so my question is around acquisitions. So you mentioned couple of times that it's kind of more opportunistic approach. If there's something come up, then you're going to go and purchase to complement your products. So if we think from the product perspective, if you would think of the perfect next acquisition, so what would it be? In what kind of products?

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

So if you were going to do an acquisition, where would it be?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

The perfect acquisition. Boy.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Well, you need to fill. What kind of holes do you need to fill?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Can I have 2?

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Yes.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

I would -- in a different world, in a totally different world where U.S. and China relations are much better, boy, I would love to have a big player in China be part of the Expedia Group family. So that's one.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Is it too late for that to happen?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Listen, this industry is so dynamic. Who knows? Who knows. I'm learning Mandarin. No, I'm not learning Mandarin. The other one is we've been growing Egencia, our corporate travel business, very quickly. And I've made no -- [the stakes], we want that to be bigger. So I think we would -- we'd love to do an acquisition in the corporate travel space, too.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

I think I heard you say, what, they're like the third-largest TMC, or fourth?



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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Fourth largest, yes. But thank you.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Maybe you make them the third-largest with an acquisition, then.

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes, or first. Awesome.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Of course. Also third. Okay. I'm going to go back to Hotel. But if the loyalty rates, at some point, like, some of them are 10% lower than what I would get through Expedia, right, if I join the program for free. And there are chains, right, so it's a bigger implication in the U.S., where you have more chains. But what does that do? Like, you're really OTAs and consumers always identify OTAs with having the lowest price and our data show, and that was -- Robert had mentioned that earlier, that when we look -- talk to OTA bookers versus those who booked direct, why did you book the OTA? I booked the OTA because I'm getting the lowest price. So is that mindset -- that's important to you, I would imagine, because that kind of continued the trajectory for OTAs, is that perception. Are you concerned that, that could change over some -- because of some of these loyalty rates?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Well, I think it's a concern, obviously. But I would recharacterize what we're trying to do slightly, which is that we're trying to provide the best value. And what we have found, anyways, is that as some of the large chain hotels have discounted their prices, ultimately leading to lower revenues for their owners and more loyalty points that their owners sometimes have to pay them for, they end up -- we've got customers that are shopping around and they look at hotel x, and they look at it over there, and like, well, this isn't the lowest price, but let me look at this property. And we've got a number of hotel partners who have incredible properties that are completely peer properties to a number of the properties from the big chains and variable to price competitively and they're an incredible value. And what we've seen them is step up into our channel and provide our customers with great value. So on a like-for-like basis, and it's not for me to drive the strategy of these players, they're doing what they're doing. But our customers are still getting an incredible value.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

And you're in negotiations with some of the chains now? Usually, right in November. Now do you still hear them, like, threaten to pull out?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

I only hear that when I read the press. But I...

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

They haven't told you that to your face? Because I've heard it, too.



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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. listen -- yes, listen, I think...

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

They're just mouthing off?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

I think that rhetoric around wars and pulling out and leverages, it's old school. We've got a platform. If you don't like it, don't be on it. If there's one thing that has been proven to us over the course of the last few years of all this book direct stuff, is that we're not reliant on any one partner. So we don't -- I don't even want to engage in that discussion. But what I do want to engage in is the fact that being the platform, by God, we've got so many ways that we can work together with the hotel partners through powering their vacation packages path or signing up loyalty members. That's where I want to focus on.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. And activities, when you're talking about -- we didn't talk about that yet. So where do you sit there, right? Because with Trip and Bokun and Booking-Fareharbor, and you're out of there early with activities, it's a tab, right? It's -- is it -- so first of all, talk about how you see the business. And do you see it -- because booking activities, so much of it happens in the destination, right, maybe versus the hotel buying path -- so how do you see that?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Well, first of all, if I was -- if I was -- if I could choose where I'd want to start up with some traction right now, it'd be in the activities business. I mean, capital is flowing to it. I do not know who paid you guys to write that activities report, but it caused something special. So there's a ton of excitement around activities right now. We've been in the activities business from 1999. A fellow Canadian, I think [Stuart McDonald] is probably around here, started it for us. And so we know that business. And one of the challenges has always been that people do want to wait. But we have about 300 million downloaded apps. We know where people are. We can provide them with the perfect experience for where they are that fits in well with their itinerary. And we will be, if you look over the course of the next 5 years, or call it \$0.5 billion in activities business, what was it last year, will be significantly bigger.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

So what do you need to do in the activities space to -- do feel like you need to have a res system? Or -- because isn't that where the industry is going? Is that something that you don't have right now?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes. I don't think we need one. I think it's there are a lot of players out there that are providing reservation systems and booking engines for what is an incredibly fragmented industry. And I think it's unlikely that we are going to be the ones that are going to build the reservation engine that fits every purpose in any place around the world. So I expect that the industry will end up pretty fragmented in the reservation system situation, and we just want to be, as a platform, a platform that the reservation systems can connect to and get all of these activity providers on to the Expedia Group brands. In terms of what we need though, quite simply, we need the scalable way to bring on more activities in a way with content and data structures that we can expose and present to our hundreds of millions of customers around the world. And so we'll be focused on that over the course of the next little while. And of course, yes, I think Steve Hafner said AI is -- there's a lot of buzz around it. But also making sure that we develop



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much more sophistication on delivering the right set of activities to the right customers, based upon what we're seeing real time and what we know about those customers from the past.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. Is AI just buzz at Expedia? Or it's a real thing?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

No, it's very real. It's very real. But it's not the all-singing, all-dancing solution to every problem. In a sense, if I could boil down what it is, it's a way for us to automate, and it's a way for us to automate based on real time, huge amounts of data to say, "I see Lorraine doing this, I'm going to reconfigure the website to show her this." And so it's very real, it's live for us in risk, it's live for us in chat box and the way that we configure our UI for who you are. But it has limited capabilities right now. But it's absolutely -- we're doing it.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. And voice, too, correct? You're working with Amazon on voice.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Yes, yes, absolutely. And Google, too.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Okay. It looks like we are ready for lightning round. Woo-hoo, everybody! Yay!

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

That was super lame, by the way.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

So it's an either/or, okay?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Okay, either/or.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Here we go. Leisure or corporate?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Leisure.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Robots or bellmen?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Robots.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Dara or Diller?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Oh boy, I can't pick a favorite.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Invest or reinvest?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Reinvest.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Voice or VR?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Voice.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Activities or home rental?

**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Home rental.

**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Blockchain or biometrics?



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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Biometrics.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Millennials or boomers?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Millennials.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Airbnb or Booking? We're almost done.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

VRBO.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

All right. Here's a tough one. Book on Google or book direct?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Book direct on Expedia.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Uber drivers or driverless cars?

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Driverless cars.

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**Lorraine Sileo** - *PhoCusWright Inc. - SVP of Research and Business Operations*

Ladies and gentlemen, Mark Okerstrom.

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**Mark D. Okerstrom** - *Expedia Group, Inc. - President, CEO & Director*

Thank you.



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