Dear Fellow Shareholders:

Our third quarter results improved versus the second quarter in the midst of what has been an unprecedented period for our industry, and the world. Total revenue recovered to down 65% year-over-year (versus down 86% in the second quarter) and our continued cost discipline drove a narrowed net loss and generated positive adjusted EBITDA. We posted Q3 revenue of $151 million, a net loss of $48 million, and adjusted EBITDA of $15 million, all of which were better than our internal projections when we last reported in August. It is a testament to our business model, flexible cost structure and proactive cost reduction efforts that we were able to produce positive adjusted EBITDA even at such sharply reduced revenue levels.

After quickly adapting our business to its new reality in the first half of the year, throughout the third quarter, we successfully minimized operating expenses by prudently balancing cost controls with targeted investments in important long-term strategic initiatives.

We were pleased to see consumer demand trends improve each month throughout the quarter. This is evidence that - amidst significant ongoing uncertainty in this pandemic era - one thing remains very clear: consumers want to travel. In recent months, the travel industry’s recovery progress has slowed, particularly in Europe where governments and businesses have struggled to balance the priorities of containing the virus while safely reopening the economy. We expected and planned for this uneven recovery path. We strengthened our liquidity position in early Q3 and remain adequately prepared for a variety of scenarios, and we believe recent trends will prove to be a temporary pause in the leisure travel’s recovery.

Each month that passes brings the world closer to important medical developments that will meaningfully restore consumer confidence in travel and allow for a broad-based rebound. In the meantime, we remain focused on factors inside our control: executing on initiatives that deepen customer relationships, deliver more value to partners, roll out new and innovative product offerings to both industry partners and consumers, and position the business well for many years to come.

Q3 2020 business update

*Monthly consumer traffic improved versus Q2.* We are pleased to see that consumer interest in travel - as measured by monthly unique users on the Tripadvisor platform - has improved notably since the April nadir. July, August and September monthly unique users were approximately 67%, 73%, and 74%, of last year’s comparable periods, respectively. This compares very favorably to the 33% level we saw in April.

Digging deeper, exiting the summer months we continued to see strong consumer interest in near-term travel for shorter-duration, outdoor-focused getaways that are closer to home. We also note an uptick in consumer interest in trips more than 180 days out, indicating that consumers have already started thinking about and planning their 2021 holidays. Domestic travel planning has continued to recover faster than international travel and has represented the majority of research across all markets.
Fortunately, our broad geographic reach and diverse offerings can support consumers no matter how travel preferences change. Traffic to Tripadvisor's restaurant pages further improved in Q3, as many restaurants added outdoor dining capabilities and consumers sought Tripadvisor’s content to help them get out of the house and safely socialize. Tripadvisor’s rich content continues to play an influential role in helping consumers discover and compare destinations as well as find and book enjoyable and safe things to do when they arrive, regardless of whether they arrived via plane, train, or car.

Moreover, we believe travel during this pandemic era strengthens Tripadvisor’s consumer value proposition. A recent Tripadvisor consumer sentiment survey showed that travelers are prioritizing cleanliness and reviews as the two most important factors in selecting an accommodation. In Q3, our Travel Safe initiative grew to include more than 120,000 hospitality businesses, enabling them to efficiently communicate pertinent health and safety information to prospectively travelers. We have found that businesses that are participating in Travel Safe are seeing better user engagement and recovering faster than businesses that are not participating.

**Q3 revenue performance improved versus Q2.** Q3 revenue of $151 million was 35% of last year’s comparable period, compared to a 14% level in Q2. Sequential monthly performance improved as well. July revenue was approximately 30% of last year’s comparable period and August and September revenue were approximately 40% of last year’s comparable periods and compares favorably to the approximately 10% level observed in April and May. Similar to Q2, in Q3, Restaurants and Rentals showed the fastest relative improvement, followed by Hotels and Experiences. Our transaction-based restaurant business, TheFork, again demonstrated relative strength and, notably, largely rebounded to 2019 revenue levels in the month of September.

**Recent data pointing to uneven recovery.** On our August call, we outlined our expectation for an uneven recovery and, since the start of Q4, we have been seeing exactly that. Revenue performance, which improved sequentially each month from May through August started to flatten out in September. Since then, the recovery has taken a step back driven by shutdowns in Europe. Restaurants have been ordered to close for at least a month in a number of our key markets, and this has impacted - and we expect will continue to impact - The Fork’s revenue performance. We have also seen a step back in year-over-year performance of our hotel-related revenue in Europe, although North America performance has been relatively more stable.

We estimate that October revenue year-over-year performance was slightly lower than September, and early November has started lower than October. We currently expect Q4 revenue performance as a percentage of 2019 will be modestly lower than it was in Q3, but still greatly exceed Q2. We remain confident that leisure travel will fully recover, but this recent resurgence highlights that the path will likely remain nonlinear in the near-term until more progress is made on the medical front.

**Cost measures are delivering significant cost savings.** We have maintained vigilant cost controls and have been achieving the estimated savings targets that we outlined on our Q1 call in May. Specifically, we estimate our cost reductions generated $101 million of savings in Q3 compared to Q1. We note that these cost savings do not consider depreciation, amortization, restructuring and other related reorganization costs, or stock-based compensation.

Of these estimated Q3 savings, approximately $67 million were from discretionary and workforce-related measures - costs that are more fixed in nature - and approximately $34 million were from reduced variable costs, which moved lower commensurate with revenue (i.e., performance-based
marketing and a portion of our cost of revenue). This compares to $51 million and $53 million of savings generated in Q2 for discretionary and work-force related measures and reduced variable costs, respectively.

For the year, we remain solidly on track to generate discretionary and workforce-related expense-related savings in excess of $200 million in 2020 versus 2019 before considering depreciation, amortization, restructuring and other related reorganization costs, and stock-based compensation. We note that, because these measures were enacted mostly in Q2, the estimated run-rate savings we are generating is even greater.

While we retain the flexibility to further reduce costs if needed, we believe we have found a new fixed operating cost equilibrium for now. As such, we believe the vast majority of these savings generated this year will persist moving forward, and we expect to prudently increase investments in this area as travel recovers.

Turning to variable costs, in Q3 we maintained our disciplined approach to traffic acquisition and, relative to Q2, we were able to profitably acquire more traffic that converted to bookings for our partners. As a result, variable costs were approximately $20 million higher in Q3 than in Q2. In light of the ongoing disruption the pandemic is having, we expect variable costs will remain much lower in Q4 2020 compared to 2019.

Looking ahead, we expect variable costs will continue to fluctuate generally in line with revenue trends and we retain our ability to ramp investments quickly in response to broader consumer demand improvements. Our larger strategic objective, however, is to build direct relationships with more consumers on our platform.

In short, we are operating with discipline and have positioned our business for increased flow-through as leisure travel recovers and revenue comes back.

We further bolstered our liquidity position in Q3. As reported last quarter, in July, we issued $500 million senior notes and used the proceeds to reduce a large portion of our outstanding borrowings under our revolving credit facility. This bolstered available liquidity to $1.4 billion at the end of Q3, made up of our cash balance and $1 billion of available capacity under our credit facility.

At the end of Q3, we had $446 million of cash and cash equivalents, a decrease of $252 million from the end of June 2020. This was driven primarily by a $210 million net repayment on our credit facility. Operating loss and net outflows of deferred merchant payables also played in, though cancellation rates moderating throughout the quarter was a positive development.

Q3 cash flow from operations was negative $31 million and capital expenditures were $11 million. Capital expenditures in Q4 are expected to be in line with Q3 and lower in 2020 than 2019 based on lower capitalized website development costs on lower headcount. Free cash flow in the quarter was negative $42 million.

We believe we are now past the point of peak cash outflows, as the confluence of revenue impacts driving net losses, restructuring costs, and deferred merchant payables outflows in the middle of the year have ended. We remain confident that our swift, concerted actions have the business sufficiently capitalized for a variety of recovery scenarios.
Executing on our key focus areas

We are executing on long-term strategic objectives aimed at building direct, durable consumer relationships, driving engagement and more effectively converting our influence into monetization:

- First, in October we were pleased to launch two new hospitality B2B solutions. Spotlight is aimed at helping hospitality businesses 1) rebuild traveler confidence, 2) attract new customers, and 3) forecast demand and make informed, data-driven rate-setting decisions to increase profitability. Reputation Pro enables Tripadvisor-branded, omnichannel outreach to accelerate review collection. These launches follow the launch of popular free tools such as Travel Safe and Contactless Menus in Q2, as well as the global rollout of Menu Connect for Restaurants earlier this quarter, and signal our ongoing commitment to support partners and deliver them more value as travel and dining starts to come back.

- Second, within the next few months we intend to start rolling out a new subscription-based, direct-to-consumer offering that enables us to serve travelers in a whole new way and help them get more value out of their travel experiences. Subscribers will be able to access valuable deals and perks across tens of thousands of top-ranked hotels as well as exclusive savings on our nearly 400,000 bookable experiences and, like other gold standard consumer subscription services, we plan to add more benefits to deliver more value to consumers over time. We are cautious with our expectations in launching any new product in travel right now and the initial launch will be limited in product and geographical scope by design. However, we believe the consumer value proposition will resonate globally and we are excited about the potential for a subscription offering to enhance our long-term relationships with travelers.

We expect to carry this momentum forward into 2021, further diversifying long-term revenue potential along our One Tripadvisor vision for consumers, as well as driving towards our large revenue opportunities within B2B, display, experiences and restaurants.

Outlook

As a reminder, we endeavor to be as accurate as possible with our forward-looking commentary; however, a number of factors outside of our control can limit our visibility into future financial performance and can cause our results to vary materially from our current expectations.

Given that the rate of recovery for travel and dining has slowed entering Q4 and, in some geographies, taking a step back, as well as the typical seasonality inherent to travel and our business, we expect Q4 revenue and adjusted EBITDA will be lower than Q3. As we enter 2021, we expect the travel industry’s recovery will remain uneven. However, we are encouraged by the signs of pent up travel demand and remain confident that leisure travel will eventually fully return. We also believe our streamlined cost structure can enable us to regain prior profitability ahead of regaining prior revenue levels.
Closing thoughts

Overall, Q3 results were better than we anticipated amidst what remains a historically difficult operating environment. We executed well on the factors within our control - serving customers and building our business for the long-term. Travel’s path back has indeed begun. It may take time, but we will continue to support our employees, consumers, and partners worldwide, maintain cost discipline, and position our business to emerge stronger throughout the recovery period and beyond.

Sincerely,

Steve Kaufer, Co-founder & CEO
Ernst Teunissen, CFO

Conference Call and Webcast

Tripadvisor, Inc. management will host a conference call to discuss results as well as other forward-looking information about Tripadvisor’s business tomorrow morning at 8:30 a.m. Eastern Time. Domestic callers may access the earnings conference call by dialing (877) 224-9081 (International callers, dial (224) 357-2223). Investors and other interested parties may also go to the Investor Relations section of Tripadvisor’s website at http://ir.tripadvisor.com for a live webcast of the conference call.

* * *

Tripadvisor, Inc.’s third quarter 2020 earnings press release and supplemental financials are available on the Investor Relations section of the Tripadvisor, Inc.’s website at ir.tripadvisor.com. The earnings release is also included as Exhibit 99.1 to our Current Report on Form 8-K as furnished to the U.S. Securities Exchange Commission, or SEC, on November 5, 2020, which is available on the Investor Relations section of our website at ir.tripadvisor.com and the SEC’s website at www.sec.gov.

Forward-Looking Statements

These prepared remarks contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The following words, when used, are intended to identify forward-looking statements: “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “project,” “target,” “should,” “will,” and similar expressions which do not relate solely to historical matters. We caution investors that any forward-looking statements in these prepared remarks, or which management may make orally or in writing from time to time, are based on management’s beliefs and on assumptions made by, and information currently available to, management. Such statements are subject to risks, uncertainties and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Some of the risks and uncertainties that may cause our actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements are more fully described in Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K. Moreover, we operate in a rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those
contained in any forward-looking statements. We caution you that, while forward-looking statements reflect our good faith beliefs when we make them, they are not guarantees of future performance and are impacted by actual events when they occur after we make such statements. We expressly disclaim any responsibility to update our forward-looking statements, whether as a result of new information, future events or otherwise.

Investors should also refer to our quarterly reports on Form 10-Q for future periods and current reports on Form 8-K as we file them with the SEC and to other materials we may furnish to the public from time to time through current reports on Form 8-K or otherwise, for a discussion of risks and uncertainties that may cause actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements.

**Use of Non-GAAP Financial Measures**

These prepared remarks may include references to non-GAAP measures, such as consolidated adjusted EBITDA (including forecasted adjusted EBITDA), free cash flow, and constant currency measurements, such as, non-GAAP revenue before effects of foreign exchange, and adjusted EBITDA before effects of foreign exchange, which are considered non-GAAP financial measures as they are not prepared in conformity with accounting principles generally accepted in the United States (“GAAP”). These non-GAAP financial measures are not prepared under a comprehensive set of accounting rules and, therefore, should only be reviewed alongside results reported under GAAP.

We encourage investors to review our earnings press release as it contains important information about our financial results, including tabular reconciliations to the most directly comparable GAAP financial measure, definitions, limitations and other related information about these non-GAAP financial measures. We have not reconciled consolidated adjusted EBITDA guidance to projected consolidated GAAP net income (loss) because we do not provide guidance on GAAP net income (loss) or the reconciling items between adjusted EBITDA and GAAP net income (loss), as a result of the uncertainty regarding, and the potential variability of, certain of these items. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measure is not available without unreasonable effort.

The earnings press release in addition to other supplemental financial information is available on the Investor Relations section of our website at http://ir.tripadvisor.com/. The earnings press release is also included as Exhibit 99.1 to our Current Report on Form 8-K as furnished to the SEC on November 5, 2020, which is available on the Investor Relations section of our website at http://ir.tripadvisor.com/ and the SEC’s website at www.sec.gov.

**Key Business Metrics**

We review a number of metrics, including unique visitors, hotel shoppers, and other metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. While these numbers are based on what we believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring usage and user engagement across our large user base around the world. For example, a single user may have multiple member accounts or browse the internet on multiple browsers or devices, some users may restrict our ability to accurately identify them across visits, and we are not always able to capture user information on all of our platforms. As such, the calculations of our active users may not accurately reflect the actual number of people or organizations using our platform. Our metrics are also affected by applications that automatically contact our servers for regular updates with no discernible user action involved, and this activity can cause our system to count the users associated with such applications as
active users on the day or days such contact occurs. As such, the calculation of some of the metrics presented may be affected as a result of this activity. We regularly review our process and may adjust how we calculate our internal metrics to improve their accuracy.
CORPORATE PARTICIPANTS

Will Lyons  
Vice President-Investor Relations, TripAdvisor, Inc.

Stephen Kaufer  
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Ernst J. Teunissen  
Chief Financial Officer, TripAdvisor, Inc.

OTHER PARTICIPANTS

Deepak Mathivanan  
Analyst, Barclays Capital, Inc.

Chris Kuntarich  
Analyst, Deutsche Bank Securities, Inc.

Shweta Khajuria  
Analyst, RBC Capital Markets LLC

Naved Khan  
Analyst, Truist Securities

James Lee  
Analyst, Mizuho Securities USA LLC

Lee Horowitz  
Analyst, Evercore Group LLC

Tom White  
Analyst, D.A. Davidson & Co.

Heath P. Terry  
Analyst, Goldman Sachs & Co. LLC

Jed Kelly  
Analyst, Oppenheimer & Co., Inc.

Dae Lee  
Analyst, JPMorgan Securities LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good morning and welcome to TripAdvisor’s Third Quarter 2020 Earnings Conference Call. As a reminder, today's conference call is being recorded.

At this time, I would like to turn the conference call over to TripAdvisor’s Vice President of Investor Relations, Mr. Will Lyons. Please go ahead.

Will Lyons  
Vice President-Investor Relations, TripAdvisor, Inc.

Thanks, Jewel. Good morning, everyone, and welcome to our call. Joining me today is our CEO, Steve Kaufer and our CFO, Ernst Teunissen.

Last night after market close, we distributed and filed our third quarter 2020 earnings release and made available our shareholder letter on our Investor Relations website. In the release, you’ll find reconciliations of non-GAAP financial measures to the most comparable GAAP financial measures discussed on this call. Also on our IR site, you’ll find supplemental financial information which includes reconciliations of certain non-GAAP financial measures discussed on this call as well as other metrics.

Before you begin, I would like to remind you that this call may contain estimates and other forward-looking statements that represent management’s view as of today, November 6, 2020. TripAdvisor disclaims any
obligation to update these statements to reflect future events or circumstances. Please refer to our earnings release as well as our filings with the SEC for information concerning factors that could cause actual results to differ materially from these forward-looking statements.

And now with that, I'll pass the call over to Steve.

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Stephen Kaufer  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Thank you, Will. Good morning, everyone. Thank you for joining our call. I'm going to make some summary remarks about the quarter and then we'll pass the call to Ernst for some remarks on our financials before we open up the call to your questions.

As described in our release and shareholder letter that we posted last night, our third quarter results improved versus second quarter in the midst of what has been an unprecedented period for our industry and for the world. Both consumer demand and revenue performance as percentages of last year's levels improved each month throughout the quarter.

While Q3 showed a nice recovery trend; in recent months, the travel industry's recovery progress has slowed particularly in Europe, supporting our view that the near-term path will be uneven. Fortunately, we have planned appropriately for a variety of recovery scenarios. And we are committed to supporting consumers and partners throughout. We also remain confident that with each passing month, the world is closer to important medical developments that will meaningfully restore consumer confidence in travel and allow for a broad-based travel rebound.

In the meantime, we remain focused on factors inside our control. Maintaining focus on executing on our One TripAdvisor initiatives that deepen customer relationships, deliver more value to consumers and partners and position the business well for many years to come. We're making great progress despite the challenging backdrop. In Q3, we expanded our Travel Safe initiative to include more than 120,000 hospitality businesses, enabling them to efficiently communicate pertinent health and safety information to prospective travelers, drive engagement and recover faster.

We also recently launched two new B2B products for hospitality clients further signaling our ongoing commitment to support partners and deliver them more value as travel and dining starts to come back. And finally, within the next few months, we plan to begin rolling out our first direct-to-consumer subscription offering and are very excited by this new opportunity to deliver meaningful value and delight to premium members.

So what undoubtedly remains a very difficult operating environment, we are pleased with what we have been able to accomplish. Before I pass the call to Ernst, I want to once again extend a thank you to all frontline workers for their tireless hard work during this difficult time. Of course, I also want to thank each and every TripAdvisor, Inc., employee for their talent and dedication. Better days will come and we are doing what's necessary to emerge stronger than before. And now I'll turn the call over to Ernst.

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Ernst J. Teunissen  
*Chief Financial Officer, TripAdvisor, Inc.*

Thank you, Steve, and good morning, everyone. On our last two calls, I have described how we quickly adapted our business to its new reality.
In the third quarter, we minimized operating expenses and generated positive adjusted EBITDA despite the fact that revenue was only 35% of last year's comparable period. We remain squarely on track for over $200 million of fixed and discretionary cost savings this year versus 2019. That will be clearly more if variable costs like performance marketing are included.

And our quarterly fixed and discretionary run rate decreased by $67 million in Q3 versus the first quarter of this year. It's a testament to our business model, our flexible cost structure and proactive cost reduction efforts that we were able to produce positive adjusted EBITDA even at such sharply reduced revenue levels this year.

We also strengthened our liquidity position with a bond issuance in Q3. And at the end of Q3, we had cash of nearly $450 million as well as $1 billion of undrawn capacity on our credit facility, which keeps us adequately prepared for a variety of COVID recovery scenarios. We believe that our conservative cost savings and our funding efforts combined with the many new revenue initiatives that Steve just mentioned — and we'll talk more about them on this call — put us in an excellent position to benefit financially when the travel market inevitably comes roaring back.

With that, we will now open it up for your questions.

**QUESTION AND ANSWER SECTION**

**Operator:** Thank you. [Operator Instructions] Our first question comes from Deepak Mathivanan with Barclays. Your line is now opened.

**Deepak Mathivanan**  
*Analyst, Barclays Capital, Inc.*

All right. Hey, guys. Thanks for taking the questions. Just two quick ones from us. First, we're not looking to jump the gun, but can you provide more color on the subscription offering? What will it look like and kind of what are your medium- to long-term goals with this product both on the supply side and on the consumer side? Who would be the ideal suppliers for this program?

And then second question on the Hotel business. Can you talk a little bit about the competitive dynamics on the auction side that you saw as travel demand was rebounding during the summer months in 3Q? Were OTAs and suppliers coming back to the platform? How does the participation from hotel chains and other suppliers during that time?

**Stephen Kaufer**  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Excellent. Thanks, Deepak. This is Steve. Great question. So the new consumer subscription offering launching in a couple of months, we're looking to provide meaningful additional value for premium members. So if you're buying into the subscription package, you'd be able to get discounts on tens of thousands, eventually more and more, hotels all around the globe. You'll get a discount off all of the attractions we sell. Last count, it was close to 400,000 experiences. And there's plenty more, if you think about it, of things that we can add to the bundle.

When you think about our relationship with hoteliers, we have direct supply and we have supply through aggregators. And we're looking to present an offering to our travelers that not only saves them money, but gives that traveler a special experience. Everyone loves to feel like they are treated special, that they are delighted
when they go traveling, not only by where they're going but how they are treated as a guest at a hotel or on an experience. We feel that our demand on TripAdvisor side, our relationship with suppliers put us in a wonderful position to be able to come up with a subscription offering in that vein.

If you look at the overall picture, we have, or pre-COVID times, seen north of 400 million unique users on our site that were looking to plan a trip. We feel that a good number of them would clearly be interested in that extra special perk, the discount, the better experience, the extra something. And then when you look at our supply side, we have relationships with all of the aggregators and tens or hundreds of thousands of properties and attractions throughout the globe. So we kind of have both pieces of the marketplace and our opportunity is to connect them in a premium package.

Moving on to the second question on the auction. We've seen the OTAs be quite rational in their behavior. They're looking for demand through all channels. Hotels are looking through demand through all channels including the OTAs as well as TripAdvisor. So I think the easiest way to look at our auction is that it's recovering in line with how the overall travel footprint or the overall travel ecosystem is recovering. Hoteliers need demand, of course, and they're coming to us and they're coming to the OTAs and via the OTAs to us. And so the auction is essentially behaving as we would expect. And as much as that's a regional answer, it's behaving regionally in those same areas. Ernst, do you want to add anything to that?

Ernst J. Teunissen  
Chief Financial Officer, TripAdvisor, Inc.

No. On the auction, I would add, clearly, as the COVID unfolded in April and May, there was significant pressure on the auction in terms of volume, in terms of CPCs down, conversion rates being down and also our partners bidding quite carefully. I think what we are seeing right now is obviously volumes have gone up in periods since then. CPCs have improved because conversion rates have improved in the meantime. But volume and conversion rates are still down from pre-COVID times.

In the early days, our take rate, if you want to call it, how much we got paid per booking delivered for our OTAs was down as well as the bidding was careful. That has sort of normalized now. And so we're finding that our partners are willing to pay again for the bookings like they were before.

Deepak Mathivanan  
Analyst, Barclays Capital, Inc.

That's very helpful. Thanks, Ernst. Thanks, Steve.

Operator: Thank you. Our next question comes from Lloyd Walmsley with Deutsche Bank. Your line is now open.

Chris Kuntarich  
Analyst, Deutsche Bank Securities, Inc.

Hi, thanks. This is Chris on for Lloyd. Maybe one longer-term question on the hotel auction. You guys have been de-emphasizing this business in your overall mix prior to the pandemic. So just thinking longer term, would it be wrong to assume that over time you're moving towards taking performance market effectively to zero for this business or is this really not the right way to be thinking about it?
And then just maybe coming back a little bit and focusing on 2021. You talked about coming out of the quarter. Results are better than internal projections back in August. So maybe if you can just talk to us a little bit about how getting 3Q under your belt will help refine your 2021 strategy. Thanks.

Stephen Kaufer  
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Thanks, Chris. Maybe I'll take the first, Ernst the second. In terms of, I don't know, a thought about de-emphasizing the auction. No, the auction in that hotel search capability, finding the best hotel for your trip remains and will always remain a core asset, a core value that we're bringing to travelers. As such, as we get better at it, performance marketing in terms of us buying traffic to that shopping experience site, I would expect, would always remain.

When you add in the subscription offerings and the other sort of direct-to-consumer things that we plan because, as you know, we've already launched a couple and this new subscription offering will be a third; it's yet another opportunity to monetize the traffic that we bring to the site organically or through paid channels or our repeat efforts, all the different ways that we get up to the hundreds of millions of users. And so for us, with the subscription, with the auction and the way it's running; we expect that to continue and performance marketing will probably always play a role in that.

Ernst J. Teunissen  
Chief Financial Officer, TripAdvisor, Inc.

And in terms of your second question, our visibility, of course, obviously in the near to medium term remains limited. We said last quarter that we think the recovery may have an uneven path. And I think we're seeing that right now. Q3 was stronger than we expected. Our European business has performed very strongly in the third quarter. TheFork, our reservation business of the restaurants, did very well in the third quarter. And now we're seeing at the start of the fourth quarter, some of these trends are different. And so we see Europe now taking a step back with all the lockdowns that we're in and so we are careful and conservative in our outlook for Q4. And we are seeing right now in our business that, for instance, the restaurants in the business for TheFork is trending down from Q3 with all the lockdowns. And so it's going to be an uneven recovery.

We remain bullish and optimistic about the recovery of the travel market in the periods to come. We think travel will recover fully. I want to highlight it's sometimes lost that TripAdvisor skews almost exclusively to leisure travel. And we think leisure travel will be the part of the travel market that will come back the fastest. So we're looking forward to 2021. We're looking forward to, hopefully, on the medical side, seeing progress, a vaccine being rolled out. And we're looking forward to a recovery of the travel market. But in the meantime, it's patchy and we're seeing that right now in Q4. That doesn't take away from our enthusiasm of being ready to come roaring back when the market comes back. We've done everything we think that is prudent at this point. We've cut our cost quite significantly. We have the funding in place. We are able to weather these ups and downs that we are in right now. And we think we've actually adjusted our cost position very attractively now because we might add back some costs when the market recovers but not all. And so we think, actually, we will come out with an improved cost structure when the market returns. So we're waiting for that. In the meantime, it will be patchy. Looking forward towards 2021, we are focused on what we should be focused on, being prudent on cost while the situation hasn't been resolved. At the meantime, developing some exciting new tenons for our strategy. I think the revenue initiatives that we're rolling out right now could have some real legs. You're not going to see that in Q4 and you're not going to see that in Q1 maybe. But we are going to see that when the market comes back. And so we're excited about positioning ourselves correctly for 2021.
Chris Kuntarich
Analyst, Deutsche Bank Securities, Inc.

Got it. Appreciate the color.

Operator: Thank you. Our next question comes from Shweta Khajuria with RBC Capital Markets. Your line is now open.

Shweta Khajuria
Analyst, RBC Capital Markets LLC

Great. Thank you. Let me try two, please. Are you expecting – first one is, do you expect to put some marketing dollars behind the subscription product, maybe build that awareness so that when consumers are ready, they can subscribe as they see value in that product? And then second is on engagement. Any update on how you saw engagement trend among your members? So not only membership growth or improvement, but how are they interacting? Did you see improvements through the quarter? Thank you.

Stephen Kaufer
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Excellent. Thanks, Shweta. So in terms of do we need to apply or do we plan to apply marketing dollars on the subscription. The way we look at it is we have 400 million unique users on our site. They're planning a trip. They're in some stage of planning that trip. They are already in a plan/buy mode. So our opportunity with the subscription product here is while they are on the site, present the value proposition in such a way that it becomes a no-brainer, really simple.

So imagine that you're planning a trip to Cancun. You're examining a couple of hotels. It's a considered trip. It's a trip that matters to you. It's likely to be on the higher end and you're going to be doing some activities there. And then you get an opportunity to see a subscription product that – or to see a product offering that saves you meaningful dollars on the hotel that you wanted to stay at anyways, offers discounts on the tours and activities that you wanted to do in Cancun. And maybe as you look at the savings that we can offer instantly on this trip versus the subscription price, that becomes kind of a no-brainer. It becomes a very easy opportunity without, to your question, any incremental marketing costs for us to educate a consumer at the time they're ready to buy that this is a great deal.

And we of course expect the consumer will continue to shop around to make sure that this is the hotel they want to stay at, that this deal that we're offering is in fact better than what they can find on other sites. And when that consumer is convinced that, well, yes, it actually is saving money for them and that hotel is offering a chance for a free upgrade or a spa or dining credit or something else that can make that stay extra special; you combine that kind of win for the consumer with the ability to use the subscription product for the next entire year. That's kind of the experience we're aiming for. And then, of course, when that traveler is on the trip, experiencing the benefits, the money they saved on the hotel. They might be able to do an extra special meal, the upgrade with the ocean view, how exciting is that. They'll remember that it's TripAdvisor that brought them this enhanced experience. They'll like that subscription. And of course, that flows into the logic whether they renew a year later.

To your second question on engagement of members. Yeah, certainly, members are as engaged as the average traveler during this pandemic. I'm not sure we see a particularly different type of behavior on the site. Everyone, a member or not, is super concerned about safety. They want to go to more outdoors, less urban, more suburban, more out of the way, more national park type trip. I don't think we've seen a split along member/non-member lines. And of course, because they're members, we have the ability to suggest they come back for some of those
types of trips that they're more likely to take via our CRM channels. So as you suspected, membership continues to grow. But I can't point to anything particularly meaningful that's different in members versus non-members at the moment.

Shweta Khajuria  
Analyst, RBC Capital Markets LLC

Okay. Thanks, Steve.

Operator: Thank you. Our next question comes from Naved Khan with Truist Securities. Your line is now open.

Naved Khan  
Analyst, Truist Securities

Hi. Thanks a lot. A couple of questions from me. Can you help us with your fourth quarter outlook a little bit, maybe? So you expect revenues to be – or performance to be modestly below third quarter. Can you maybe talk about the split of revenue for the Hotel business between US versus non-US? I kind of remember it being two-thirds US, one-third international. And then the restaurant segment is all European. How should we be thinking about that amidst the lockdowns?

Ernst J. Teunissen  
Chief Financial Officer, TripAdvisor, Inc.

Yes, Naved, hi. Our Europe business is – a, we don't break it out. That is a minority of our business that is impacted and US is more significant. The trends that we're seeing right now, for instance, in the Hotel business is that the US is, compared to where we were in September, holding up more or less at the same sort of recovery levels. So not too much change moving from September to October into November.

The big change we have seen is in Europe with the lockdowns that have been introduced there. We've seen that on the hotel side and we've seen it on the restaurant side as well. You're almost correct about your statement about dining and the skew to Europe. TheFork is almost exclusively in Europe, our reservation business, a bit in Australia, a bit in South America, but almost exclusively in Europe. And so that's very significantly impacted by the lockdowns and that's the majority of our dining revenue. But there is also a component of our dining revenue that is in the US, which is our – it is our business-to-business component of it, subscription services and other marketing services we sell to restaurants. But the largest part of it is Europe of that business. You're correct about that.

Naved Khan  
Analyst, Truist Securities

That's very helpful. A quick follow-up, if I may. So on the fixed cost savings of $67 million that you had in the third quarter, if I just annualize that, that equates to around $270 million. But then, obviously, you did say that you expect to retain most of it but not obviously all of it when things do turn around. So if I had to think about 2021, can you give us some guide, like tell us about how much of this can be sustained in terms of cost savings?

Ernst J. Teunissen  
Chief Financial Officer, TripAdvisor, Inc.

Yeah. When the market comes back, there are going to be some costs that we will naturally have to add back. Just an example, we are not operating any offices right now. Most of our offices are closed, at least the larger ones are closed. And when we reopen, some of that infrastructure cost will come back.
There is always some other inflationary pressure to cost. And when the market comes back, we may invest behind some strategic initiatives like our subscription product. But we have found after taking out this much cost, as you often do, is that we have become more efficient. We’re targeting much more on the things that really matter for our strategy. And we’re looking around and we’re saying, hey, this actually works for us as well. We don’t have to add back all this cost. So I don’t have a specific number for you yet for 2021, but we’ll add back some cost. I believe that we’ll not add back all the cost even if the market comes back.

Naved Khan  
*Analyst, Truist Securities*

Great. Thank you.

Operator: Thank you. Our next question comes from James Lee with Mizuho Securities. Your line is now open.

James Lee  
*Analyst, Mizuho Securities USA LLC*

Thanks for taking my questions. Steve, I was wondering – given the fact that we see a pretty meaningful mix shift towards alternative accommodations here, I was wondering maybe what do you think about your strategy on vacation rentals. Will you be more focused on going forward, like making more investments in that segment? And also secondly, with TCOM’s CEO on your board right now, anything you’ll learn from the company specifically? They certainly have a reputation of merchandising and bundling. I was wondering anything you can pick up from their perspective. Thanks.

Stephen Kaufer  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Thanks, James. So to begin with on the alternative accommodation question. Absolutely, alternative accommodations are a key part of our future. We have a reasonable footprint that we’re looking to augment. And the trick if you – or the challenge, the opportunity if you talk to TripAdvisor or most of the other OTAs is figuring out the way to mix in that alternative accommodation mix into the default sort. The opportunity to help teach travelers that there are these great options out there because it is a growing category. And we fully expect to have that a growing part of our mix as well.

I don’t think the TripAdvisor brand will stand for alternative accommodations at any particular point. We are looking to help travelers plan those big trips that matter. And that involves any type of accommodation, fantastic experiences, helping you get there, delighting you with inspiring content, out of the way things to do, helping make that trip as memorable as possible. And so alternative accommodations as a lodging type plays a role in that, but it’s not kind of the center for the company.

To the question on having trip.com on our board. Jane Sun, a terrific addition for us. It wouldn’t be right for me to kind of disclose any particular learnings. I can say, however, it’s fabulous to have the perspective of one of the major global OTAs that has tremendous operating experience, not only in China but in so many other parts of the world, as we operate very complementary businesses but obviously very much in the same category, in the same space. So I enjoy our interactions quite a bit.
Great. I just want to get some clarification on your strategy on vacation rentals. It sounds like your strategy going forward is help to do more – help travelers do more planning towards accommodation, pushing traffic to your suppliers as opposed to sourcing the inventory directly. Am I reading that correctly, Steve?

Stephen Kaufer  
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Well, it's a fair statement that we don't plan to sort of compete with the number of sales reps sourcing supply directly versus everyone else because we feel we can do a better job for our travelers by taking inventory we have, augmenting it with inventory sourced by other players to present a more comprehensive experience. What we bring to the equation is demand. What we bring to the equation is the travelers looking for a very considered trip. And since alternative accommodations do play an important role in that, we just want to have that supply on our system, certainly, regardless, without necessarily investing in building or growing our supply organization in order to get it.

James Lee  
Analyst, Mizuho Securities USA LLC

Great, thanks.

Operator: Thank you. Our next question comes from Lee Horowitz of Evercore ISI. Your line is now open.

Lee Horowitz  
Analyst, Evercore Group LLC

Great. Thanks for the questions. Two, if I could. Maybe on the subscription product. In a more normalized demand environment, how do you think about the advertising investments needed to support the subscription product? Ultimately, how do you balance paid advertising versus leveraging your owned and operated space in order to drive subscription growth? And then maybe on the revamped cost structure, can you help us size the magnitude of these fixed cost savings across your business lines? I'd imagine that given the relative size of the businesses, that much of it is coming out of the hotel. But any help on hotel versus non-hotel would be helpful. Thanks so much.

Stephen Kaufer  
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Sure. Thanks, Lee. So certainly, at some point, we will be looking to build a brand around the subscription offerings. I really do want to drive home the point, though, that we have north of 100 million members. We have tens of millions of travelers planning a trip, visiting our site every single day. These are all folks who we have the opportunity to introduce our subscription product to at the right moment. They are already in travel planning mode or if they're a member, they already know TripAdvisor and have been using us perhaps for years.

So we think the success of the subscription product will revolve around the value that we're providing to these travelers, helping them understand or just making sure that that math works, that the perks, the extra experience, the delight and the savings that we're offering the traveler is worth that subscription piece.

Unlike another business, if you were to start up a travel subscription business and not have our demand asset, your question would be spot on, how much do you have to spend in order to acquire and what's the lifetime value going to be for the subscription and can you make that math work. For us, it's really quite different because we're confident we already have the traffic or the demand on the site each and every day. Obviously, perhaps but of course we'll be spending some marketing dollars. If we have some folks going through a path to buy the
subscription product and they abandon, we would naturally seek them out to remind them to come back and finish the transaction.

But the big win, the big opportunity is to leverage the traffic that we already have. And as others have done, do a consistent job improving the value over time with our content, additional discounts, special treatment, upgrades, the credits at hotels, experiences that are in destinations that are unique to a paid membership value offering. And there have been other programs in travel. There certainly have been plenty of programs like this in other verticals. But again, to your question, it's not a question of cost of consumer acquisition for us because they're already on our site. Ernst, do you want to take the second one?

**Ernst J. Teunissen**  
*Chief Financial Officer, TripAdvisor, Inc.*

Yes. Lee, in terms of your question about the magnitude of the fixed and discretionary savings across segments. On our similar level of savings year-over-year as a percentage between our Hotel, Media & Platform business and Experiences & Dining, more on the other segment.

**Lee Horowitz**  
*Analyst, Evercore Group LLC*

Great. Thanks so much.

**Operator**: Thank you. Our next question comes from Tom White with D.A. Davidson. Your line is now open.

**Tom White**  
*Analyst, D.A. Davidson & Co.*

Great. Thank you for taking my question. Steve, earlier when you were talking about the subscription offering, you mentioned how your direct connectivity with hoteliers and properties play a role there. Could you maybe comment on sort of what percent of your overall properties on the site you guys have maybe some level of kind of direct connectivity with, i.e., not through an OTA or through a hotel, GDS or something like that? And I'm just curious whether kind of driving more of that direct relationship with properties is a big strategic focus for you guys and how you might monetize that, if so.

**Stephen Kaufer**  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Thanks, Tom. So as you saw, we announced a couple of additional products in our hospitality solutions offering to new B2B products that enhance your reputation as well as to deliver business insights to help run your business. So we're constantly evolving in helping the sort of tens of thousands of hoteliers in these. And as many of the chains as are interested, help them grow their business and grow their business using TripAdvisor.

To the question on the subscription product and how it relates. We obviously view that channel direct to hoteliers as a tremendous asset in being able to deliver unique value in the subscription product. So if you can imagine a hotelier that might have a shoulder season and might be perfectly happy to provide a discounted room or an extra piece of – an extra credit, an extra part of the experience at their resort to TripAdvisor members behind our pay gate. So if you think of the overall ecosystem, there tends to be or many hotels aim for rate parity across the various channels. But behind a pay gate or a subscription gate, there's lots of new things that hoteliers can choose to do. And we're not, by any means, inventing this model. The Priceline, the Hotwire, there have been plenty of other very successful examples of how discounted rates and other packaged rates are an established distribution channel for hotels.
For the first time, we're bringing that to TripAdvisor in the form of this subscription offering. So we shall see and we will learn what hotels are interested in offering to get access, preferred access in some cases to the travelers on TripAdvisor. Specifically around connectivity. We have connectivity through the OTAs, through the GDSes, through hundreds of different internet booking engines that hotels have been using on our site. It's not an easy part of the equation. But through previous efforts, we have quite a bit of experience establishing the connectivity that would enable many, dare I say, most hoteliers that would be interested in our audience to be able to establish that direct booking or that direct offer capability.

**Tom White**
*Analyst, D.A. Davidson & Co.*

Great, really interesting. Thank you.

**Stephen Kaufer**
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Thanks.

**Operator:** Thank you. Our next question comes from Heath Terry with Goldman Sachs. Your line is now open.

**Heath P. Terry**
*Analyst, Goldman Sachs & Co. LLC*

Great. Thank you. Steve, just to dig a bit deeper into the direct opportunity. We're obviously seeing Google and sort of other metasearch models attempt to enable the loyalty program efforts that hotels are certainly pre-pandemic, but even though this pandemic are attempting to build out. During the pandemic, that we're seeing the shift in consumer behavior towards more direct booking via phone as consumers try and get more information about health protocols and check in and that type of thing. What kind of opportunity do you see for TripAdvisor to play a role there short term? And then, certainly, to the extent that we're all focused on the longer term, to use that and the environment that we're in to sort of benefit TripAdvisor's more direct relationships with these hotels and sort of around the OTA ecosystem.

**Stephen Kaufer**
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Yeah. Thanks, Heath, an interesting question. So we were pretty quick to market with our Travel Safe initiative that grew – in previous calls, I think I was talking about 50,000 businesses advertising their information about safety. Now it's up to 120,000. So I think our traveler has clearly received benefit, those that are clicking on – or those properties with Travel Safe information are getting a higher percentage of our traffic. We share that with hotels all the time. It's fairly obvious to think about travelers want to know what the hotel is doing to keep them safe. And so I think we've earned some bonus points with travelers by presenting the information in such a comprehensive way. And with hoteliers, we're making it available to hoteliers and restaurateurs for free to help them address the concerns that their customers have.

We do quite a bit for hoteliers and restaurateurs for free. We let them sign up. They can add photos. They respond to reviews. All of that is part of just our ongoing relationships with our registered owners. When we offer products that -- all the ones that we've brought to market so far, they really – they help leverage some additional information on TripAdvisor or get additional bookings, direct bookings from our site, which again helps them to grow. The subscription offering brings yet another model that is very demand-oriented and extremely easy to measure because we are actually providing more bookings based upon the offer. And it's kind of a no-risk
situation for a hotelier who wants to test participating in our program. And they will see the bookings come through whatever connectivity we've established with them. If we are successful in driving more, that makes it a win for them and our traveler obviously gets the benefit, the perk or both that the hotel is offering.

Heath P. Terry  
*Analyst, Goldman Sachs & Co. LLC*

Great, Steve. I appreciate that. Thank you.

Stephen Kaufer  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Thanks.

Operator: Thank you. Our next question comes from Jed Kelly with Oppenheimer. Your line is now open.

Jed Kelly  
*Analyst, Oppenheimer & Co., Inc.*

Hey, great. Thanks for taking my question. So just looking at your traffic patterns, your traffic is obviously ahead of where some of the OTAs are in room night. And it seems to be more of a leading indicator. And as you think about travels coming back, is there a way – sort of any products you could potentially introduce to kind of control your own destiny in terms of revenue and generate more revenue either through your media platform ads, more consumers look to book to travel before actually traveling?

Stephen Kaufer  
*President, Chief Executive Officer & Director, TripAdvisor, Inc.*

Yeah. So I'll take a shot at that. Steve again. So I think you've seen some of the leading indicators, the destination marketing organizations, the geographies that want to start attracting tourists are leaning in a bit more heavily into the display space, one of our product offerings, then the chains and that's a combination of dollars available. But also, those organizations recognize that people are, even in the midst of a pandemic, planning, still making some of the decisions for, well, when all this craziness is over, where do we get to go.

And the DMOs want to be there. And that's arguably a bit too risky for the hotel chain to play in that sort of [indiscernible] (42:09) decision process. We have no doubt that as demand picks up, as people feel safe to travel – again, not next month, not even next quarter necessarily. But as the recovery happens, all of the ecosystem will rebound to where we were. The chains will be super active. The destination marketing organizations, because so many destinations, tourism is a critical component, will be back on the site in spades. And OTAs and our traditional clients will all be back in force looking for that demand.

Kind of one other thing I wanted to kind of add on that subscription product because we're talking about sort of chains and loyalty programs, is that of course we believe that the loyalty programs that the chains offer and that the OTAs offer will obviously continue. Those tend to be reasonably strong programs. Our subscription offering is not meant in any way, shape or form to pull people away from those. We view it as very complementary to those systems. And so nothing that we're doing product-wise would make it any less interesting for hotel chains, for instance, to be terrific advertising partners for us.

Ernst J. Teunissen  
*Chief Financial Officer, TripAdvisor, Inc.*
And I would underline the point that you're making, Jed, about the leading indicator of traffic. In September, we were at 74% of the previous year in terms of unique users, which is obviously way ahead of the 35% we were on revenue compared to last year. And so we look at those trends. Even in the depths of April-May, we had about a third of our traffic still on our site. So we're seeing continued engagement with the TripAdvisor platform, even when conversion rates are low. That's very positive for us.

The other sort of leading indicator I would point out is, if we get into a situation next year where there is more certainty on the ending of COVID because there is a vaccine and it's now just about the logistics of rolling it out, we may see our hotel auction, which is mostly pay-per-click, of course, we may see as a leading indicator there because people will start to engage and start booking for further out. It's another area where we might lead the recovery.

Jed Kelly
Analyst, Oppenheimer & Co., Inc.

Thank you.

Operator: Thank you. [Operator Instructions] Our next question comes from Doug Anmuth with JPMorgan. Your line is now open.

Dae Lee
Analyst, JPMorgan Securities LLC

Okay. Good morning. This is Dae Lee on for Doug. Thanks for taking the questions. I have two. Just around the hospitality B2B product that you recently rolled out. Could you just elaborate a little bit on that and give us some more details on how you're doing there? And then looking more broadly across the B2B opportunity, are there any other unique opportunities or interesting things that are popping out that could come down the pipeline? And then looking at the trip.com partnership, it's been probably a year since you announced that partnership. Do you have any updates to share around how the partnership has progressed so far?

Stephen Kaufer
President, Chief Executive Officer & Director, TripAdvisor, Inc.

Certainly. So I can start. Thank you, Dae. Two B2B products recently released and then the subscription component we can talk about if you want. In no particular order, there's a Reputation Pro, which enables a hotelier – stepping up level – a hotel's reputation on TripAdvisor is, for many, many properties around the globe, critical to their success. It's a ton of absolutely free visibility, whether they're a client to us or not. It's visibility for them. It's reputation. It's I read about it on TripAdvisor. They're very proud of their awards.

And so hotels naturally do what they can. Many, many hotels try very hard to improve their reputation on TripAdvisor because, as everyone knows, you can't kind of buy your way in the sort order. So one of the best ways that we recommend hotels to improve their reputation on TripAdvisor is to actually deliver a better customer experience, no surprise. And then to get their travelers, their guests to write about their experience on TripAdvisor. And we've just seen a stunningly consistent correlation between the more guests that write about the hotel, the better the overall average score of the review is.

So Reputation Pro helps automate that process. So hoteliers are able to essentially set it and forget it so that the review request goes out to all of the guests. It can also add some extra questions. The hotelier gets some extra insights into what guests are saying. But most importantly, the review volume goes up. The reviews tend to be positive, which helps their ranking on TripAdvisor. Again, they can – and many hotels do it independently. They e-
mail their guests to ask them to write reviews on TripAdvisor. We love that. But for those that want to have it a bit more automated, be able to check the reviews on TripAdvisor and Facebook and Google, all in one spot; it's a very nice, relatively simple offering.

The second product is Spotlight. It's a business insights product. It looks around at – this is in partnership with another company. And using TripAdvisor data and the other technology really helps deliver insights into how to run your hotel business, what to price your rooms at. It's a relatively established category. But penetration is not what one might expect because it's expensive to have a trusted sales force that runs globally. Well, we have that. So in partnership with some extra bells and whistles, we put together a product and we're bringing it to market now.

We think those are two very valuable products to hoteliers. They're also sticky products. They're helping them run their business and build their reputation over the long term. So we look to form relationships with hoteliers that are really helping them in a permanent sense. To the degree that some hoteliers will also be very interested in offering something special in our subscription business, that's another one on the demand side. But hoteliers care about filling the rooms. And so that will be – not yet, but will be another opportunity to engage with hoteliers and help them grow their business.

Ernst J. Teunissen
Chief Financial Officer, TripAdvisor, Inc.

And I would add to that. Just as a reminder, our strategy to grow revenue outside of our hotel auction is not limited only to Experiences & Dining. Last year, our non-auction hotel products, the B2B products were growing double digits year-over-year. And so we have a lot of plans to keep growing that hotel B2B part. And these two new products that we have introduced are important tenons of that. So big focus internally here to keep growing our hotel B2B business as well as our media business as well as our Experiences & Dining and now these added new consumer streams as well.

To your second question, the – I'll start, Steve, and you can add. The TCOM partnership, yeah, indeed almost a year since we inked that joint venture. Very positive about what we're doing together in China as Steve was talking earlier about the benefits of having Jane on our board. But in China itself, the team is working on the joint venture and we're excited about what we can do together in that marketplace. Obviously, COVID has impacted the plans, at least the revenue for that business as well. Although the Chinese market, domestic market has recovered quite nicely; actually, the main focus for the joint venture is China outbound traffic, international traffic. And that part of the market hasn't recovered very well. So in terms of revenue, not on track with where we hope to be because of COVID. But in terms of the team building the product that we need for the future, very happy with progress.

Dae Lee
Analyst, JPMorgan Securities LLC

Thanks for the color.

Operator: Thank you. There are no other questions at this time. I will now turn the call back over to Steve Kaufer.

Stephen Kaufer
President, Chief Executive Officer & Director, TripAdvisor, Inc.
Thank you, everyone, for joining the call. I just want to reiterate my thanks to all TripAdvisor employees. Your dedication is an inspiration. We are truly living one of our company values of being better together.

To our investors, we are confident in the signals of pent-up consumer demand. And we believe our continued discipline, balance and cost savings and targeted investment in our future will enable us to emerge leaner and stronger than before. We’ll get through this. Time and time again, travel has rebounded and travelers have come back to TripAdvisor. We will continue executing our strategy and ensure TripAdvisor plays an influential role with consumers and partners worldwide in this recovery and beyond.

So thanks and stay safe, everyone.

Operator: Ladies and gentlemen, this concludes today’s conference call. Thank you for participating. You may now disconnect.