

## — PARTICIPANTS

### Corporate Participants

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

### Other Participants

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**Douglas T. Anmuth** – Analyst, JPMorgan Securities LLC

## — MANAGEMENT DISCUSSION SECTION

### Douglas T. Anmuth, Analyst, JPMorgan Securities LLC

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All right. We're going to go ahead and get started here. My name is Doug Anmuth. I'm the Internet Analyst here at JPMorgan. It's our pleasure to have with us today TripAdvisor President and CEO, Steve Kaufer.

TripAdvisor is the world's largest travel site. It's based on comScore visitor data, with over 200 million monthly unique visitors and over 100 million reviews and opinions. On our estimates, Trip is going to do about \$935 million in revenue this year and have \$380 million in EBITDA. Steve co-founded TripAdvisor in 2000, with the mission to help travelers around the world plan and have the perfect trip. I think, if I remember correctly, it all started with a family trip to Hawaii. Is that right?

### Stephen Kaufer, President, Chief Executive Officer & Director

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Mexico, but you were close.

### Douglas T. Anmuth, Analyst, JPMorgan Securities LLC

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Mexico. Okay, I was close. Okay. And prior to co-founding TripAdvisor, Steve was the President of CDS, an independent software vendor, also the co-founder and VP of Engineering at CenterLine Software. So, welcome Steve.

### Stephen Kaufer, President, Chief Executive Officer & Director

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Thank you very much.

### Douglas T. Anmuth, Analyst, JPMorgan Securities LLC

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It's nice when a conference comes to you in Boston, right?

### Stephen Kaufer, President, Chief Executive Officer & Director

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Love it, absolutely love it.

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Also nice when the Bruins have won game seven.

**Stephen Kaufer, President, Chief Executive Officer & Director**

Amazing game...

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

The night before.

**Stephen Kaufer, President, Chief Executive Officer & Director**

...if you had a chance.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

All right. Okay. So we'll do about 20, 25 minutes of discussion and then we'll definitely jump – let you guys ask questions. Also just so you know, you can enter questions in through the conference iPad app, as well, and they'll pop up here automatically and we can get those on as well.

So Trip has seen accelerating hotel shopper growth in recent quarters. So about a year ago, you were sort of in the 30% plus range, 35% in 4Q, 41% in this most recent quarter. Can you talk about what you think is driving the strong growth here and how much, if anything, more recently is related to the shift to meta?

**Stephen Kaufer, President, Chief Executive Officer & Director**

So, it's really hard to tell. I can explain the discussions we have internally, because we were doing a heck of a lot on mobile, on Facebook, on our Widgets, the overall brand Flywheel, the recommendations from friends. And every single group within the company really wants to take absolute 100% credit for that amazing shopper growth. We can't really figure it out ourselves. So almost every one of our channels for traffic is up. And, in general, I try to credit, or I give some credit, to just the fact that at scale now so many people know so many other people that have used TripAdvisor, found what they were looking for, and are, at least passively, recommending it to their friends.

We now have 70-someodd thousand different websites that are carrying our content. So just about anywhere you go, you're likely to see some reference to TripAdvisor, especially if you're on a trip. And I think all that's coming home to roost in repeat visits and more people finding their way to TripAdvisor, one way or the other. If there was a particular campaign that we were doing that was driving growth, I'd be citing that, but I don't – I just don't have a specific.

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What about the role of mobile, in terms of your overall traffic, can you help us sort of parse out a little bit mobile as a percentage, the growth that it has, and then also what you're seeing on the desktop?

**Stephen Kaufer, President, Chief Executive Officer & Director**

Sure. So I know some folks talk about mobile as tablet and phone and we refer to it some in that regard, as well. When I look at customer behavior and relative growth, we see strong growth in phone, strong growth in tablet and, together, you can think of it is 30%-ish of our overall traffic. But when we look at behavior, we see tablet and desktop looking really similar. Behavior is similar, monetizes similar and, to the extent that tablet starts to take over desktop or grow faster or there is cannibalization, I'm not sure I care. In fact, I'd arguably say, or I think to myself, that tablet can provide such a nice experience for travel shopping, for travel research, that if that's the trend, I'm two thumbs up on it.

Phone is really the interesting part for us. And maybe you want to think of that as sort of 10% to 15% of our traffic. And there, we're not a company that you could say is mobile-first or phone-first, as some other Internet companies claim to be, because we just believe, at the moment, that the rich shopping experience belongs on a screen that's big, as in a tablet or a desktop. But when we think about the phone, we think there is an awful lot that a company like TripAdvisor should be able to do when that traveler's in-market.

What are the new innovations that we can come up with to not only help you find a nearby restaurant, which we do now, to help you make a last minute hotel reservation. Sure, we do that now. But actually make the trip that much more enjoyable for the new things you wouldn't have even thought off on the phone. And we're not there yet, but we think with our 35 million, 36 million downloads, with our pre-install relationship with Samsung. So, whether you think the S4 is going to have 100 million units or 200 million units, every one of those units is going to have the TripAdvisor app on it. And so that just gives us an incredible base upon which to deliver amazing functionality in-market.

To the degree that travelers learn to first shop on TripAdvisor, because of our meta-experience, because it will search all the web and find the best price for you, to the degree that travelers learn to do that on the phone first and then consummate the transaction, we could have much more meaningful growth in the revenue from the phone, which is something that we're just not seeing today. We're seeing interesting research. We're seeing, I think it was 300% growth in phone traffic, but only 100% growth in hotel shopper traffic and, of that, it just doesn't monetize near what the desktop should be. So, in part, we haven't focused on the monetization on the phone as much. In part, I just don't think that's where most of the shopping wants to happen. But, we have a couple of different vectors where we think that it'll be – it will continue to be a very fast growing part of the business.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. So, that explains some of the gap that you've seen between hotel shopper growth and then revenue growth.

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Yeah.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

You sort of talked about 5% to 10% gaps on both international monetization and then also mobile, maybe you can talk about the international side of that and how you can potentially close over time.

**Stephen Kaufer, President, Chief Executive Officer & Director**

Sure. So, again, we break down that gap because that is one that we study a fair amount. And I'm talking the 40% plus hotel shopper growth down to the 25%, 24% click-based revenue growth. So 5% to 10% on mobile, and we talked about – we just talked a second ago of how there are things that we feel we can do to enhance the monetization experience on the phone. It's a little bit longer-term for us, but we're, by no means, satisfied with that lagging the desktop as much as it is.

Then we looked international and say, well, fundamentally, the CPCs that we collect in our bidding auction internationally, on average, are lower than our mature markets. We feel that, over time, that catches up. As the markets more mature, as there's more online transactions, the big players and the small players will be able to pay more and, therefore, compete for our leads. So while we see a 10% to – a 5% to 10% headwind in that category, we do see, over time, just natural forces helping us out there. So probably not a lot we can do to accelerate that piece and I'm not whining about how fast our international parts of our businesses are growing, but that's just part of the shortfall.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. Two big things that we think are impacting the sector certainly now, so Google shift more from desktop to mobile and then secondly, just the potential here that we're seeing the online travel landscape just getting more competitive, wanted to get your view on both of those things, how impactful that you think they are on your business.

**Stephen Kaufer, President, Chief Executive Officer & Director**

So the Google shift to mobile, I mean, I think they're – they pay a lot of attention to where people are using their search box and certainly people are searching for all things on the go all the time, not necessarily as much in the particular travel category. So I don't think sort of Google's focus on mobile is a headwind or a tailwind for us. I think Google's effort to build the travel vertical remains an unknown in our future. We've been pleasantly surprised, in our view, by the fact that they haven't been able to gain much traction in the time that we've been watching them since their acquisition of ITA or Frommer's or Zagat.

So they're building out their review database. They're asking people for reviews. They have Hotel Finder. They have Google Flights, but it's a little hard just for us to tell the impact on our business, i.e., when they – when I hear that something's announced, we don't see a drop in our traffic because of it. On the flight side, our flights business is growing nicely, in spite of, or maybe because of, it's a little hard to make that guess, Google putting a pretty predominant, a pretty clear placement for Google Flights in the middle of their search results. And the second part of that question?

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So what – but what about the angle in terms of traffic, I mean, from your advertisers, right, because I mean, your advertisers have been relying on Google for years for desktop traffic, good growth in that traffic that, historically, has converted reasonably well, getting good ROI, let's say, on Google Search, as that traffic slows on the desktop, certainly goes more toward mobile, that ROI is not theoretically as good. I mean, is it forcing your advertisers to really find other good places to spend money and does that money come to you more?

**Stephen Kaufer, President, Chief Executive Officer & Director**

It's certainly with TripAdvisor growing as a channel for many of our advertisers, the scale factor, no doubt, helps. To the best of my knowledge, more of our clients are now spending more people resources dedicated to optimizing the TripAdvisor account than they had in prior years. That's always a good thing, from our perspective. There's more opportunities for our clients to spend more if they're paying more attention.

On our side, we've done a nice job, I think, on offering more bidding tools and reporting to help them learn where there's pockets of opportunity. I see most of our advertisers, the big advertisers, not as having a fixed budget, do I spend it on Google or do I spend it on TripAdvisor, but having an infinite budget and an efficiency or ROI constraint. So, at any point, if TripAdvisor can deliver more leads at their efficiency target, they'll buy more and they'll spend more. So if I can continue to grow – if TripAdvisor can continue to grow our hotel shoppers, the budget for the spend on TripAdvisor open-ended.

The degree to which Google slows a bit, so it's harder for my clients to buy traffic on Google, just means, all right, as they look to maintain their growth profiles, they're having to spend a little bit more, arguably, on all of their channels and, therefore, TripAdvisor's a wonderful recipient of that.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. And your view on just overall competition in the online travel space, any change that you think we're seeing over the last year or two?

**Stephen Kaufer, President, Chief Executive Officer & Director**

So I see the big guys are getting bigger and stronger, the Expedia brands and the Priceline brands, and that's very global in nature. And then there is the couple of strong players in each individual market. Now, for us, that tends to give an auction marketplace of four to eight potential bidders on any property and that's a pretty good marketplace, from our perspective. I wouldn't like it if any one player appeared as the dominant player in a particular country, but we don't see that happening at the moment.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. Does it make sense for Trip to have more of a bookings path on the site? And then, I guess, what have you learned from Tingo so far?

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So Tingo is the – one of our media companies, Smarter Travel, has a booking site called Tingo. They don't source inventory themselves, but it offers a price drop guarantee, as the price goes down, refund on the credit card. So we are learning about the transactions through that vehicle. We acquired Jetsetter, which, again, has their own different transaction path/sales. And we've moved into the transaction space on vacation rentals. So that a traveler can pay the owner directly or through us, I should say. So all those gets us some more experience in transactions.

From the perspective of TripAdvisor core site being able to offer a great price comparison, giving the customer the lowest price that we can find on the 'net, we think that's the value proposition we really want to offer. An assisted booking path on that desktop experience, in our view, isn't adding a whole lot to the equation and may, in fact, be subtracting from the equation, in terms of I offer you a higher price to go down my path than I can find on the web, not really sure what that says.

Now on the phone, it's a little bit – not tablet, but on the phone, it's a little bit different in the sense that the current meta environment that we have far better than the old pop-up environment, but still not as convenient as we think customers would like to see it, by way of, all right, that is the lowest price, now can I book with just a click or two, as opposed to I'll launch a new window, fill out a credit card form on my tiny phone. Whether that problem is solved by assisted booking or whether that – on TripAdvisor's part or a Google Wallet or an Apple Passport or some other payment mechanism that just makes it easy to close the transaction, we're somewhat indifferent to, but we recognize that that's an area that there is an opportunity for improvement.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. So you mentioned the meta model, so just a small change here in your business model, so can you talk about the early feedback that you're getting from both consumers and from advertisers? You talked about conversion rates being much higher, but perhaps pricing is not keeping up quite at the same rate, at this early stage in the game. Can you talk about that a little bit?

**Stephen Kaufer, President, Chief Executive Officer & Director**

Sure. So the overall consumer reaction is hands down, super-win, consumers are loving it. They're sticking on the site longer. They're not – kind of first page bouncing out has gone down. And I stopped getting complaints from people that say, "hey, those darn pop-up windows, they're bugging me." That meta experience, given the broad set of clients we have, so that we're showing good pricing, just makes the whole shopping experience better. And I can take a lump for not having moved over to meta earlier in TripAdvisor's lifecycle.

But we're there and what we found as we were rolling it out is, it is scaling. Even with our traffic, we're able to keep up with the number of queries. The technology platform is working as designed and we're now out in all of Europe, is all 100% meta now, as well as Canada, Singapore, couple of other countries. And we're continuing our roll-out in the rest of the world. So right now, rest of world has a smaller percentage, but by the end of this quarter, barring unforeseen circumstances, we'll have rolled out to 98% of our traffic. In fact, we expect that, at the moment, we expect that by early June, to have all of the major countries rolled out.

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So the question for us came, well, if consumers like it, the technology's working and, wait a minute, I have 200 million visitors visiting our site each and every month, if I'm only half rolled out, only half of those people get to see the new experience. So what am I waiting for? Answer, well, we're known as a product-first company, push it out. If the technology can handle it, clients are ready, out it goes. And so we accelerated, I think we had said earlier, a three to six month roll-out timeframe and we're coming in at the three month clock. So we're pushing out because it's working and it's a great consumer experience.

That has given us less time to get our onsite conversion, or the volume of leads that we send to clients, up as much as we think we can get it. So that's causing us a revenue hit in the Q2, Q3-ish timeframe. And we said, look, we're willing to take that. It's a short-term, it's a – because when we look at what it's doing for the consumer, it's clearly the right answer.

So, to your question on pricing, it's a bid marketplace. From the information we have for the dollars that our clients are spending, they're making more bookings than in the old model. Therefore, they have the ability to spend more on a cost per click on TripAdvisor because the existence proof three months ago said they could. And therefore, we think there's room for prices to go up. We don't set the prices. It's an auction. So we need the dynamic going between our clients to push up the pricing. And we have what we call a nice bid curve, or a click curve, whereby you get a meaningful amount of additional market share if you bid yourself into the first position, just like on Google.

So, again, we think we have all the infrastructure in place and in a market like the U.S., our biggest, but not a majority market, we think it will simply take some time. So if we're rolled out at, let's call it, a quarter of our traffic in the U.S. now, it's still not garnering enough attention on the part of our clients to bid up in all the different ways that – to find the opportunities – but by the end of the month, when we're at 100%, fingers crossed, then, wow, there is not going to be anything else to pay attention to, bid auction should go. And if we get conversion up a little bit more, the on-site sort of click-through rate up a little bit more, pricing up a little bit more, we hit that revenue neutrality. I am a little cautious in that, since I don't control half of that equation, I'm saying, yeah, it may take us through the rest of the year to do it. But I'm not going to slow down the roll-out of meta this quarter in anticipation of that. I'll try to keep my next answer shorter.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

It's good. We like the color. So meta clearly gets a lot of attention, but, along with that, you've made some big changes over the last several months, in terms of the bidding platform. Can you just talk about that a little bit and how those two things work together, in terms of how it's driving more dynamic bidding, just greater frequency?

**Stephen Kaufer, President, Chief Executive Officer & Director**

Sure. And that – it is exactly what we've seen. We used to have a model whereby our clients would submit bids monthly or a big client might be every couple of weeks. We would look the bids. We would analyze them. We would advise our clients what we thought it would happen to their traffic, whether it would work. We'd get approval. We'd push them live. We'd report on them after the fact and that was a rather lengthy cycle.

As we look to have an efficient auction, the other extreme is what Google has where, hey, put in your change, it takes effect three seconds later and you can do all that programmatically. But we're not there and we're not being asked by our clients to get there, but we've changed our approach to our major clients saying, look, we're happy to let you bid every single day. Send us the information

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– and we are working on the APIs so that we don't even need a human interaction here – but we're not going to check and analyze and verify. We're just going to send the bids live. And if they're wrong, if they do the wrong thing, just like in those other platforms, you'll see it in the reports the very next day and you'll make a correction.

And so, we don't yet have, to my knowledge, any clients that are actually bidding every day, but we're ready to do that any time they want. And so the speed at which they've gravitated towards tends to be a couple of times a week, because they need enough time to generate enough data coming back, to look downstream to their conversions, to know whether to adjust bids up or down. So I'm not sure that it will ever get faster than a couple of times a week, but our infrastructure's now in place such that we can handle those requests from all of our clients as we work towards automating the entire process.

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**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

So there's a lot of focus here on getting the business back to revenue neutral, but if we think about sort of jumping ahead a little bit, so bear with me, but, I guess, how do you think about the growth drivers on getting growth on top of that? And as part of that, how do you feel about the transition to meta now versus how you felt three or six months ago?

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**Stephen Kaufer, President, Chief Executive Officer & Director**

I'd tell you, I've had a – one of those conversion feelings to meta, just because what it's done to the consumer. It's just so much more enjoyable shopping on the site. The proof will be perhaps later this year or next year, when we hopefully start to see a bigger gain in repeat visits, if we can detect that sort of thing independent of our overall traffic growth. It's hard for us to figure out whether something specific we've done is generating something better, versus, geez, more people know about TripAdvisor, therefore, they're coming to our site.

So, our – I look at the UK, which is arguably our best market, we have the highest repeat usage in the UK, the strongest branding there, and say, hey, – and certainly relative usage to the population, absolute leading position, and say, wow, there's a ton more just in the U.S., which I think is a very mature market, if I can get as many of the things going as we do in the UK. So, yes, meta sort of needs to get us back to revenue neutral. When we look at that disparity hotel shopper to click-through rate, there's still that – the meta, the phone in the international, both of which we would expect to make progress on. So, again, I can see acceleration coming there. And then we're super excited about the other parts of the business that we haven't even touched upon yet, the vacation rentals, the TripAdvisor for Business and those pieces.

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**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. If you guys want to line up, we can definitely start taking some questions, if you have some. There's mics here in the center of the room. So, let me just – I'll ask one more and hopefully you guys have some as well. Maybe we can talk a little bit about the overall M&A strategy. So you've made several acquisitions recently, so Tiny Post, Jetsetter, CruiseWise, Niumba in vacation rentals in Spain. So, can you talk – they're sort of a – different types of companies. Can you talk about the overall acquisition strategy, how you're thinking about that?

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Sure. So, again, you'd have to look at each acquisition for, kind of, its own rationale. So, Tiny Post, mobile/social, we think travel postcards. We have all these downloads. We have the Samsung installs. We want to start spreading – helping our travelers, our fans, spread the word about TripAdvisor and sending a TripAdvisor-branded postcard from the app they're already using, makes perfect sense, joins our Palo Alto office, strong team. And frankly, we expect postcards to be great. We don't think of it as a revenue needle-mover, but it's absolutely in the area where we're trying to grow even faster mobile/social, bingo, Tiny Post.

Jetsetter flash sale and SniqueAway flash sale and that's a business that just wants scale. Fantastic product, oh my God, the e-mails that you get talking about the fantastic sales on properties you really want to go to, makes all the sense in the world, but it just has to get to enough people to justify the expense of creating these sales each and every week. So that's a synergy or a combo rationale.

CruiseWise helps our cruise business. I had the pleasure of hearing the presentation from Kathleen, who runs a great cruise business for us, saying how this acquisition can help. And I'm saying, sure, we have the capital to be able to grow in that way. Nothing more – no more strategic implications than – look, we have the leading independent cruise site. We want to make that grow stronger, faster. They bring the technology and people to the equation – good, makes sense.

And that's similar to vacation rentals, where we already have the platform. We already have global scale. We already have a ton of traffic in Spain and Europeans wanting to go to Spain. So we have demand footprint we can bring, but we didn't have supply. We didn't have actual inventory, properties for rent, in Spain, and Niumba has a couple hundred thousand, bingo. So, a perfect fit.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay.

**Stephen Kaufer, President, Chief Executive Officer & Director**

And there will, I'd say, likely be more over the coming year, as we have a pretty strong – we feel we have a pretty strong track record of successfully bringing in companies to help us grow.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. Again, if anybody has any questions, if you – you can raise your hand, too. I'll repeat it if that's easier. Otherwise, Steve is just incredibly clear about everything, so.

**Stephen Kaufer, President, Chief Executive Officer & Director**

Hey, there we go.

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Okay, you put a lot of effort toward Facebook and social. Can you talk about what you're seeing here in terms of the key benefits and how do you translate this into ROI on your social investment?

**Stephen Kaufer, President, Chief Executive Officer & Director**

So— we actually did just run a test very recently. We have a high bar for making sure what we're reporting on meets all those statistical significance tests, et cetera. We were investing in social anyways and I'm going to keep doing it anyways. It's all – regardless of the – of what I'm about to tell you. Because we believe all of this branding on Facebook, the social support telling your friend that you did something on TripAdvisor is at least one of the factors that's helping us maintain and accelerate on these hotel shopper numbers. But we did do a little test, that said, all right, we're going to turn off our Wisdom of Friends initiative on TripAdvisor. So for a slice of traffic that comes to TripAdvisor, for those folks that would otherwise have some friend support on the site, what happens when we turn that off? And the answer was, they do a little bit less page views and a little bit less commerce.

So we did, in fact, prove it to ourselves very recently, again, not that it was going to affect any decision, not that it was a big needle-mover, but it confirmed when you come to our site and you see that your friends have been on our site and have contributed something, that makes you more likely to stick around and buy something, buy something in our terminology, a click-through to a client.

So to the extent that that's a super slow build as – just think with Facebook's billion folks (29:47) to be able to get matches of I'm looking at London. Yes, my friends have been to London. Yes, my friends have reviewed something in London. And it's taken us years, but we're now starting to see at least some modest revenue paybacks from that, as we've recently measured it.

And near as I can tell, we're just the only guys around that are even pursuing this at the global scale and with the partnership with Facebook that we have. So I look and often get the question, hey, what do you think about the reviews that booking.com or Expedia or Agoda have on their sites and they're gaining. They have a bunch of reviews. What about TripAdvisor? I'm like, yes, we have reviews. We have candid photos. We have room tips and we have reviews from your friends. And we have the information of where your social set has been. And all those other guys haven't even started to think about that stuff, let alone start to act upon it, which takes years to build. So we're kind of already at that next level and, hey, fingers crossed, it's starting to prove itself out there.

**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. All right. So I just wanted to shift gears a little bit and talk about the Business Listings segment of the business. Maybe you can update us on the progress in terms of the sales force build out and what type of feedback you're getting from hotels, on both the chains and the independent side.

**Stephen Kaufer, President, Chief Executive Officer & Director**

So, I'd say going very well. Last year, we had some hiccups in just hiring the team. We thought we could scale faster. We're on target this year. Subscription business, so we love the recurring revenue. The renewal rates remains strong. The chains, I can't say that they're all on board, but

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most of them are on board or coming on board. They see it as just a nice way to increase their exposure, get leads. It's measurable. And we now have a worldwide sales force, based all over the place, telesales and field sales, telesales calling on all the properties. We only call upon the properties that have a decent to excellent reputation, not the folks that are terribly rated on the site.

And we're saying, hey, this is a great way to get additional exposure. When you look at our shopper growth at that 40%-plus, you say, here's a product that's actually getting 40% better year in, year out, as we get more exposure on the site. I'm not saying prices are going up 40%, but I'm saying there's room for TripAdvisor to offer even more to hoteliers all around the globe. As more and more guests come in and tell the hotelier where they heard about them, we gain in reputation.

As we go out to all of our registered hotelier owners and say, hey, time to collect reviews yourselves, you don't have to wait until your guests remember to write a review. Use our free CRM system to e-mail your guest to suggest a review, to suggest that they write a review and that will, if the reviews are good, help you in the rankings. And, again, since TripAdvisor's now such a force in so many parts of the world, that's getting some amazing traction. Early days, but some really strong traction, helps our branding, helps get more people to join TripAdvisor as they write a review, sharing that with their friends and, again, helps increase our overall base.

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**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay. One more I wanted to ask just as it relates to your marketing spend, and we talked a little bit about Facebook and what you're doing in terms of social this year in conjunction with the meta display roll-out. You'll also be doing some offline ad spend. Can you talk about that a little bit more? And I guess maybe help us understand if you view this as a more of a one-time thing, as you – as you're switching the site and it's more just about increasing awareness now or do you view this as something which you might actually look to continue going forward?

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**Stephen Kaufer, President, Chief Executive Officer & Director**

My hope is that the ad campaigns will be successful, we'll be able to measure a lift. I'm not saying it'll be an ROI positive lift just on the spend, but we'll be able to see the effect of doing it so that I will be able to look in the mirror and say, great, we're going to continue this for the foreseeable future. I will be very disappointed if it ends up being a one-time spend. I feel with the awesome content, the raw information that we have to help people make the right decision, plus the new pricing engine that we have that helps people find the best price, we've got just a killer combination that deserves to be the first spot for taking your trip – for planning that trip. If everyone can quickly learn about that through a TV campaign, then, all right, we're off to the races faster with ongoing reinforcement, with ongoing introduction to new folks. So it's – when we look at the financials, we can easily afford to continue to do that on an ongoing basis as the revenue goes up because of that program. So, yes, I hope it's ongoing.

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**Douglas T. Anmuth, Analyst, JPMorgan Securities LLC**

Okay, great. All right, just in the interest of time, we're going to leave it there, but thank you, Steve.

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**Stephen Kaufer, President, Chief Executive Officer & Director**

Thanks so much.

TripAdvisor, Inc.

Company▲

TRIP  
Ticker▲JPMorgan Global  
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Douglas T. Anmuth, Analyst, JPMorgan Securities LLC

Thank you all.

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