



MORE THAN 80% OF TECH LEADERS PREDICT ECONOMIC DOWNTURN, YET ARE OPTIMISTIC ABOUT THEIR BUSINESSES

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New trivago study of global C-suite and founder sentiment indicates EU firms are growing more competitive in tech and are increasingly attracting top global talent

DÜSSELDORF, GERMANY – January 16, 2020 — The majority of leaders at global technology companies in the U.S. and Europe foresee economic trouble in the next two years, yet they remain confident about their own business success. In addition, most tech leaders view Europe as a growing force in the industry that is competing more effectively and attracting a growing pool of top talent from around the world. This is according to a new survey of more than 1,000 C-suite executives and founders of tech firms in the U.S., U.K., Germany and France commissioned by trivago, a global leader in accommodation search.

The research is designed to take the pulse of tech leaders on critical issues ranging from the global economy and the startup scene to business risks and talent. Key findings indicate that European tech firms are becoming more competitive, attracting the best and brightest global talent and offer a more diverse working environment.

At least 80% of those surveyed expect a recession or prolonged downturn within the next two years. Eighty-one percent of respondents feel these problems are likely to occur in the U.S. Yet leaders are enthusiastic about their businesses. Nearly two-thirds (61%) are very confident about where their business sits in their industry.

Increased Tech Competition from Europe

The survey found that Europe's technology sector is perceived as a growing economic force with a positive long-term outlook and an edge in the "war for talent." Fifty-nine percent of respondents "definitely" agree that European tech startups have increased competition against the U.S. over the past five years. This momentum is unlikely to slow anytime soon. When asked what region has a stronger long-term growth trajectory, more respondents cited Europe (44%) than the U.S. (41%). Meanwhile, 56% feel that European companies are "definitely" challenging U.S. firms for the best and brightest people.

"It is interesting to see where global technology leaders feel competition is coming from," said Axel Hefer, CEO, trivago. "One of the keys to the success story of trivago is our diverse workforce made up of talents from across the globe and our ability to attract talent globally. When thinking about what drives success in a company, we believe having different mindsets, experiences, perspectives and cultures are key factors. This is why it's not so surprising to see that European tech startups are bringing in more top talent, increasing the competition against the U.S. based companies, while they see their businesses thrive and grow in global influence."

The War for Talent

Both the vision and business models of European tech startups may be giving them advantages over their U.S. counterparts when it comes to recruiting and growth, the trivago survey suggests. Technology leaders feel that European companies are superior to U.S. firms when it comes to these factors:

- Having a greater focus on brand (97% agree)
- Benefiting from higher online marketing and sales activity in the region (93% agree)
- Focusing on international markets more quickly (85% agree)
- Spending more time on development before going to market (80% agree)

Diversity may be another key benefit for EU companies; 84% of leaders feel the EU's working culture is attractive to global talent. However, a key advantage for U.S. firms is that they are less risk averse. Nearly nine in 10 leaders feel EU startups are more cautious than U.S. startups.

Global Risk Factors

When asked about growth risks, tech leaders surveyed cited these top concerns: lack of talent (52%), data security (52%) and government regulation (51%). In the U.S., regulation is clearly the biggest risk. Nearly three-quarters (72%) of tech leaders feel regulations have made it more difficult to access funding over the past five years. In the U.K. and France, lack of talent is the most serious concern. In Germany, both regulation and data security lead the list of risks.

"The technology industry is critical to the economies of both the U.S. and the E.U. in driving innovation, jobs and growth," said trivago's Hefer. "It's important to us that we keep a pulse on the industry as it changes at such a rapid pace. The findings reflect many of the pain-points and concerns we faced starting out and becoming a fast-growing global tech company, and currently face today. For us, it is unsurprising that concerns over the wider economy are high in the minds of tech leaders on both sides of the Atlantic. However, while the wider economy is still a concern, we are enthusiastic that a majority of the leaders we surveyed have great confidence in the prospects of their own companies and of the overall industry."

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About this research:

This survey was conducted by trivago in conjunction Censuswide, who surveyed 1,009 C-level executives and founders from technology companies in the U.K., U.S., France and Germany. Respondents' organizations ranged from fewer than 10 employees to over 2,000. Fieldwork was carried out between 9th October to the 29th October. Censuswide abide by and employ members of the Market Research Society. All survey panellists are double opted in (with an opt-in and validation process) in line with MRS and ESOMAR standards.

About trivago

trivago is a leading global hotel search platform focused on reshaping the way travelers search for and compare hotels and alternative accommodations. Incorporated in 2005 in Düsseldorf, Germany, the platform allows travelers to make informed decisions by personalizing their hotel search and providing them access to a deep supply of hotel information and prices. trivago enables its advertisers to grow their businesses by providing access to a broad audience of travelers via its websites and apps. As of June 30, 2019, trivago has established 55 localized platforms connected to over 3.5million hotels and alternative accommodations, in over 190 countries.

For more information, trivago's earnings releases and other financial information are available at ir.trivago.com or visit company.trivago.com/press for all corporate news.

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Forward looking statements

This press release contains certain forward-looking statements. Words, and variations of words such as "believe," "expect," "plan," "continue," "will," "should," and similar expressions are intended to identify our forward-looking statements. These forward-looking statements involve risks and uncertainties, many of which are beyond our control, and important factors that could cause actual events and results to differ materially from those in the forward-looking statements. For additional information factors that could affect our forward-looking statements, see our risk factors, as they may be amended from time to time, set forth in our public filings with the Securities and Exchange Commission. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this press release, except as required by applicable law or regulation.

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