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# EDITED TRANSCRIPT

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## CORPORATE PARTICIPANTS

**Matthias Tillmann** *trivago N.V. - MD, CFO & Mgmt Board Member*

## CONFERENCE CALL PARTICIPANTS

**Matthew Bombassei**

## PRESENTATION

**Matthew Bombassei**

Good afternoon, everyone, or good morning, wherever you're joining us from. Welcome to the Morgan Stanley TMT Conference. We are pleased to be joined by Matthias Tillmann, CFO and Managing Director of trivago. Matthias, thanks for joining us today.

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Thanks for having me.

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**Matthew Bombassei**

Absolutely. Before we dive in, I just want to give you a bit of a heads up on how we'll run this conference today. Matthias and I will hit on a couple of key questions, but we also want to make sure we get to your questions. And so there is a place in the webcast where you can submit your questions if you have any. And so would ask you to do that, and we'll try to get to them. Before we dive right in, have to read through the requisite disclosures so just note for all important disclosures, including Morgan Stanley disclosures and personal holdings disclosures they can be found on the Morgan Stanley public website at [www.morganstanley.com/researchdisclosures](http://www.morganstanley.com/researchdisclosures). Some of the statements made by trivago today may be considered forward-looking. These statements involve a number of risks and uncertainties and actual results may differ materially.

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## QUESTIONS AND ANSWERS

**Matthew Bombassei**

So with that, Matthias, let's jump right in. Starting off at a high level, with the backdrop of the pandemic in mind over the last 18 months. Just talk to us a little bit now about what you're seeing in the business from a macro perspective, where are you maybe seeing steeper or even flatter, some sort of recoveries than you previously expected?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes, sure. A couple of things there, I guess. So we have seen different paces of recovery and it has been very volatile. I think that's the first thing I need to mention. So I would call out that the recovery has been very different by region. For example, in Europe, we have seen a lot of pent-up demand during summer this year coming out of the lockdown in the first quarter. We called out before some markets even reached 2019 volume levels over summer. In Americas, the recovery has been more gradual for us. And then in Rest of World, our third segment, that is still lagging. And we see markets where we haven't seen a meaningful recovery yet. And in particular, in Asia, which is part of that segment, we are still significantly below 2019 levels. Then second, domestic leisure travel recovered first. And again, during the summer holiday season in Europe, we have seen a strong recovery also international trips within Europe. But in general, international travel has been slow to recover, and in particular, intercontinental

travel is only at the beginning of the recovery. And related to that, business travel is a segment that is still significantly below 2019 levels. And then thirdly, maybe looking at different travel themes such as Adventure, Beach, Nightlife, City travel and so on. the slopes of recovery have been very different so far.

So for example, in the U.K., click outs for beach destinations were already up year over 2 years in June, while click outs for city trips were still significantly down. And since then, we have seen that demand for domestic city travel gradually improved, while demand for international city trips did not change much until the end of the quarter. So those are the broader things we have seen so far.

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**Matthew Bombassei**

Absolutely. That makes sense. And you touched on city travel for a second there. Maybe to dig into that a little bit further. City travel is an area where we've seen a substantial amount of traffic divert over the course of the pandemic. How important with city travel for trivago pre-pandemic? And how do you think about that potentially coming back in 2022?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes, sure. So our value proposition is, in particular, strong for big city trips. I think that's right, as you mentioned. And it accounted for the majority of our click outs pre-pandemic. And why is that? In in big cities, you have a high density of large hotels and price differences for the same room can be very significant. So for some items, we have 40 or more advertisers Hence, there's strong competition and price differences tend to be larger than for our long-tail inventory. So as I mentioned before, the first destinations that recovered were rather rural nature destinations. We have not seen city trips going back to 2019 levels in any of our markets. However, we do see a gradual improvement. And with more and more countries opening up for international travel as well, we're optimistic that the recovery of city travel will continue in 2022. And this clearly presents an upside for us, and we believe it will help us to close the gap vs. for example OTAs in the recovery. However, there are a few other points worth mentioning when looking at the recovery of Meta vs. OTAs. First, what I would mention is that we were doing better at the start of the pandemic as we did not have to deal with cancellations. So consequently, we were among very few players that did not have to raise any capital. and we did preserve our cash during the pandemic. The flip side of that is that when travel started to pick up again, it took longer for our auction to recover as our advertisers were more cautious and factored in higher future cancellation rates. The second point then is that for a lot of the early cancellations, OTAs offered vouchers instead of refunds. So when travel resumes, some travelers went back directly to the OTAs with the vouchers instead of using a price comparison tool. And then third, with the high uncertainty around travel rules and restrictions, we observed that travelers started their search rather on general search engines or calling the hotel direct for information like is the restaurant open? Do you serve breakfast? Is the pool open? What about the gym, things like that. So we believe that all these factors will eventually reverse and present an upside for Meta in 2022. And given the high share of city trips and our pre-pandemic mix, we believe that when the recovery in that segment takes off, we might benefit from that more than other players.

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**Matthew Bombassei**

That's helpful context. I think a couple of points I just want to put it on there that you mentioned. I'm sure we'll get to a couple of them down the line as well. But when you talked about the potential upside for '22, I think it gets into a debate that we have all the time with investors about how much of that future demand is actually incremental? How much has it added new people coming back to the platform for the first time versus people just switching over from saying nonrural travel to more city travel? How do you think about the incrementality of demand as you kind of come back from COVID?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. No, I think that's a very good and key question. And it's different by market. So what we do is we look at the different markets, and we try to estimate where is a market in terms of overall volume and then relative to 2019. And just to give you an example to make it more tangible, let's say, we look at Germany and we say, okay, right now we believe that market is between 70% and 80% of 2019. So then if we assume that we can

get to 2019 levels next year, that is incremental. So there's 20% to 30% incremental market recovery in there. For us and when we look at where we are versus the 70% to 80%, we see for that country, where are we and how can we get to that level, there are different components we just talked about. So we are seeing that there is a shift from city travel to more rural destinations, and we're under-indexed there. So I think that's no secret. And that's where I see upside for us versus the market. So for us, it's really 2 things. It's not that we see a shift from rural to city, and we see one for one the same shift on our website. But we believe that if that's happening in the overall market. That means more incremental traffic for us because we are stronger in that segment. And that's what I tried to hit with my point earlier, that for the key segments for us, I think we have rather seen that they are lagging in the recovery and that's where extra upside on top of the market in general recovery is coming for us.

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**Matthew Bombassei**

That makes a lot of sense. You mentioned and you talked briefly there about the market and the various peers in this space. When you think about trivago's competitive positioning, talk about where you see that currently and what trivago is doing to maybe capitalize on some of the trends you spoke to coming out of the pandemic to better position itself versus peers?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. So I mean, first of all, online travel has always been a very competitive space. So it's not new for us. Other Meta players have been around for a long time, even before us. And then there are new players that entered the space over the last couple of years. The most obvious one to mention is Google. They started to push their own meta search product a couple of years ago and since then shifted more and more users from traditional ads to Google hotel ads. I think our advantage is that globally, we still have a broader coverage, and we have brand equity in the space. We can talk about our products and features and have an app that is very easy to use. And while we serve the mass market, we have built a strong muscle for certain travel types. I mean we mentioned city travel before. And we can focus on that and are very strong for certain use cases, and that is a key difference to a general search player that is used by default and not by choice. Then there are obviously alternative accommodation players that benefited from the pandemic as we have seen a shift to more rural destinations where the density of those properties tend to be higher relative to hotels. And we started to invest into alternative accommodations around 4 years ago. And with more than 3.8 million items have decent coverage by now. And we show those items side-by-side with hotels, which we believe is very beneficial for the consumer as most travelers are agnostic to the accommodation type. The challenge is to make very different properties comparable, in particular, in the long tail, where item price comparison is less relevant compared to big hotels in cities. So we have done some of the groundwork for this, and we will continue to invest into it. Having said that, our key strength is still in hotels, just to make that clear. And during the summer, we have seen that the shift to AA, alternative accommodation reversed to some extent already, and we expect that to continue next year with city trips catching up in the recovery.

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**Matthew Bombassei**

That's helpful. And I wanted to dig into your comments on alternative accommodations in a bit more on the investments you're making there in a second. But sticking with the OTAs at the moment, historically, trivago has had a fair degree of customer concentration with the OTAs. How do you think about differentiation going forward for the platform?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. I mean, we operate a marketplace. So obviously, it is very important to have a diverse advertiser base to show all the options out there to our consumers. We have over 200 booking sites connected. So all major global and regional OTAs. And in addition, we have many direct connections with hotels. And our focus has always been to level the playing field. So give every advertiser on our platform, the tools they need to use us as an efficient acquisition channel. Some examples are our free content management tool, our conversion optimized checkout process, trivago Express Booking. We provide automated bidding solutions. We introduced bit modifiers. And recently, we talked about it a lot in the last couple of quarters. We added the option to participate via the CPA, so cost per acquisition model in our auction helping, in particular, smaller advertisers to deal with the volatility of bookings in the current environment. And we will continue to work together with our partners to understand how we can be helpful and develop technology-driven solutions for them to be able to participate efficiently in our auction.

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**Matthew Bombassei**

That's very helpful. And touching now on alternative accommodations because you mentioned it. It's obviously become a bigger part of the mix during COVID. You've seen some of that shift back. You mentioned, how large is alternative accommodations for you now? And how big do you think that can become maybe 1, 2, 3 years kind of the line? Any context on that would be helpful.

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. Yes. As I mentioned, we have seen significant growth in alternative accommodations overall during the pandemic and certainly specialized players like Airbnb or Vrbo have benefited from that. As I mentioned before as well, we started to integrate an inventory ourselves in our result list a couple of years ago. And last summer, we called out that the global click out share of alternative accommodations on our platform was above 20% for the first time. So that gives you an idea of roughly the size of the business for us. In Europe, the share dropped on our platform again towards the end of last year, while in Americas, it was stable on the higher level. And this year, it has been interesting. So with the steep increase in qualified referrals on our platform, the share in Europe decreased for us further as hotels were picking up most of the incremental traffic. And I mean, in hindsight, that should not be a surprise given that we advertised for many years with the tackline hotel trivago, that's where our brand equity is. I mean we tried to broaden it and be more relevant and known for accommodation in general. But still, as of today, the majority of our brand equity is in hotels. So with a pickup in traffic and incremental traffic being driven to hotels, that's what we have seen on our side. So as a consequence, the share in Europe was close to 2019 levels in the third quarter again. And there's one other point that we mentioned before, where we said, okay, before Q3, we said we expect that to happen as already in Q3 2020, we observed some supply constraints in some European destinations on the alternative accommodation side. So we said when we see traffic coming back at scale, the hotels will have to pick up a lot of that traffic to provide the supply for that increase in demand. Yes. And as popular holiday destinations, we're opening up again. which tend to have a higher density of hotels, we expected them to pick up the majority of that incremental demand. In Americas, the share came also down again, dropping below last year's levels, but it's still above 2019. And so what does that mean for us? And what's the opportunity yes? So we shifted our focus from onboarding more inventory to building product features that make it easier to compare alternative accommodations, in particular, in a mixed result list where the majority of items are hotels. So our job is to find the best accommodation deal for any given search on our platform. And it can be a hotel or it can be an apartment. And in the end, the user will decide, but we have to make sure the user can make an informed decision and understand how different items compare, in particular with no uniform rating system. So I think the opportunity is huge for us in both categories, hotels and alternative accommodation. And we believe it will be important in the future to have a comprehensive coverage and except for niche use cases like longer-term rentals most customers want to see all options. That is at least what we see on our side and from our user surveys. And on our platform, they can do that in one place.

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**Matthew Bombassei**

Absolutely. And you talked about the huge opportunity, and you've introduced some new products around that opportunity. I think simultaneous with the mix shift to alternative accommodations, we've seen a mix shift to more local travel. When we think about your weekend product that you launched, what traction have you seen on that side of things? And how do you think that can impact the growth profile of the business going forward?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. Exactly. So it's called trivago weekend, and it started as a local travel product at the beginning of the pandemic where we saw that shift, and we said that's an opportunity for us. But what we said at the same time, it needs to be more inspirational given the nature of the searches. And then it evolved into this, what we now call trivago weekend. And the goal for this year has been and still is to build a great product with features that target upper funnel traffic while despite being more inspirational, give our users access to great deals. So we basically combine what we already have with the small inspirational aspect trying to serve the need that we see right now. We have just launched packaged offers by rail and plane in first pilot markets, leveraging our weekend.com asset. So weekengo the company that we acquired at the beginning of the year. And with the integration of local content, things to do and theme filters like art and culture, history, architecture, et cetera, we significantly increased the

user engagement. So that's positive. We also started to integrate activities into the product. So we mentioned our partnerships through amusements before. So that has been integrated now into the weekend product. And by adding more and more features, we are getting closer to offering comprehensive coverage of weekend travel and activities. And next year, our focus will shift to drive more volume to that product through targeted marketing campaigns. So to be honest, it is too early to tell how this could change our growth profile. But clearly, we are excited to see how fast we can scale this, and that's our mission for next year.

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**Matthew Bombassei**

That's really helpful context. And hitting on a topic you touched on earlier, you talked about the brand equity that you've established with your customers. One of the things that has really differentiated trivago historically has been a strong brand. How do you think about the branded ad campaign strategy going forward, especially as maybe hotels come back. But we've also undergone the shift to more alternative accommodation mix than we've had historically in the past.

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. I think that's a good point. And you're absolutely right. So brand marketing, in particular, TV advertisement has been an important part in our advertising mix. It is a channel that we understand extremely well. We essentially build up our business by running TV ads. So we know how to scale it up. We have done it for 55 platforms. We have robust measurements in place to track the return on advertising spend. and we have generated a ton of learnings on creative performance, which is essential as well. Now in the pandemic, we had to deviate from our model that we were operating before. As in the early part of the recovery, it is not the most effective channel for us. And we have forecast our investments on key markets only where we have seen a stronger recovery like in the U.S. and in some European markets. But at the same time, we have also in those markets, reduced our commitment to insignificant levels to be able to react quickly. And that is something we will continue to do also in 2022. I think that's key to stay flexible and react, it's still very volatile. I mean we are seeing it now in Europe, number of cases going up. So there is more uncertainty, and you don't want to run into a situation where you need to reduce, but you're constrained by your commitment. So that's different to how we did it before for the time being. And in addition, we started to shift more focus to digital brand channels, like online video on Facebook and YouTube and Connected TV, in particular, in the U.S. And there, I mentioned it on our last call, we are happy with the results we have seen there, and we'll continue to test further in those channels. And in some we are beyond testing, and we'll now as the next step try to scale it up. What I would also mention is in Europe, we are leveraging our sports sponsoring partnership with Chelsea Football Club to run a multiphase brand campaign. Mostly using online social media channels. We started in May with the launch or event at Stamford Bridge, so where they play the stadium, which was a great success. We got a lot of coverage of the event and we saw some nice engagement coming out of this. And we recently started with our first "Money Can't Buy" campaigns and are excited to fully utilize all the assets that we have through this partnership. So all in all, I would say, going forward, I expect that our brand mix will be more balanced than what we have seen pre-pandemic. But still we will not forget about TV, and it will remain an important part in that mix.

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**Matthew Bombassei**

That's helpful context. And you talked about the success you had in some of those campaigns bringing eyes to the platform. When we think about the quality and the conversion of the core product, there have been efforts to improve that conversion and that quality over time. Can you give us some examples of the progress you've made in that regard? And maybe some areas where you still think that you can improve conversion to your offering?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. I think that's a very good question. And often, we talk a lot about new things, new products, et cetera, that we are developing and are excited about. But I personally, I'm equally excited about the headroom we still have in our core product. And the vast majority of our revenue and contribution is still coming from that core product. And we continuously invest into improving the conversion on our platforms. I think that's key. And some of the things are not easy to spot from the outside. And they don't make a huge difference, but they compound over time. Every

incremental improvement helps us to deliver more value to our partners and by no means are we done with that. So it can be smaller things. So to give you -- you asked for examples, what are smaller things. Smaller things are changing colors, changing shapes of the item element, how we display content, how we use our floor works and things like that. But then others might be more visible. So for example, we launched over the last couple of months, certain features like split view, we call it split view. So basically, it's showing the map next to the deals list on desktop. We also redesigned the filter bar and simplified the structure there. Another example is that we added many alternative accommodation specific features. So what we talked about before, very important to have the users to find out what's relevant for them and how to compare that kind of inventory with hotels. Yes. And what we are focusing more on now is to optimize the UX for certain segments. This can be trip type related like family travel or destination related like rural destinations with the city trips. map search is another topic where we see potential. So lots of different areas where I believe we can still improve the conversion on our side.

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**Matthew Bombassei**

You mentioned that new products are often the focus of investors, and that's evident from the webcast chat right now. I'm getting a couple of questions. So unfortunately, I'm going to do exactly what you just said, but focus on some of those questions that we're getting on the new product you went live with your first B2B platform, with the first partnership in the B2B platform recently. Can you talk about the adoption of that product currently and the response you're seeing from your customers there? And how that can potentially impact the focus of the business going forward?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. Sure. And I totally understand it. Yes, it is exciting to talk about this, and we are excited about it. It's great. New things are always exciting. But just to finish on my earlier point, I believe, and we know that as a company, it's important to not forget your core. But happy to talk about the B2B opportunity as well. First off, it is very early. So we said that, but the essential idea is to leverage our tech and back-end infrastructure. We are live with a couple of smaller tests where essentially we plug in our metasearch engine into another product. And early learnings are that it requires little investment on our side that makes it very attractive. And also our partners do not need to invest in connectivity solutions or integration and instead can focus on their front end while we provide them with the relevant hotel offers and functionalities. And this data can also be used by other industry players for price prediction models, user demand per destination, yield management, investment advice and so on. So we believe there are plenty of opportunities to partner up with different players. So again, how that can change our future business position is hard to tell at this point. But if we can successfully roll it out to other players and scale it up, it could present a meaningful diversification of our user acquisition channels and our revenue.

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**Matthew Bombassei**

And I have a similar question here on the CPA offering. What has been the feedback on that currently? How has it diversified the platform? And how do you see that growing at the share of the mix?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. There's one important thing to keep in mind when talking about CPA. So if you look at our current customer concentration, a very large part is coming from the 2 big groups. I mean we disclosed that in our quarterly results, and you see that. And that product is more product for regional smaller OTAs as they have difficulties dealing with that the volatility of bookings in the auction, and that is still at elevated levels compared to 2019. So it's not so much a product for the 2 big players. So if that's a starting point, then you see, okay, how big can it become? Yes, it can only be for the other 20% or so that are remaining. So if we look there at our partners, we have seen a high adoption rate, and we are still onboarding more partners. So there, I think we have made good progress. And what is even more important to me is that the feedback has been very positive. So the vast majority of our partners who went live with that product are still on it and really like what they see. So that's good for us.

Then the other question related to that, I get very often is so how much incremental revenues it bring to your platform, et cetera. And the honest answer is that it's very hard to quantify given everything that's going on in the auction. I mean, for us, obviously, we have some health metrics, and

we look at the auction. We look at what's going on. And the easiest way to look at it is at the overall CPC level or then through CPA implicit CPC level. And there, we have seen a significant improvement over the last couple of months. So now again, obviously, I would not contribute or attribute all of that to the CPA model. And as we know, it's also dependent on how the 2 large partner bid on our platform. But that, again, is a reaction of what everybody else is doing. So there, overall, what we are seeing is positive. And I do believe that CPA is part of that, helps at least the engagement. And there are some cases where it's very clear partners told us already last year, we would love to participate again in the auction, but we need more stability we need to be able to plan better, and we can only do that in a CPA model. So there is even if we had not introduced that model for them, they would simply not have come back to us. So if I look at all this together, I think it has been a very successful and good step forward in our auto model.

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**Matthew Bombassei**

Absolutely. And we talked last year about some of the incrementality and the incremental levers you have to drive growth as we head into '22. When we think about now more sort of the cost base, that you're driving that growth on? How do you think about the leverage you can generate in the business as demand starts to come back, maybe the incremental margins or even the longer-term margins in '22, '23, '24 that you can get to over time?

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. So there are obviously 2 points to the answer. One is what are we doing on the marketing side and how will the return on advertising spend develop with increase in business activity and scaling up our marketing spend. And then the other is our fixed cost base, how will that develop? Let me start with that first. So we have significantly cut our operating expenses during the pandemic. I mean we talked about the restructuring last year. we have gained further synergies and build efficiencies this year on that side of the business. And so overall, where we are right now is that compared to 2019, we roughly reduced our operating expenses by EUR 40 million. And we believe that the majority -- vast majority of that is permanent. So obviously, some items like cloud costs and digital sales taxes, et cetera, that scale with revenue. But overall, cost of revenue is a very small category for us. And by far, the biggest cost driver is people is compensation. And there, yes, we reduced headcount during the pandemic. And how we did that is we focused on the key projects. And where we think is the most upside for us and where we drive value for the business and looking at our plan for next year. What we want to deliver and ship in terms of product features, we believe we have a good size, and we can scare the business back up without increasing headcount. So there we do see significant leverage. Then on the marketing side, I mean, it goes back a little bit to what I said earlier on the brand marketing side, 1 factor that is important to understand is our starting point next year will be different to where we were in 2019. So there, we were coming out of a period where we spend significant amount of money on brand marketing in prior years like '17 and '18. And we benefited, obviously, from that in 2019, now beginning of next year, we are coming out of a period where for the last 2 years, we significantly reduced our spend. So we won't have the same benefit. And we have to slowly build that up. And how exactly the profitability will look like and how will look like, that's something we need to see. I mean, what we said is, clearly, as long as we see long-term positive returns for us, we will invest and we want to grow the business. So that's more important for me to gain scale again and not look purely on the profitability side, obviously, has to be sustainable and we want to drive long-term growth. And then where this could lead to in 3 to 5 years, so longer-term perspective, I mean, there, as of today, our view has not changed that we believe our business should be able to deliver 20% EBITDA margin over time. So that's still what we believe.

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**Matthew Bombassei**

That's helpful. And we're running short on time, and we really appreciate the time. And so I'll end with this last question here that we have in the webcast. You mentioned some of the supply constraints on the alternative accommodation side in Europe. What levers can you pull or whether that be diverting traffic to hotels or otherwise to alleviate some of those constraints that you see in Europe?

**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Yes. No, that's another good question. And I think that's already the key point as well. That's where I see the big benefit of having a comprehensive list and having all accommodation types together and not be only dependent on certain types. I mean, that was exactly the reason why we went into alternative accommodations a couple of years ago, because what we saw is -- and for other reasons than what people are seeing now. But back then, we saw -- but for some destinations where we -- where most of the supply is really long tail we don't have good coverage. So there are some certain destinations where density of hotels is extremely low. But you do have vacation rentals, you do have apartments, all of that. And we wanted to be relevant for all your searches, not the searches where you go to cities like London, Vegas, Paris, et cetera, but also your tenth search, where you're looking for an accommodation in small village in Austria, for example, for skiing or something. And that's why we did it. And I think now it's the other way around. We have certain destinations where the supply of alternative augmentation is tight. And we can show you hotel options as well. That's the benefit. So that's the active part what we can do. And then the other is more I mean, it happens automatically. We have seen that already. And I guess it's no new, nothing new. I mean supply and demand works. So once people see, okay, there's not much left, then they become more flexible. The problem in the pandemic, in particular last year was that most other options were just not there. So we had restrictions. They were travel bans. So you could not switch and go somewhere else go abroad. This year, it was already different, yes. So we saw a popular holiday destinations, as I mentioned before, opening up again. So if you take Germany as an example, I think on top of the list were Greece, Turkey, et cetera, countries, you couldn't travel to last summer, and you had to focus on domestic locations. And when that happens, then yes, there you have the hotel. So with a shift again in the mix, you see that hotels become more relevant.

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**Matthew Bombassei**

Great. Well, I think that is a good place to end it. Matthias, we really appreciate the time. It was very insightful. So thank you very much for taking the time to speak with us today.

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**Matthias Tillmann** - *trivago N.V. - MD, CFO & Mgmt Board Member*

Thanks, was a pleasure. Thank you.

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**Matthew Bombassei**

Everyone. Thank you very much. I hope you enjoy the rest of the Morgan Stanley TMT conference and the rest of your Friday.

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