BOOKING HOLDINGS

The Hidden Package Hack: Priceline Upgrades Bundled-Booking Feature to Help Travelers Capture Millions in Available Savings

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Last-minute travelers and advance planners both save equally; Europe, Mexico, Hawaii, San Francisco and Washington, DC, represent optimal savings destinations for Americans

NORWALK, Conn.--(BUSINESS WIRE)--Aug. 23, 2018-- For all the effort travelers spend to avoid paying more when they travel, many overlook the "Package Hack," a simple step that can save them hundreds of dollars up front. The Package Hack is when a flight, hotel and/or rental car online are bundled into a single transaction, versus separately. On average, Priceline® customers who did so saved $240 per transaction. To help travelers capture millions of available dollars, Priceline today announced that it has formally relaunched its Package product after extensive internal re-engineering.

Priceline remade the product with an eye towards mobile bookings, which are now the predominant way travelers book online travel. Priceline is the only online travel agency with bundled-booking capability that is tailored to the mobile booker. The new site is streamlined and intuitive, allowing users to mix-and-match options to generate the biggest savings, and to secure them with fewer clicks.

A standout feature incorporated into the new booking path is its recommendation engine, which was built by the Priceline data science team. The recommendation engine sifts through millions of data points in milliseconds to surface recommendations that are optimized for that particular traveler. The best deals that Priceline has privately negotiated with airlines, hotels and car rental agencies are available as part of a bundled booking. Many of those prices are only available to Priceline customers.

"Priceline negotiates many deals you can't find elsewhere," said Brett Keller, Priceline's CEO. "Our new Package path brings those deals together in one place, allowing you to potentially multiply your savings. You can find the flight you want, the hotel you want, the car you want, and bundle together the deals we've negotiated for each of them. We call it the 'Package Hack' because most people simply aren't aware of it - there's a widespread perception that prices are pretty much the same no matter where you shop. If you shop for a package, or simply open up our mobile app, you'll see pretty quickly that the perception isn't true."

The Package Hack: Why It Works

Package savings are possible due to little-known industry pricing practices. When a traveler books a flight, hotel or rental car at the same time, Priceline is able to sell them as a single bundled rate, often at a steep discount. Historically, travelers who did not take advantage of bundled bookings left millions of dollars unclaimed. A Priceline analysis revealed that in 2017, Priceline customers who booked their flight first and their hotel later – the most common booking pattern – unknowingly left nearly $60 million on the table.

Priceline has since extended the bundling window for travelers who prefer to book their flight first. Today,Pricelinecustomerscanrealize the benefits of a bundled booking several weeks after they make their first decision. Should they choose to add a hotel later, considerable package savings remain available. The savings will be automatically applied at checkout, with no extra steps required.

Last-Minute and Plan-Ahead Options: Europe, Mexico and the US

Considerable savings are available no matter how close to the travel date bundled trips are booked. However, the data science team at Priceline found that two types of travel tend to produce the largest package savings: trips booked within a few days of travel, and trips booked more than 90 days out.

The most popular destinations also tend to provide the largest bundled savings. Europe is a particularly attractive option for an American tourist. Europe can yield the most savings – up to $1,100 per person on Priceline – when booked between eight and 14 days prior to travel. This represents up to 40% in savings versus retail prices.

The most popular international destination for Americans is Mexico, which also ranks among the best options for bundled bookings. Bundled trips to Mexico booked within a week of travel can offer savings in excess of $275 per person, nearly 30% less expensive than retail. Similar savings can be realized via trips booked more than 90 days out.

In the United States, Hawaii, San Francisco and Washington, DC, are three markets that offer exceptional savings for bundled bookings:

- A typical bundled transaction involves two travelers. Bundled trips to Hawaii for two people, when booked eight to 14 days prior to travel, can offer $760 in savings.
- Last-minute trips to San Francisco are a standout option. When booked within two days of travel, trips for two to San Francisco can offer $570 in savings on Priceline.
- The same is true of Washington, DC. When booked within two days, bundled trips for two can offer $665 in savings per person. When booked 60-90 days prior to travel, those trips can deliver $475 in savings.

Cheap Package Day: September 19

Priceline data scientists found that September and October are the two months that typically yield the best savings. September 19 was the single-best savings day for travelers who booked a bundled trip on Priceline in 2017, and the two weeks surrounding September 19 offered similar savings.

October was the second-best month for package bookings. Priceline expects a comparable pattern to repeat in 2018.

Guilt-Free Luxury and Weekend Getaways

Package bookings are particularly popular for travelers who wish to stay in more luxurious accommodations without paying high-end retail rates. A full 40% of bundled bookings on Priceline include a hotel rated four stars or higher. With savings of $240 per trip, packages effectively allow travelers to pay 2- and 3-star rates for 4- and 5-star hotels.

Because package savings tend to be pronounced within a week of travel, they are ideal for Americans plotting a last-minute weekend getaway. Priceline data reveals that optimal savings, within a given week, can be found by travelers booking a bundled trip on Wednesday or Thursday and leaving that Friday.

For more information, please visit www.priceline.com/media or connect with priceline.com on Facebook and Twitter.

For media inquiries, contact M Booth at priceline@mbooth.com.

About Priceline

Priceline, part of Booking Holdings Inc. [NASDAQ:BKNG], is the leader in online travel deals. Priceline offers travelers smart, easy ways to save on hotel, airline, rental car reservations, packages and cruises. With access to more than a million lodging properties of all type, consumers can find the right accommodations, as well as free cancellations and the option to pay upon arrival. Priceline's Express Deals® offer exclusive savings without bidding, and our Name Your Own Price® service delivers the lowest hotel prices available. With Priceline, travelers can save at every stage, freeing them up to travel more and travel better.

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