From Turbulence to Tailwinds?

2026 US Travel Outlook

January 2026

OC&C Strategy consultants

Certified B Corporation

Despite a softer 2025, the outlook for Travel remains strong with attractive growth hotspots and evolving business models in the face of AI

Executive Summary

- Travel has been a **structurally attractive, long-term growth sector**, underpinned by a sustained shift in consumer spend toward enriching, immersive, and experience-led consumption
- Following a strong post-Covid rebound, **2025 proved a softer year,** driven by heightened macroeconomic and geopolitical uncertainty - including tariff concerns, stock market volatility, and increased consumer caution. This softness was felt most acutely in **domestic and inbound travel,** with air, hotel, and tour operators experiencing slowdowns or declines, particularly between February and July
- Encouragingly, **market conditions are now normalizing**, and the **outlook from 2026 onwards points to a return to structurally strong growth**, broadly in line with pre-Covid trends and supported by enduring demand tailwinds
- Within this context, performance is diverging by segment. Certain categories are structurally better positioned to outperform, notably:
  - **Luxury travel operators** across verticals, supported by HNWI wealth growth and continued “trading up”
  - **Cruise**, benefiting from low penetration, sticky repeat behavior, and strong value propositions
  - **Experiential and asset-light intermediaries**, which can flex cost bases and capture premium demand without heavy balance-sheet exposure
  - **‘Next-Gen’ tech and software suppliers** into the travel space
- At the same time, **AI is rapidly reshaping the travel value chain**, altering both operational mandates and competitive dynamics. Efficiency and personalization are becoming table stakes, while agentic search, AI-native booking tools, and automated planning increase the risk of disintermediation for operators with commoditized supply or weak customer relationships
- As a result, the industry is entering a decisive phase of **offensive and defensive strategic responses** - ranging from investment in proprietary content, technology, and loyalty, to M&A and platform partnerships - which will play a critical role in determining winners over the next cycle

Agenda

01 **Latest State of US Travel**

02 **OC&C Experience**

After years of strong tailwinds and resilience, 2025 saw a slowdown in travel, but sustainable demand trends are set to support return to growth

Recent & Future State of US Travel Market

Structural Pre-Covid Growth

- The overall US travel market grew 5% p.a. 2015-19
- Underpinned by long-term structural shifts, including reallocation of consumer spend from goods to experiences

Decline and Rapid Post-Covid Rebound

- After the pandemic crash, travel resurged, supported by significant pent-up demand and trading up on travel as a key 'bucket list' experience
- Healthy consumer spending bolstered by stimulus checks

Short-Term Challenges

- Travel estimated to grow ~1.5% 2024-25 overall, with declines in domestic & inbound int'l. and most of Feb-July flat
- Macroeconomic uncertainty and geopolitical tensions have contributed to the decline

Return to Strong Growth?

- Despite short-term softness, underlying consumer travel trends persist and are expected to provide sustainable tailwinds
- Travel estimated to grow at 3-6% p.a. 2025-28
- Certain segments (e.g. luxury, cruise, active) are well-positioned to outperform

Focus of this report

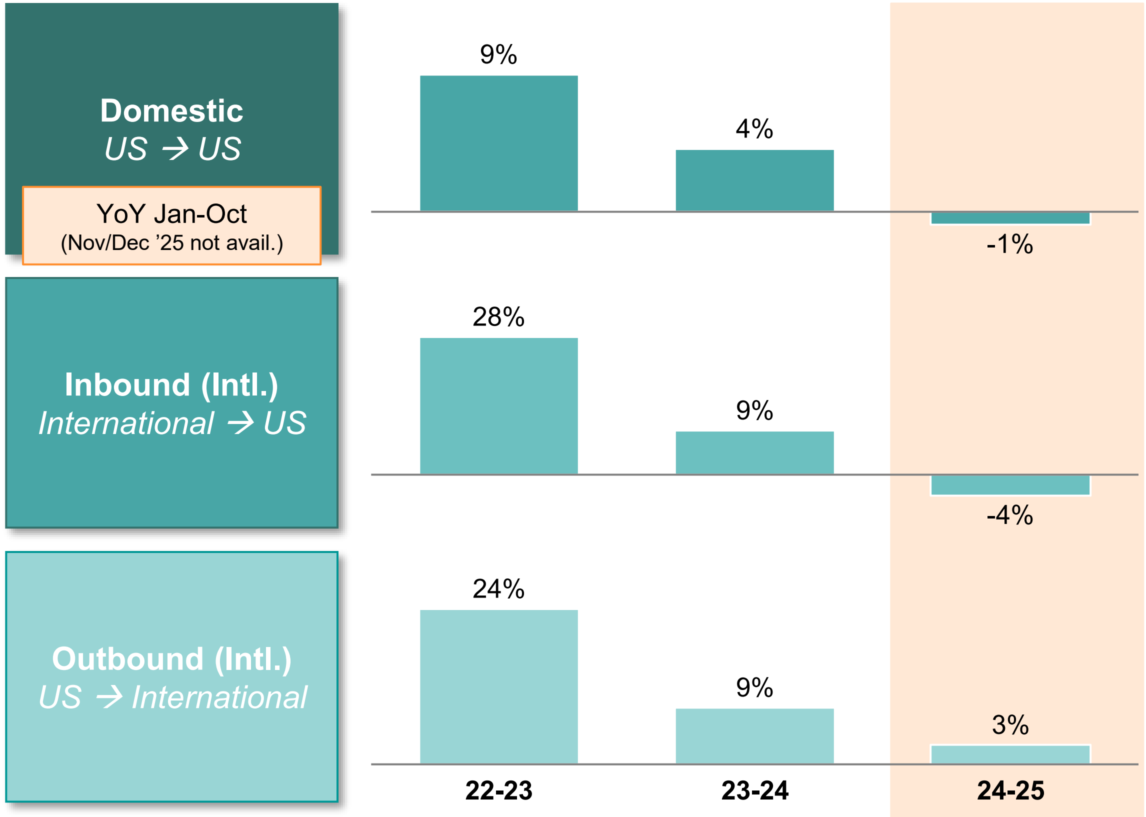
Source: Euromonitor, OC&C analysis

After strong growth post-Covid, travel in 2025 had a bumpier ride, with a flat domestic market, inbound compression and slower US outbound

Overview of Recent Travel Growth

The US has seen a marked slowdown in all trip types, and even a decline in domestic and inbound travel

Total US Pax Enplanements, 2022-25 YoY Growth, %



1. Enplanements on domestic (US > US) scheduled passenger flights by US carriers 2. Non-citizen arrivals 3. US citizen departures

Source: US Bureau of Transportation Statistics, US International Trade Administration, Yahoo, Condé Nast, PBS OC&C analysis

Industry sources have noted this softness and ongoing uncertainty

Reflections on the 2025 Travel Market

*"The **spending slowdown is real**…consumers are stressed, and this is where we're seeing it first: in **domestic flights, hotels, and a lot of other service-sector spending**"*

Chief Economist, KPMG (Jul. '25)

*"The US is seeing a significant decrease in international visitors…**the future of the US as a top travel destination is being questioned**"*

Condé Nast, Traveler (Jul. '25)

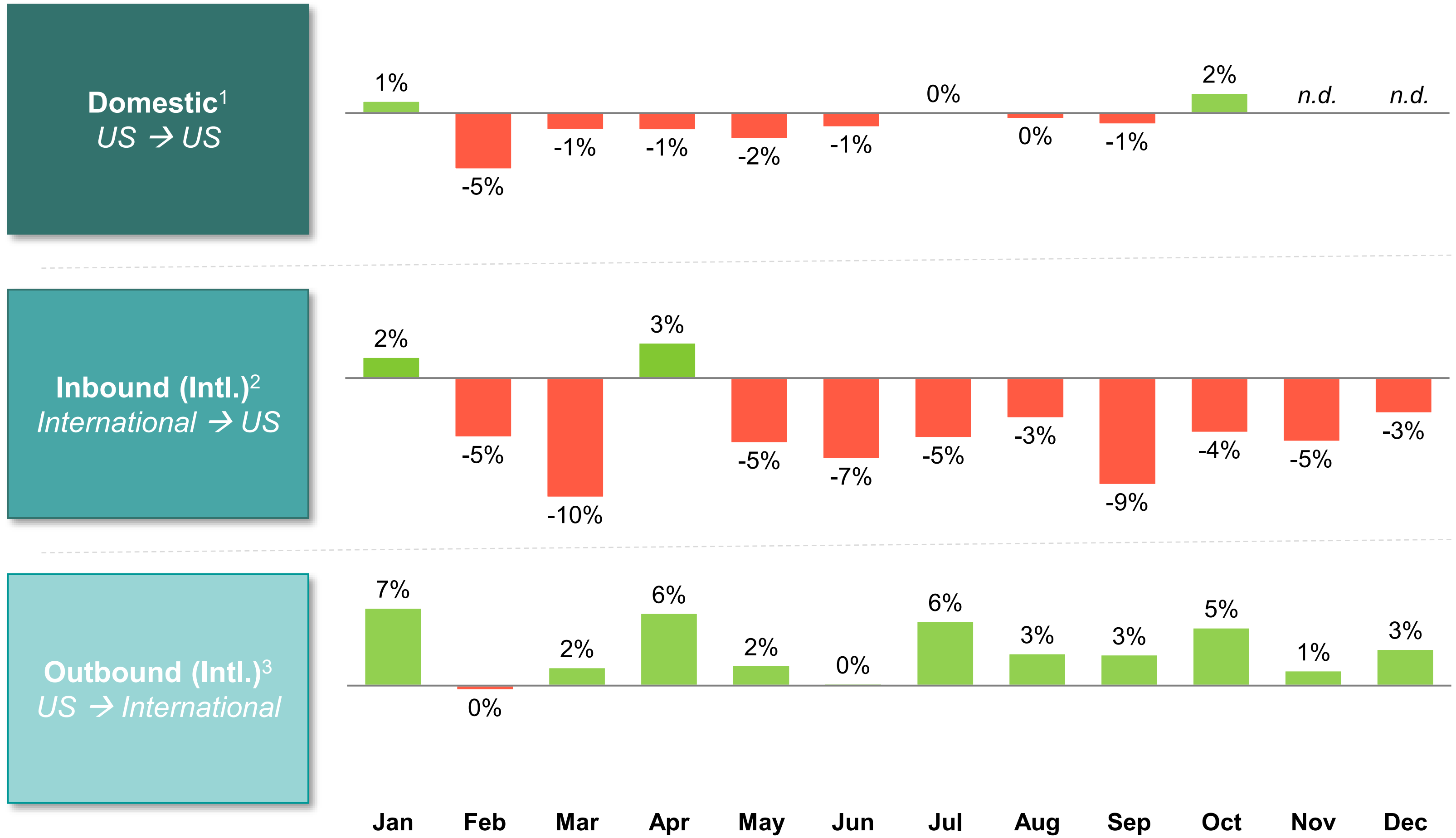
*"A new poll indicates nearly **half of Americans are reconsidering international travel** due to safety fears…key anxieties for American travelers include **concerns about personal safety, government policies, perceptions of American tourists**, unfamiliarity with destinations, and potential travel delays or cancellations."*

Independent (Jun. '25)

Air: Disruption began in February for domestic & inbound travel; domestic has somewhat stabilized while inbound continues to struggle

Passenger Enplanements, 2025 vs 2024 (Monthly % YoY)

Indicative, Percentages Rounded



Industry leaders in aviation have noted the decline amid a challenging macro environment

United Airlines: *"The first three quarters of the year were **an economic downturn for airlines**"*

Delta: *"I think the **third quarter was clearly disappointing** [for the Atlantic division]"*

American Airlines: *"It goes without saying that we're in a **challenging economic environment** which has had a significant impact on the industry"*

jetBlue: *"For the fourth quarter, we expect unit revenues to be **between flat and down 4% YoY**"*

spirit: *"Spirit Airlines to **furlough 1,800 flight attendants** amid second bankruptcy"*

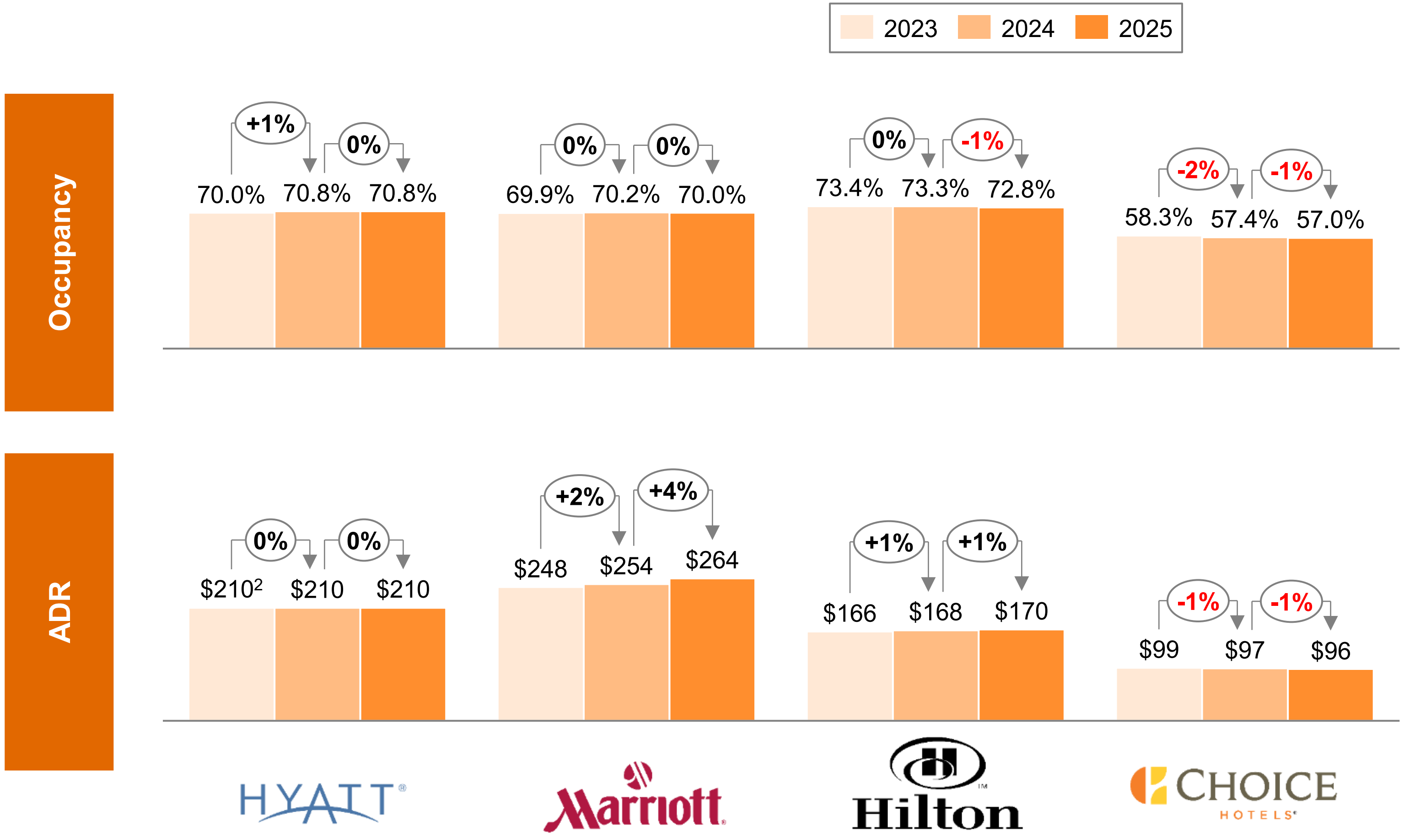
1. Enplanements on domestic (US > US) scheduled passenger flights by US carriers 2. Non-citizen arrivals 3. US citizen departures

Source: Bureau of Transportation Statistics, US International Trade Administration, OC&C Analysis

Hotels: Hotel chains have seen occupancy decline in 2025, offset by only marginal increases in rate, resulting in struggling RevPAR growth

2025 US Hotel Performance

(Avg US[1] Occupancy & ADR, 9 Mos through 9/30, 2023-25)



Hotel industry leaders seen a decline in RevPAR driven by softer demand

Hilton: *"U.S. RevPAR decreased…largely driven by pressure across business transient and group, as holiday shifts, **declines in government spend, portfolio renovations, and softer international inbound demand** weighed on performance"*

CHOICE HOTELS: *"Our U.S. third quarter RevPAR declined…primarily **reflecting softer government and international inbound demand**"*

WYNDHAM HOTELS & RESORTS: *"RevPAR declined…reflecting continued **consumer caution in an uncertain economic** environment, especially within the select service segments here in the **United States, where our guests are more price sensitive**"*

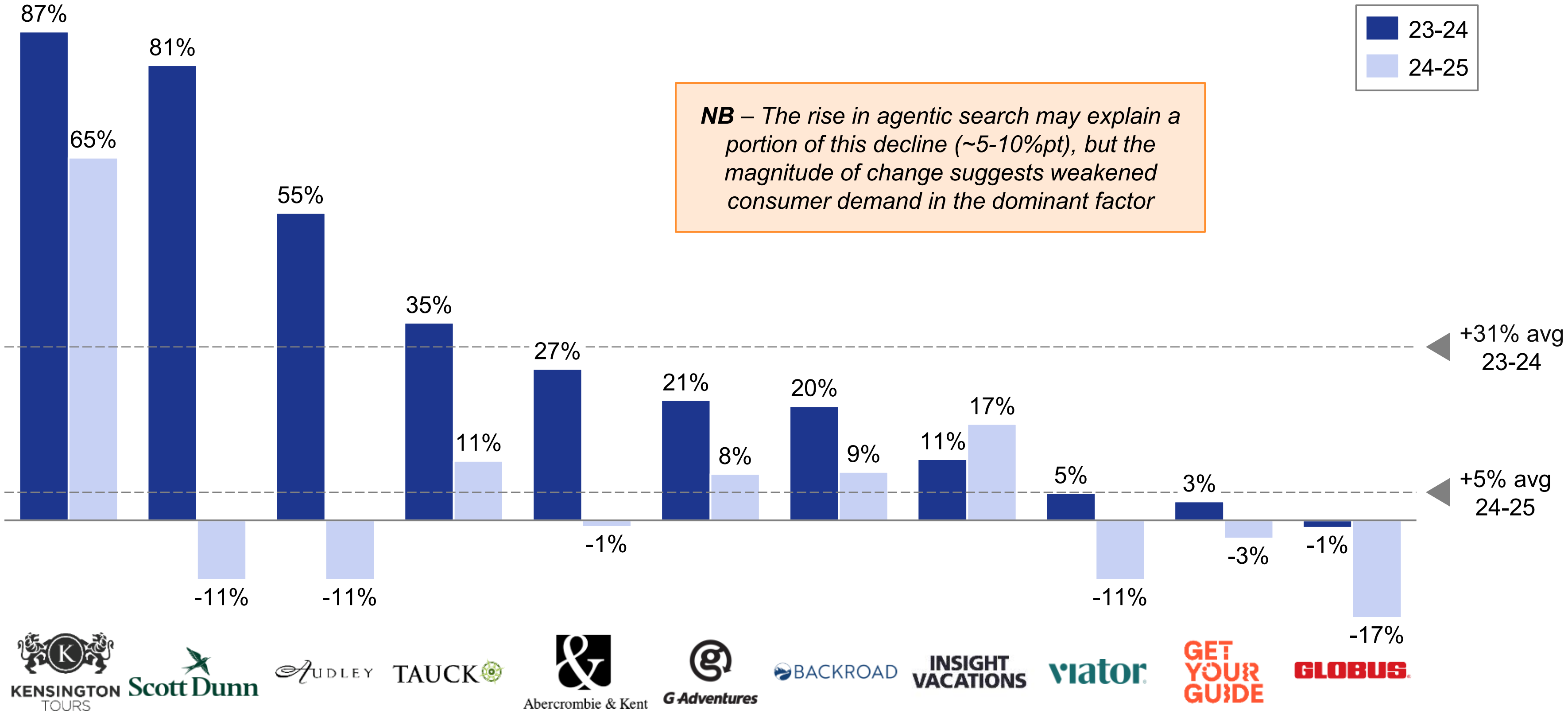
1. Marriott includes US and Canada 2. Due to reporting changes, 2023 value is only available as an inflation adjusted number

Source: OC&C analysis, Company 10-Qs

Experiences: Tour operators have seen slowdowns or declines in web traffic this year, and major players have highlighted softness in the market

US Experiential Travel Segment Performance

Experience Provider US Web Traffic
(%, YoY Change 23-25, 10 Mos through 10/31, Total Page Visits[1])



Experience providers and aggregators have also felt the headwinds

tripadvisor — *"We experienced **stronger than anticipated traffic headwinds** that accelerated throughout the quarter"*

KENSINGTON TOURS — *"The recent and ongoing uncertainty in global affairs has had **an unexpected yet real impact on travel in 2025**…and there are definite shifts in traveler behavior "*

GET YOUR GUIDE — *"[Get Your Guide CEO] pointed to challenges, **including U.S market softening** and limited brand awareness"*

1. Only company homepage considered

Source: OC&C Analysis, Similarweb, Desk Research

Softened travel performance was primarily been due to macroeconomic turbulence and related factors contributing to an uncertain environment

Select Relevant Macroeconomic Factors

Not Exhaustive, Select Relevant Factors

Trend	Select Evidence Point
Economic Policy Uncertainty	• Due to rapidly changing policies & dynamics in the US under the current administration, uncertainty indices remain well above historical averages – though they have stabilized after reaching record highs earlier in the year
Stock Market Volatility	• Negative returns in the S&P 500 each month February-April was followed up with 5%+ returns in May & June, signaling uncertainty is driving volatility (although with signs of recovery)
Weakening Dollar	• Strong dollar to start the year depreciated consistently through July due primarily to tariff announcements & expected retaliation, before appearing to stabilize around 2024 averages more recently
Job Market Slowdown	• Job growth has slowed, with a monthly average growth at ~1.1% over prior year vs ~1.4% on average for 2024. This is driven by several factors including uncertainty around tariffs / trade restricting hiring, Immigration slowdown hurting supply & demand, and DOGE-led reductions

These dynamics are all key indicators of economic wellbeing – uncertainty in the 1st half of the year may have translated into trips being canceled, postponed, or scaled back

Source: FRED, IMF, World Economic Outlook Database, OECD, U.S. Bureau of Labor Statistics, OC&C analysis

Indicators show that turbulence accelerated around February, underpinned by tariff-driven economic policy uncertainty

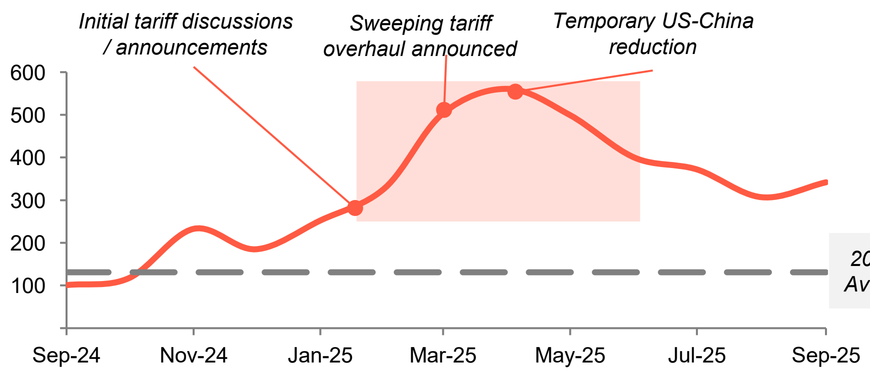
Macroeconomic Indicators

February-June
Key Travel Underperformance Period

2025 Actuals — 2024 Average

Tariff-driven Economic Uncertainty

US Economic Policy Uncertainty Index, 2025 Index Values[1]

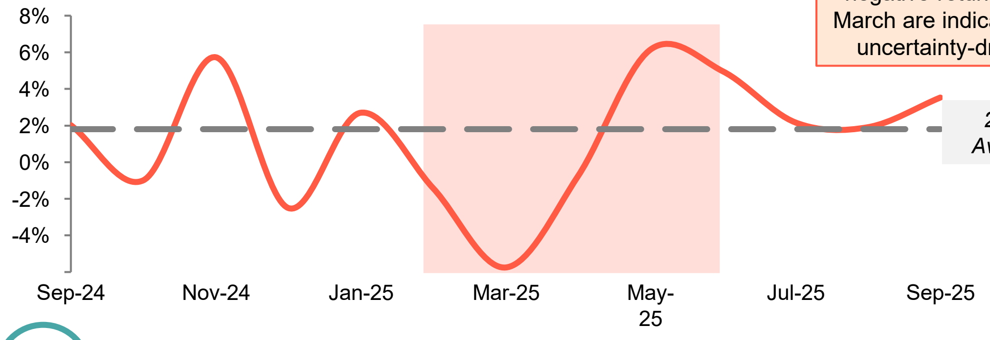


*2024 Monthly Average = **131***

Uncertainty was at all time highs in H1 2025 after a series of tariff announcements February-April, before settling down (albeit, remaining well above standard) once US-China tariffs were temporarily reduced

Stock Market Turbulence

S&P 500 Average Monthly Return, 2025 (%)

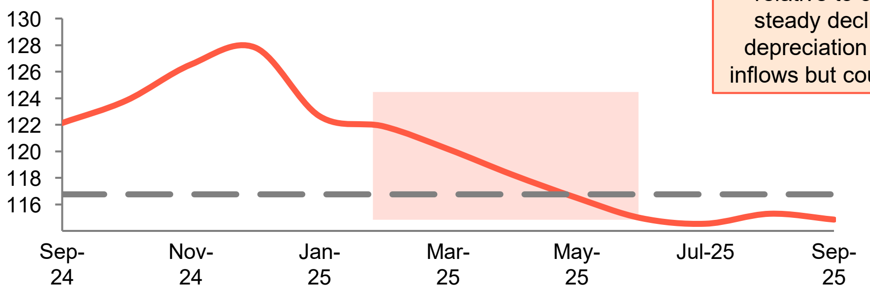


While the S&P index has outperformed 2024 average every month since May, negative returns in February-March are indicative of ongoing uncertainty-driven volatility

*2024 Monthly Average = **1.8%***

FX Depreciation & Volatility

Real Broad Dollar Monthly Index[2], 2024-25

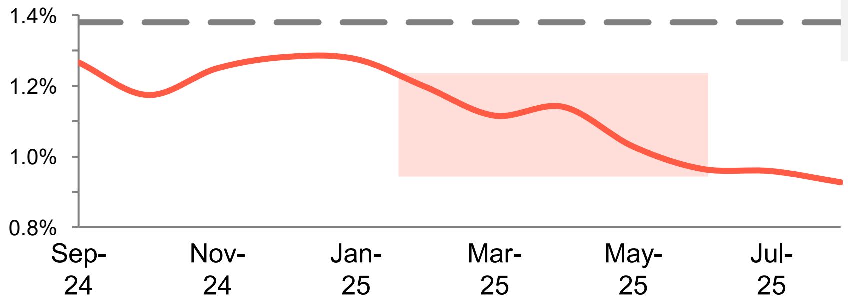


The dollar started off the year strong relative to other global currencies, but steady decline through June indicates depreciation – this may help drive travel inflows but could further decrease outflows

*2024 Monthly Average = **117***

Job Market Slowdown

Total Nonfarm Employees, 2025 (% YoY)



*2024 Monthly Average = **1.4%***

Total employment growth is decelerating relative to 2024, dropping and staying below 1% vs prior year every month since May

1. FRED News Based Policy Uncertainty index used – average taken from daily uncertainty values over the course of the month. 2. Measures relative strength of the dollar against all other global currencies

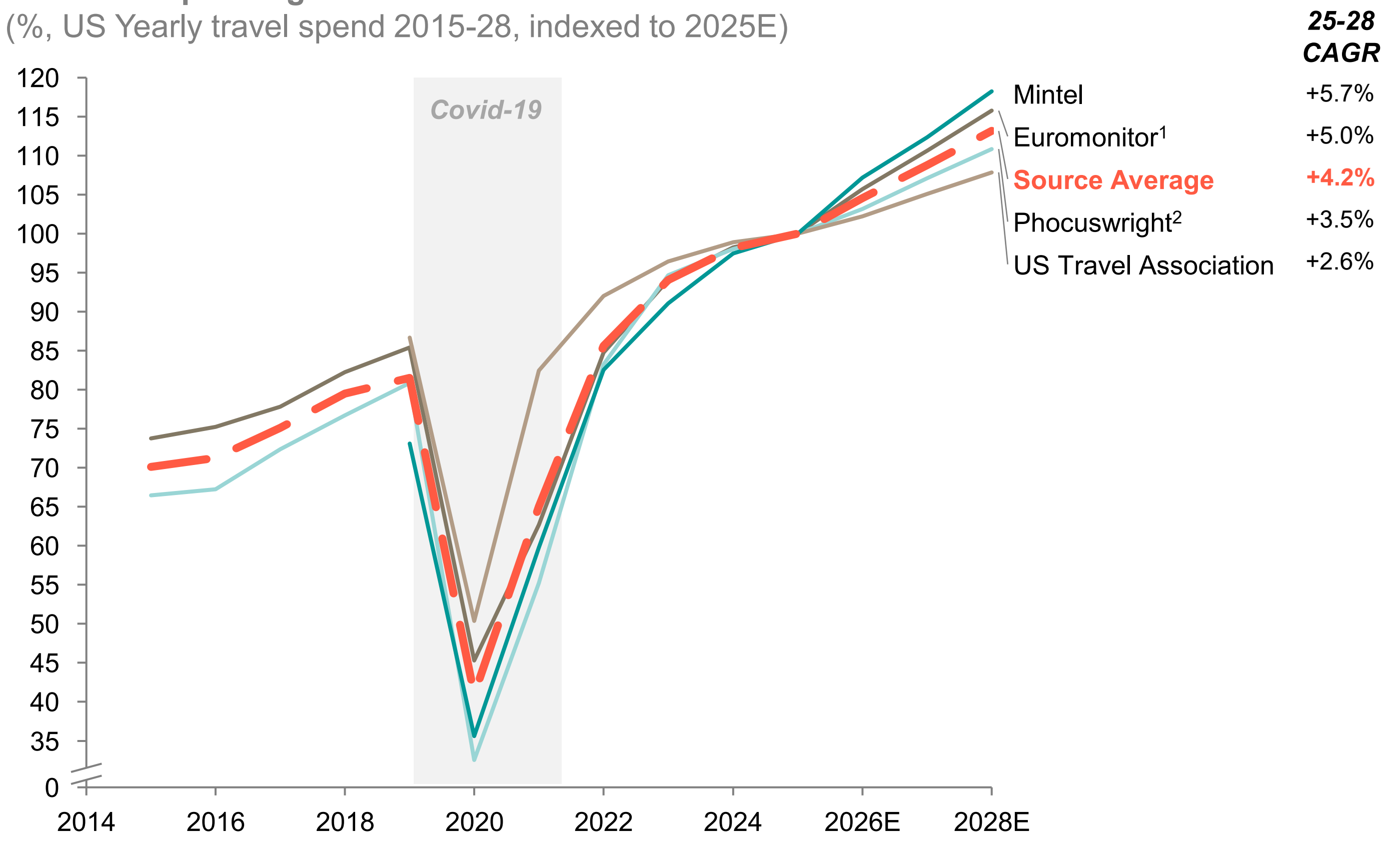
Source: FRED, FED, World Economic Outlook Database, OECD, U.S. Bureau of Labor Statistics, OC&C analysis

Despite 2025 softness, travel outlook remains strong (in-line with underlying tailwinds pre-Covid), benefitting from a series of long-term trends

US Travel Outlook

Multiple sources agree that while US travel slowed in 2025, it will rebound in 2026 and grow 3-6% p.a. in 2025-28

US Travel Spending Growth
(%, US Yearly travel spend 2015-28, indexed to 2025E)



This return to growth is enabled by favorable tailwinds expected to continue in the coming years

Continued spend on experiences over goods — Consumers are continuing to prefer spending money on experiences rather than physical goods

Trading up and premiumization — Consumers are investing more in travel experiences and trading up on spend

Investment in immersive and tailored experiences — Travel is increasingly personalized and diverging from traditional hotspots towards 'authentic' experiences in off-the-beaten-path destinations

'Bleisure' and remote work — Persistence of remote working post-Covid has allowed for blended work & leisure travel, facilitating more trips

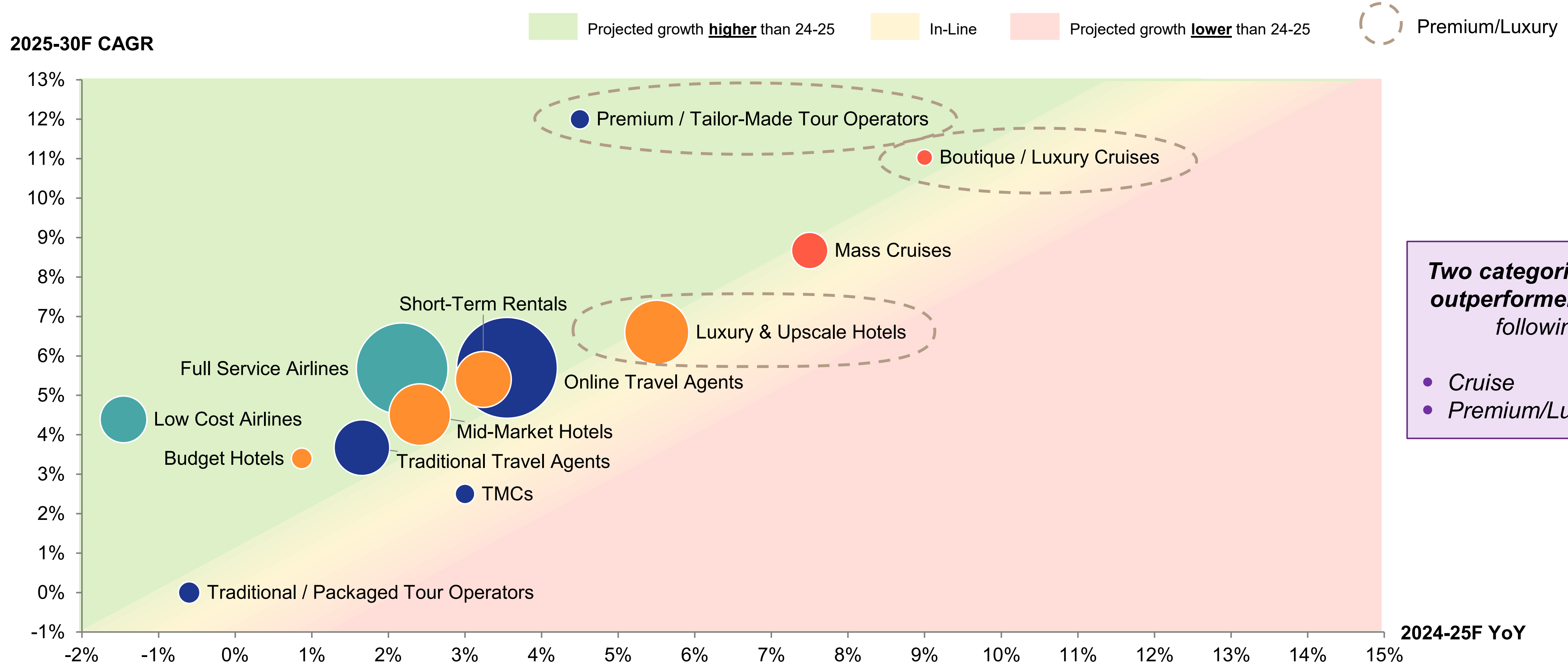
1. Total consist of US Domestic Tourism, Inbound Arrivals and Outbound Departures 2. Estimates are travel purchases made only to U.S suppliers

Source: OC&C analysis, Euromonitor, US Travel Association, Phocuswright, Mintel

While some categories struggled in 2025 (particularly low/mid-market domestic), outlook for most travel categories is more positive going forward

Recent US Market Performance by Sub-Category
Select Travel-related Sub-Categories
Bubble size = TTV (Indicative)

Indicative



Two categories stand out as outperformers *(deep dive on following pages):*

- *Cruise*
- *Premium/Luxury*

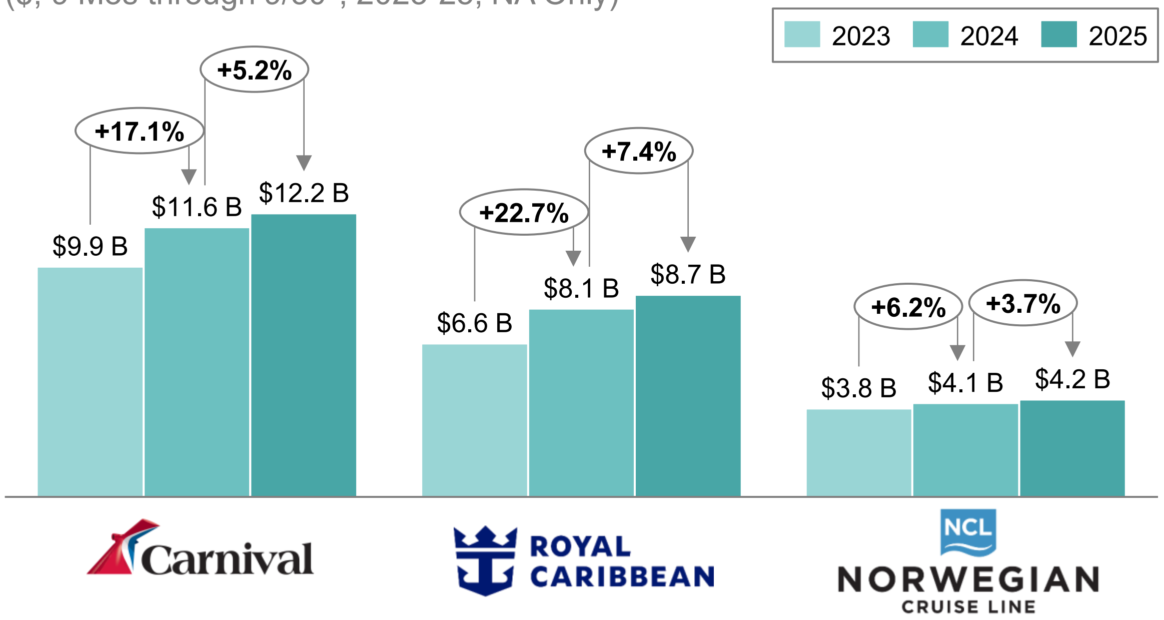
Source: Euromonitor, Previous OC&C Experience, OC&C analysis

Cruise operators continue to grow ahead of market, being partly shielded from 2025 softness, driven by a resilient customer base and structural headroom

Cruising Outlook

Cruise operators have historically grown well ahead of the market, and continued to do so in 2025 vs the broadly flat travel market

Cruise Line Revenues
($, 9 Mos through 9/30[1], 2023-25, NA Only)



> *"As we see really strong demand and people are **dreaming more and more about their vacation experience**, and we are also seeing **that translate to onboard spend**"*
>
> CEO, Royal Caribbean

The cruise industry benefits from structural dynamics that have allowed them to see continued growth

Cruise Market Dynamics

Sticky Customer Base	• Cruise travelers are particularly sticky, with **49% of cruisers intending to take a longer voyage** in the next year • **25%** of cruisers in 2024 went on **two or more** voyages
Structural Headroom	• **Only 5% of Americans cruise each year** vs >80% travelling for leisure in general • 31% of cruisers in the last 2 years were **first-timers**, suggesting growing adoption but low penetration • Cruise only represents 2-3% of the travel industry
Family Appeal	• Cruises offer experiences and activities for all-ages in a relatively controlled environment, with **28% of cruisers traveling with between three and five family generations**
Growth in Luxury Offerings	• Cruise operators are seeing **the strongest growth in luxury offerings**, expecting to continue in the future • Due to the smaller nature of luxury ships, **this segment is typically easier to scale**
Strong Value Proposition vs Land Travel	• Cruise offers **better value trips** to customers, with all-inclusive amenities and a **lower cost per day** than land trips

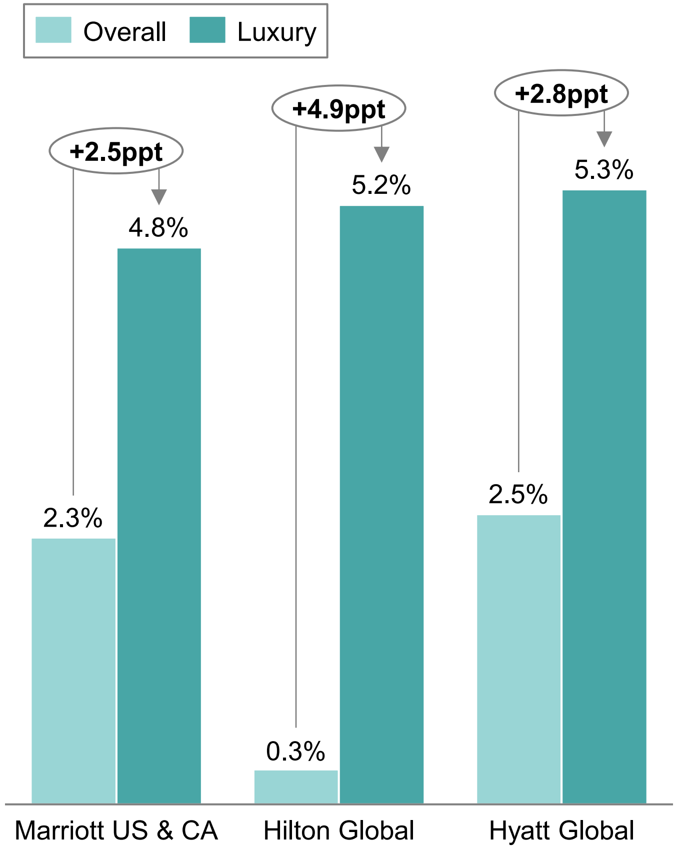
1. Due to reporting Carnival is 9 months ending Aug. 31st)

Source: OC&C analysis, OC&C Market Model, Company 10-Q, Earnings Call Transcripts, CLIA Report

Luxury categories have been outpacing their mass-market counterparts across travel verticals; travel players are bullish on future outlook for luxury

Luxury Segment Performance

RevPAR Growth for Luxury Brands vs Overall Hotels
2025 Q1-Q3 vs 2024 Q1-Q3



*"[Our earnings are] a pretty powerful illustration of the **strength and appetite of the luxury consumer**."*

CEO, Marriott

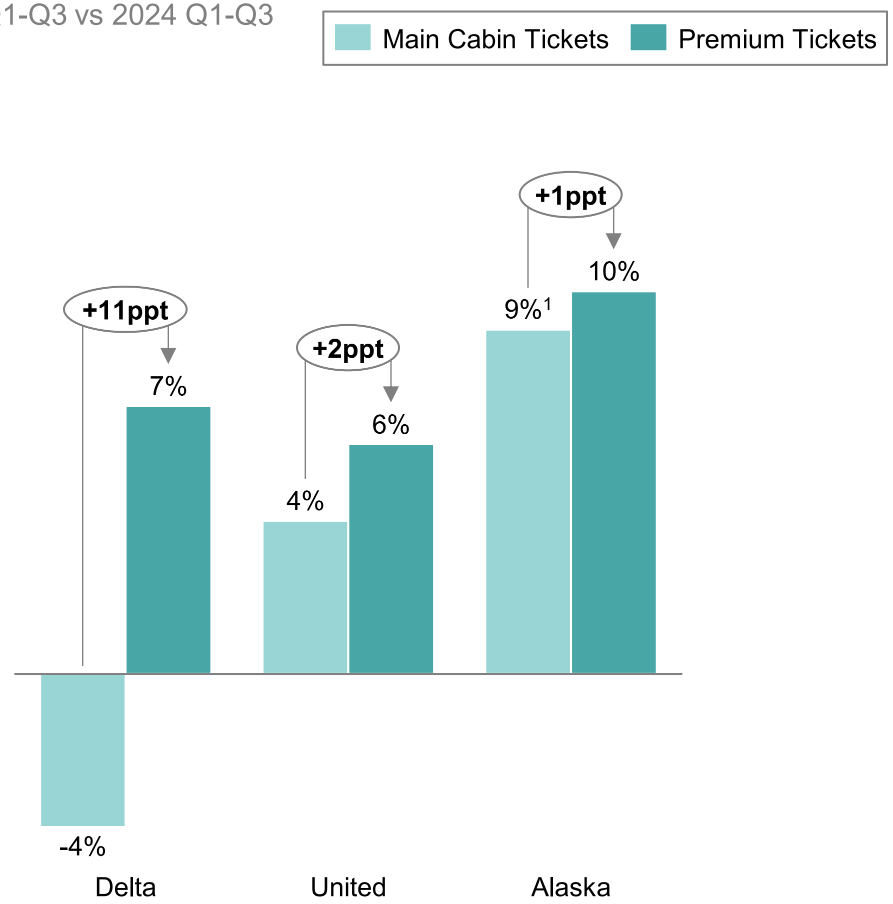
*"Luxury is performing really well, and **we're going to continue to focus on luxury**."*

CEO, Hilton

*"**Sustained demand for luxury all-inclusive travel gives us confidence** as we look ahead to 2026… [which is] supported by strong demand trends and high-end consumer resilience."*

CEO, Hyatt

Revenue Growth for Premium Seating vs Main Cabin Airlines
2025 Q1-Q3 vs 2024 Q1-Q3



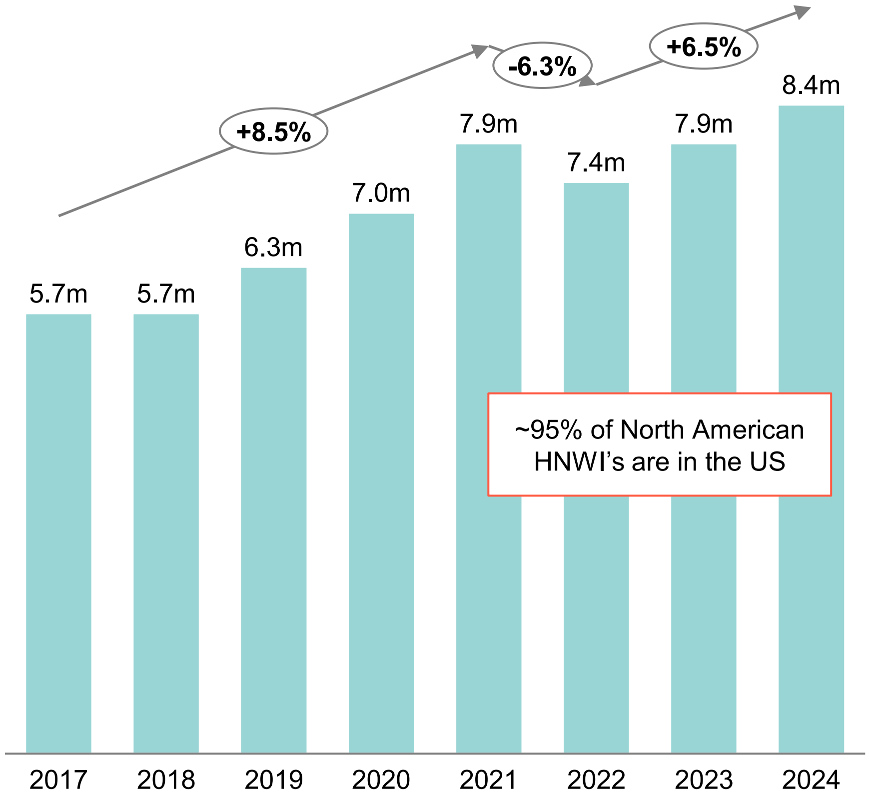
1. Overall revenue growth (main cabin not disclosed)

Source: Company Financials, OC&C analysis

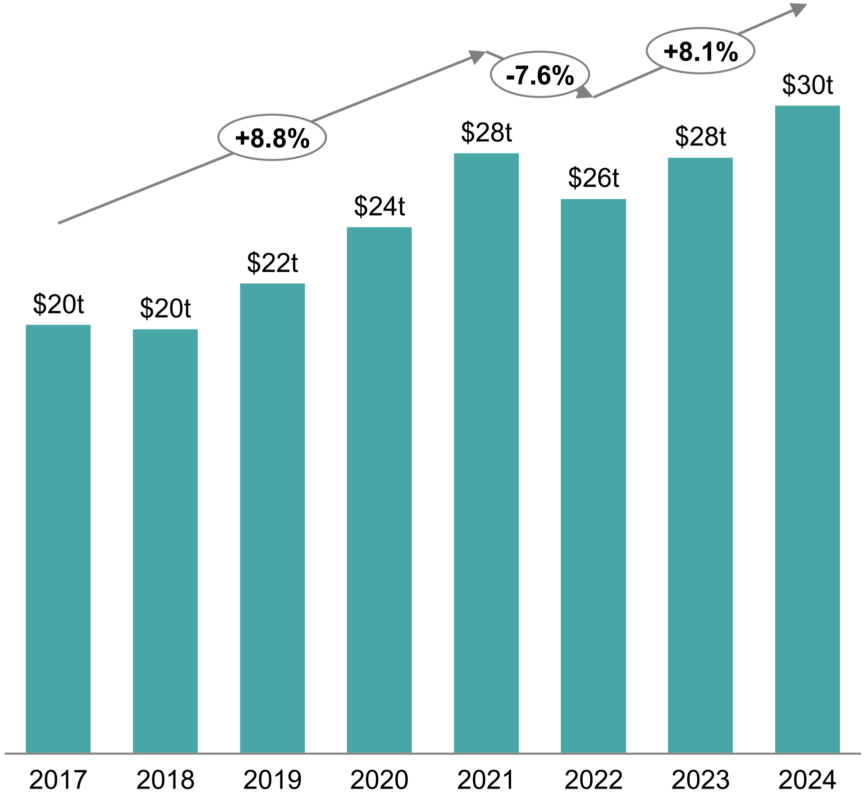
This is driven in part by the rising number of high net-worth individuals in the US and their accumulating wealth

Growth in HNWIs

Number of High-Net-Worth Individuals[1] in North America (#m, 2017-24)



Wealth Held by High-Net-Worth Individuals in North America ($t, 2017-24)



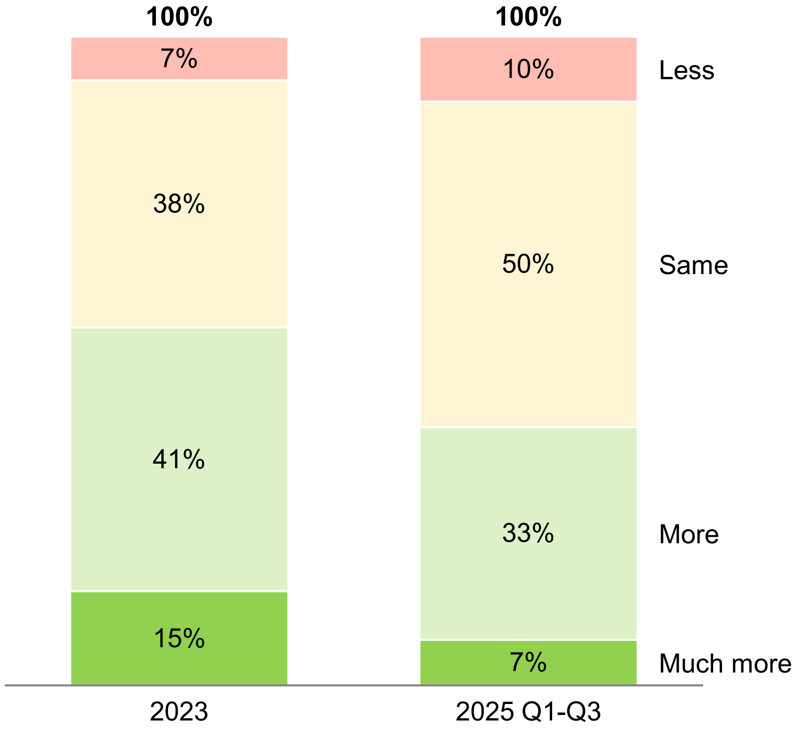
1. High Net Worth Individual defined as >$1m investable assets

Source: Capgemini World Wealth Report, OC&C analysis

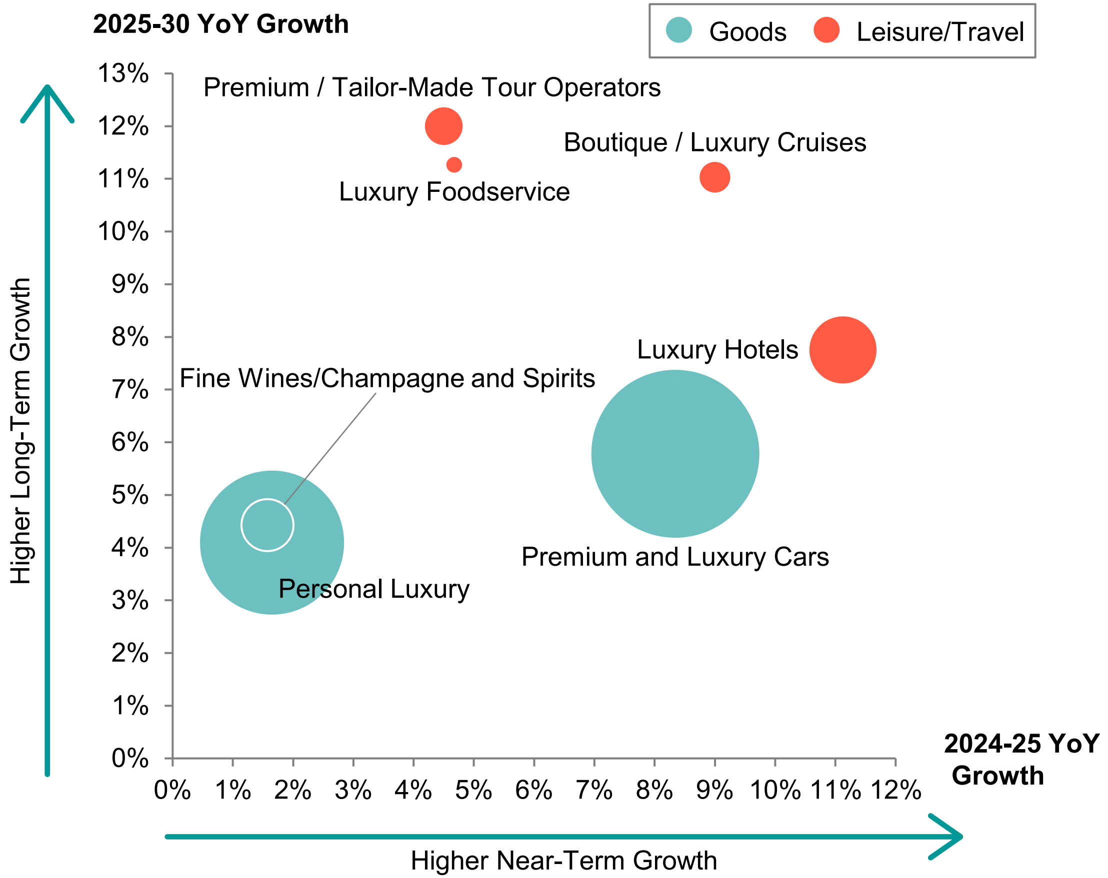
HNWIs also acted cautiously this year, but still intend to put significant value towards travel, reflecting the broader shift from luxury goods to luxury services

Travel Trends among HNWIs

Percent of HNWIs Intending to Spend the Same or More on Travel in the N12M
(%, 2023, 2025)



US Luxury Spending Growth and Market Size
2024-25 Growth, 2025-30 Projected Growth, 2024 Market Size



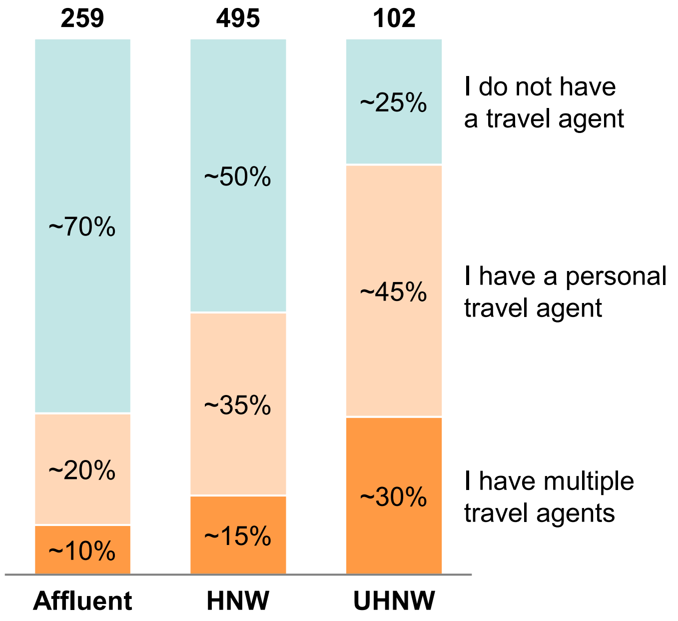
Source: Altiant GLAM Dashboard, Euromonitor, OC&C analysis

Tailwinds in luxury are resulting in increased focus on luxury trade by operators, as a critical and resilient means to accessing the affluent traveler

Luxury Agent Deep Dive

Luxury travel agents are a critical channel to reach affluent travelers

% of Affluent Travelers with a Preferred Travel Agent



Operators are responding with initiatives to drive preference with the fragmented landscape of luxury agents

Hilton for Luxury	Luxury advisor program rolled out in 2024 offering enhanced booking portal, support and client benefits
SANI | IKOS GROUP	Announced enhanced trade policies for 2026 season, with greater focus on channel parity, inc. complimentary transfers for premium trade
Regent SEVEN SEAS CRUISES ELEVATE	Revamped the Regent Elevate advisor program with enhanced incentives to strengthen loyalty among top luxury travel advisors
ABERCROMBIE & KENT AKTG	launched a Global Advisory Board and enhanced digital trade portal to give luxury advisors greater influence and support across its portfolio

Luxury agents should benefit from lower risk of AI / digital disintermediation

78%

of luxury travelers believe travel advisors create more accurate travel itineraries than those generated by AI

64%

of luxury travelers prefer a people-driven travel-planning experience vs a digital-driven

Source: OC&C Experience, Desk Research, Internova, Preferred Hotels & Resorts Harris Poll, OC&C analysis

Operators will need to respond to several underlying trends – ability to evolve propositions will likely be a determining factor in who 'wins'

Key Consumer Trends

		Overview	Urgency to Act	
	AI discovery & planning tools	• **AI tools are becoming mainstream** – 30-50% of travelers used AI-based tools to plan trips in '25	**High** *Fast pace of AI development & adoption requires immediate action to remain competitive – risk of disintermediation, erosion of traditional acquisition channels, & substitution from AI-natives*	***Deep dive on following pages***
	Expectation for seamless digital experience	• **Consumers expect seamless, end-to-end digital journeys**; friction (clunky UX, siloed apps) is less tolerated	**Med/High** *Digital-native challengers pose risks to traditional operators; increasingly critical as younger generations come into wealth*	
	Generational wealth shift	• Millennial & Gen Z travelers are set to inherit $80t globally – **it is important to win loyalty within this group early**	**Medium** *This trend is gradual, but building habits / loyalty with this group now will pay dividends long-term*	
	Personalization & meaningful experiences	• Travelers seek 'authentic,' emotionally rewarding experiences; **hyper-personalization is crucial** to meet these needs	**Medium** *Ongoing trend, but likely to accelerate as AI enables deeper personalization and thus raises consumer expectations for tailored experiences*	
	Sustainable travel	• 75%+ of American travelers see sustainable travel as important, **but willingness to pay for it still lags**	**Low** *Perception of sustainability is meaningful, but as-of-yet low WTP means low impact on consumer decisions – though this may change*	

Source: OC&C analysis

AI: As AI use cases mature and new opportunities emerge, adoption of AI to drive operational efficiency and better reach consumers will be table stakes

AI Impact on Travel

Increasingly mature AI use cases

Driving Back-End Efficiency	**Automation of traditional back-office functions**, e.g. customer service (voice/chat bots), revenue management, coding/engineering support, translation etc. drives efficiency, which can then be reinvested	
Evolving Traveler Engagement	**Personalization and front-end features**, e.g. semantic search for filtering, image enhancement for inventory, improved targeting etc. all improve the customer acquisition and booking processes, providing a competitive advantage to early adopters	
Shifting Discovery to Agentic Channels	**Consumer adoption of AI search engines** (e.g. ChatGPT, Perplexity) has potential to **erode traditional acquisition tools** (SEO/SEM) and requires optimization of content via Generative Engine Optimization (GEO) (e.g., PR, forums, Reddit, Wiki)	
Preparing for AI Booking / Distribution	**Nascent AI booking agents** could disrupt the value proposition of providers offering pre-packaged and/or bespoke itineraries, as well as disintermediate traditional OTAs	

Call to Action for Operators

Table stakes today. Most leading operators are well advanced in deploying AI to drive cost efficiency and enhance customer journeys. Lagging players risk structural disadvantage unless progress is made in the next 6–12 months

Disruption underway. Early adopters will see conversion and engagement uplift while failure to invest risks falling behind on brand building and acquisition

Medium-term strategic risk. While still nascent, AI agents are likely to reshape distribution; operators should begin to define offensive and defensive responses today

Industry leaders have already integrated AI into back-end processes to drive efficiency and into consumer interfaces to improve engagement

AI Uses Case Studies

Back-End Efficiency — Top travel companies are already adopting AI across business functions to drive labor efficiencies

Back-End Efficiency Example Use Cases

Use Case	Company	Example
Customer Service	Expedia	AI Service Agents that can interact with customers and provide information/ escalate when needed, **now handling 50% of traveler requests**
Training	Hilton	Using generative AI and WebXR to offer **personalized and interactive guest-services training for employees**, saving money and employee time
Marketing	Virgin holidays	Utilizes Adobe Campaign to automate and customize email marketing subject lines and content, **improving email engagement rates by 4x**
Operations	easyJet	Offering their Integrated Control Center staff AI models that have been trained with operational manuals to **assist in the airline's daily flight programming**

Traveler Engagement — Operators have also begun incorporating AI into front-end interfaces to improve consumer engagement through personalized experiences

Traveler Engagement Example Use Cases

Use Case	Company	Example
Itinerary Generation	Trip.com	TripGenie generates custom itineraries for that can be personally edited and updated as trips happen, with **users seeing a conversion rate two times higher**
Semantic Search	Skyscanner	Integration of ChatGPT that allows users to input **open-ended prompts while trip planning** to receive accurate and personal recommendations
Personalization	Marriott	Utilizing Adobe to **collate customer data across channels** (bookings, digital interactions while on property, etc.) to build **detailed profiles** and improve experiences
Custom Bundling and Pricing	British Airways	Using Amadeus Nevio to offer **dynamic products and bundles that are tailored to specific users** with real-time contextual pricing options

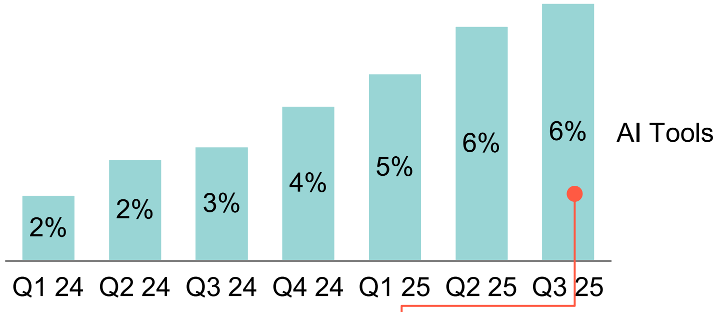
Source: OC&C analysis, Desk Research

Agentic search is projected to disrupt traditional search tools; travel players will need to innovate strategically to maintain presence

Agentic Search Impact on Travel

AI is suppressing traditional search and clicks…

Share of Domain Visits to AI Platforms (vs Traditional Search Platforms), US 2024 – 2025YTD



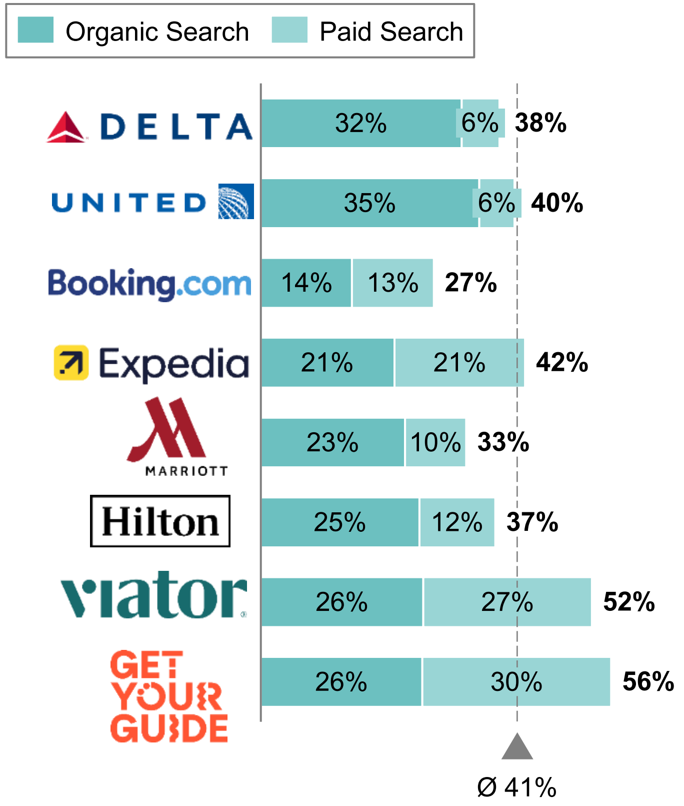
Industry estimates agentic penetration has a plausible path to a~25% of searches

Search Zero-Click Rate

56%	69%
In 2024	In July 2025

… which currently drive ~40% of traffic for travel operators

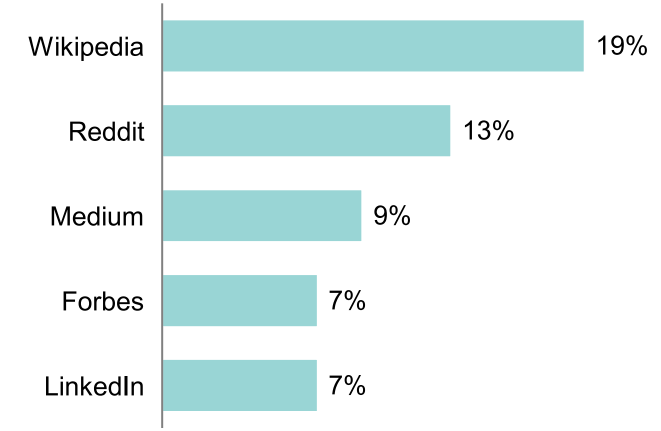
US Travel Sites Search Exposure (% of Paid & Organic Search Traffic, avg. '23-25[1])



Generative Engine Optimization (GEO) will be the new SEO

- Agentic search visibility is driven by **optimized content on AI's most cited domains**

Most Cited Domains by ChatGPT (Share of Citations, Oct 2025)



- Players such as Wix and Adobe are launching **Generative Engine Optimization (GEO) tools** for their brands / websites to boost brand visibility in AI services and browsers
- LLM optimization will be an important step to maintain visibility as search shifts

1. Desktop traffic only
Source: Similarweb, Datos/Semrush State of Search Report, Semrush, OC&C analysis

Not all travel businesses face equal AI disintermediation threat; defensibility varies depending on uniqueness of content and brand strength

Drivers of AI Defensibility

Proprietary inventory but poor brand equity could be commoditized

Exclusive supply, complex planning, strong relationships hard for AI to replicate

Need to Invest

Specialist DMCs
Niche experience providers
Local operators

Most Defensible

Luxury advisors
Tailor made travel
Expedition cruise
Iconic resorts
Inventory owners

Uniqueness of content & supply

Commodity OTAs
Mass tour operators
Lower-touch agents
Metasearch engines

Least Defensible

Loyalty-led OTAs
TMCs

Brand protects but content weak

Fully substitutable, high price-comparison exposure, SEO-led acquisition vulnerable

Strength of brand & human relationships

Product is commoditized, but brand scale, trust, loyalty give some insulation

What drives AI defensibility?

- **More defensible models have:**
  - Proprietary or exclusive content (owned assets, unique inventory, privileged access)
  - High-touch, complex trip design where human judgment still matters
  - Strong brands and deep customer relationships that AI cannot easily displace
- **More exposed models:**
  - Rely on commoditized supply (flights, hotels, standard packages)
  - Have low differentiation in product or service
  - Depend heavily on search/SEO-driven acquisition
  - Offer low-touch, transactional planning that AI can automate

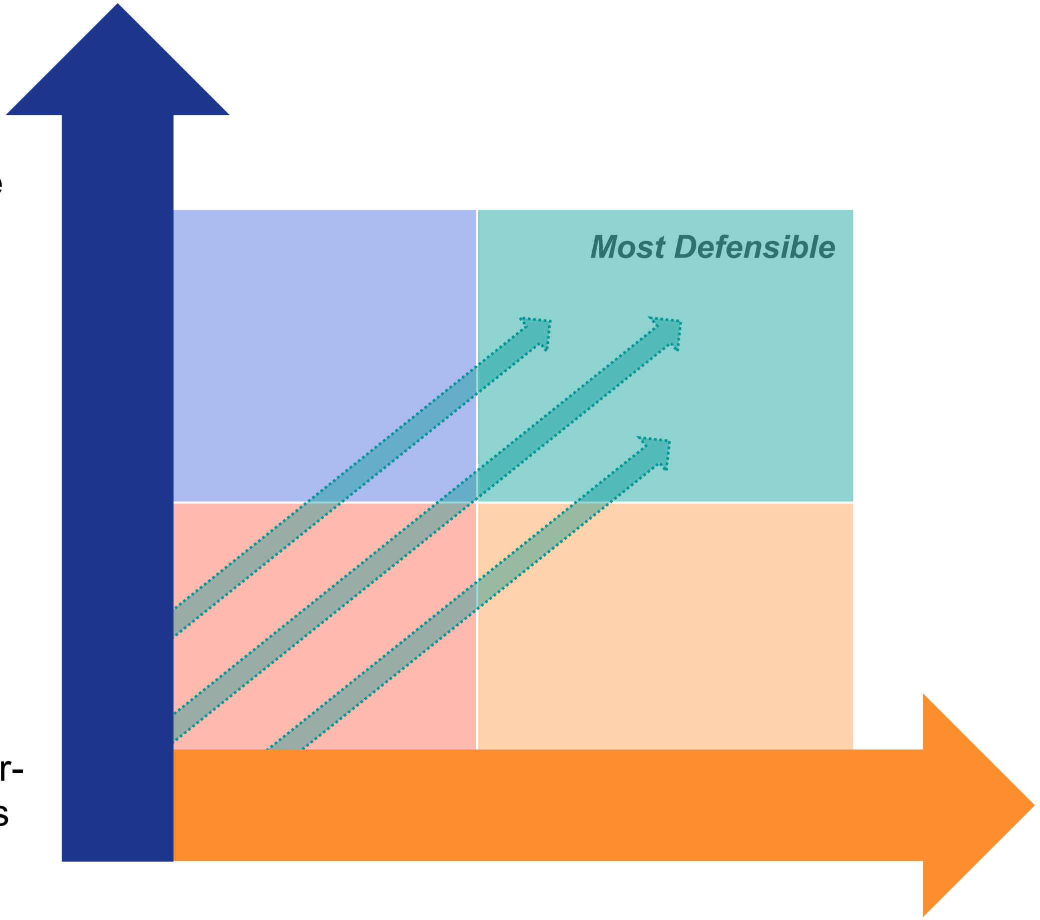
Source: Company Websites, Desk Research, OC&C analysis

Operators can actively improve defensibility by investing in brand & customer relationships, while increasing uniqueness and complexity of content

Moving "Up and Right" for Operators

Developing unique content & supply

- Invest in **proprietary or exclusive inventory and rates** via scale, relationships and partnership
- **Vertically integrate** across the value chain where it provides real content advantage
- **Increase the complexity** of products being offered, e.g., more off-the-beaten track, more ingredients, harder-to-replicate experiences
- Layer **value-added services** AI cannot easily automate, e.g. higher-touch, surprise and delight benefits



Improving strength of brand & human relationships

- Invest in a **distinctive brand identity** and build **equity and trust** that customers actively seek out
- Drive **loyalty, repeat usage, and membership** behaviors that insulate from leakage to AI channels
- Own the **customer relationship and leverage first-party data** to enhance personalization, conversion and retention
- Reduce reliance on search-led acquisition, doubling down on **direct channels**

Source: Company Websites, Desk Research, OC&C analysis

AI booking agents remain nascent but multiple players are positioning to control the future booking interface

Potential Winners in AI Bookings

AI 'Big Tech' Players	Google, OpenAI, Apple, amazon	• ***Build on:*** Unmatched consumer reach, habitual touchpoints, and default interfaces • ***Opportunity:*** Become the consumer's default AI travel concierge, pushing suppliers to integrate directly • ***Key risks:*** Conflicts with existing monetization models; generalist positioning may limit travel-specific depth
Incumbent OTAs	Booking.com, airbnb, Expedia, viator	• ***Build on:*** Deep inventory, transaction infrastructure, reviews, and trusted consumer brands • ***Opportunity:*** Defend and extend position via AI-native experiences - or act as the fulfilment layer behind AI agents • ***Key risks:*** Losing discovery if they don't control the interface; legacy UX and economics may slow true reinvention
Travel-Specific AI Disruptors	Layla, mindtrip.	• ***Build on:*** Speed, focus, and ability to design natively for AI-first planning experiences • ***Opportunity:*** Win niche use cases or differentiated journeys incumbents underserve • ***Key risks:*** Limited scale, weak trust, and lack of fulfilment infrastructure
B2B Inventory Intermediaries	Sabre, hotelbeds	• ***Build on:*** Rich inventory and transaction APIs, deep supplier integrations • ***Opportunity:*** Become the default fulfilment backbone for AI agents; extend into white-labelled consumer propositions • ***Key risks:*** Disintermediation if AI players bypass them and connect directly to suppliers
Travel Brands	Marriott Bonvoy, Hilton, Carnival	• ***Build on:*** Direct customer relationships, loyalty programs, proprietary inventory and experiences • ***Opportunity:*** Secure preferred placement in AI agents (with better data / co-branding); use AI to create white-labelled trip-planning inside their ecosystems • ***Key risks:*** Being abstracted away if they lack unique value, strong APIs, or brand pull

Source: Company Websites, Desk Research, OC&C analysis

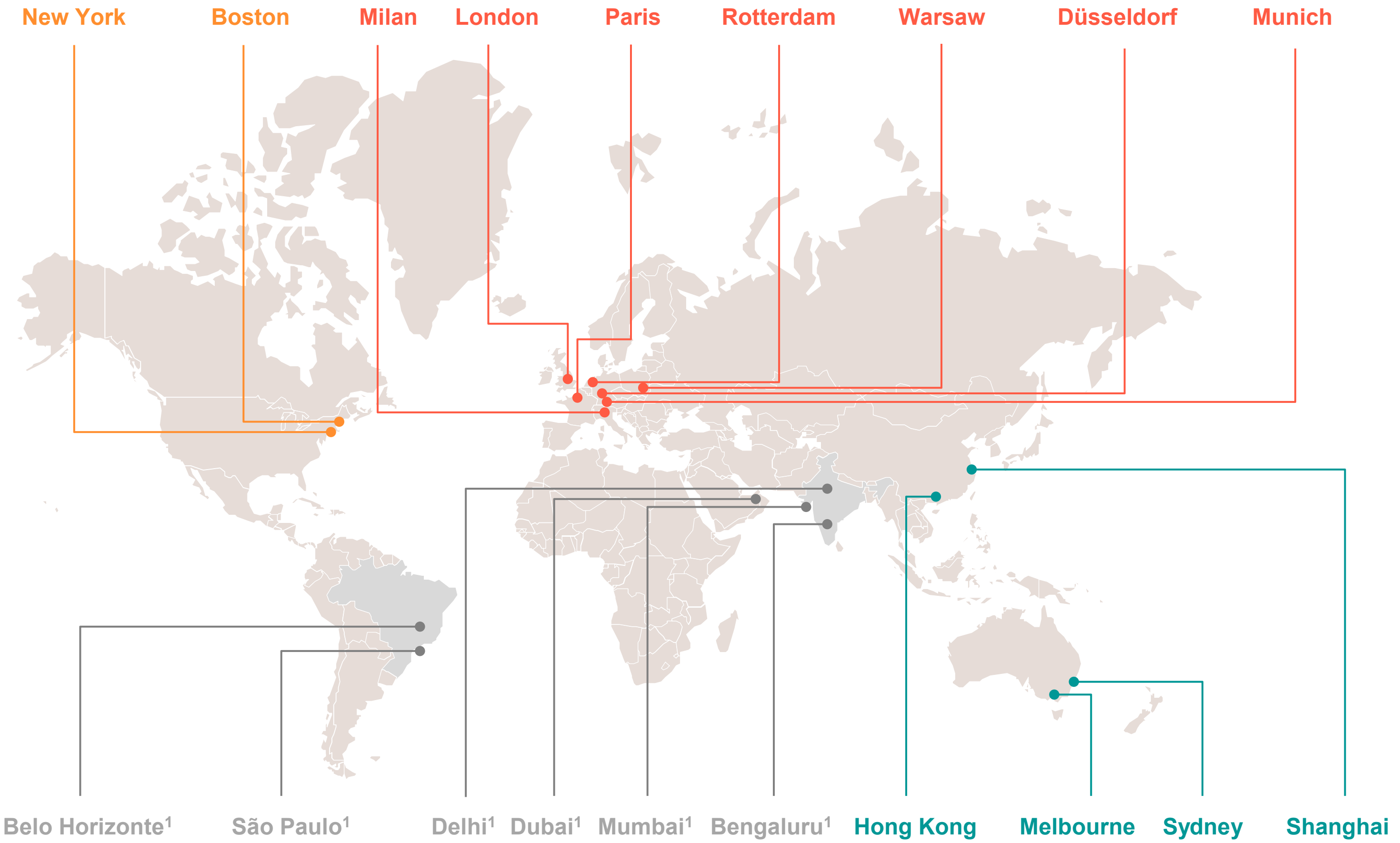
Agenda

01 Latest State of US Travel

02 OC&C Experience

OC&C are a global sector specialist strategy consulting firm of c. 800 consultants

- Founded in 1987
- 17 offices worldwide[1]
- Global coverage through our hubs
- Client roster includes some of the largest corporations and most innovative challengers in the world
- Our core consumer & leisure team operate across our offices globally



1. The B Corp certification does not extend to our alliance with Advisia OC&C Strategy Consultants in Brazil or Redseer across The Middle East and India.

Travel, Leisure and Hospitality is one of our focus sectors where we have built deep expertise

OC&C Sectors

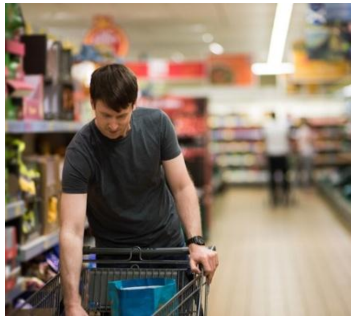
Travel, Leisure & Hospitality

- Consumer Travel
- Travel Operators and Intermediaries
- Accommodation, Parks & Resorts
- Food & Beverage
- Entertainment
- Gambling & Gaming

TMT

- Technology
- BI Services
- Media & Entertainment
- Online Classifieds
- Digital Consumer Media

Consumer Goods



- Food & Drink
- Beauty & Luxury
- Beer, Wines & Spirits
- D2C Consumer Goods

B2B Products & Services

- Construction & Infrastructure
- Industrial Products
- Automotive & Mobility Services
- Insurance
- Outsourcing
- Testing, Inspection & Certification

Retail

- Grocery
- Apparel
- Multi-Category
- Specialty & Luxury
- Digital Commerce & Marketplaces

Private Equity & M&A

- Acquisition Scan
- Buy-Side Due Diligence
- Synergy Evaluation
- Value Creation Plans
- Exit Planning & Sell-Side Due Diligence

We work extensively across the travel ecosystem, spanning asset-owners, brands, intermediaries and travel tech

Accommodation
Hotels and Resorts

Hilton, Four Seasons, IHG Hotels & Resorts, Big Cedar Lodge, Carlson Rezidor Hotel Group, Emaar Hospitality, Accor, Hilton Grand Vacations, Six Senses, Sani Resort, Ikos Resorts, B&B Hotels, Kimpton Hotels & Restaurants, Accor, InterContinental Hotels & Resorts, Pierre & Vacances, Radisson Hotel Group, Waldorf Astoria Hotels & Residences, Premier Inn, Travelodge, staycity, Village Hotel Club, Wyndham Hotels & Resorts, Warner Leisure Hotels, Vacation Village Resorts

Vacation Experiences
Cruise, Parks, Tour Operators

Abercrombie & Kent, Carnival, TCS World Travel, Cunard, Tauck, World Discovery, Audley, Wilderness, Azamara, enchanting travels, Center Parcs, citalia, Great Rail Journeys, Austravel, forestholidays, Holland America Line, Haven, Hayes & Jarvis, Hurtigruten, TUI, MyPlanet, American Holidays, Thomas Cook, P&O Cruises, Parkdean Resorts, Riviera Travel, Sovereign, Butlin's, Roompot, Voyageurs du Monde, Landal GreenParks

Distribution
OTAs, TAs, Vacation Rental, TMCs

American Express Global Business Travel, Booking.com, civitatis, hotelbeds, Destination Solutions, cottages.com, HolidayCheck.com, Get Your Guide, eDreams, PriceTravel, Hoseasons, trainline, JacTravel, Jetcost, lastminute.com, KreuzfahrtBerater, Kiwi.com, loveholidays, Novasol, opodo, ATPI, Reed & Mackay, Skyscanner, TAG, Sykes Holiday Cottages, cruise.co.uk, travel counsellors, Direct Ferries

Transport
Airline, Airport, Bus, Train, Taxi

jetBlue, FlixBus, Alitalia, BAA, easyJet, Frankfurt Airport, Heathrow Express, Heathrow, Addison Lee, Gatwick, national express, MAG, Stockholm Arlanda Airport, Paris Aéroport, transavia

Services
Technology, Data, Software, Retail

Amadeus, IDeaS, Anite, visitgroup, Atcore, MMGY Global, arrivia, apaleo, Sabre Hospitality Solutions, STAAH, Guestline, cartrawler, cloudbeds, FlightAscend Consultancy, Dufry, Heinemann, HRG, INFARE, Northstar Travel Group, mtt, Lagardère Travel Retail, OAG, nexus, SOJERN, Peakwork, DerbySoft, SSP, Travelport, World Duty Free Group

We serve as a leading advisor on Leisure and Consumer deals with deep experience of both sell-side and buy-side

Recent Retail, Leisure & Consumer Transactions Where OC&C Advised the Successful Bidder / Vendor

Sell-Side

Retail & Leisure

ABI Caravans, Alain Afflelou, Arcaplanet, AS Adventures, Audley Travel, B&M Retail, Bike24, BWG Group, Cath Kidston, David Lloyd Leisure, Dishoom, Douglas, Dress for Less Group, Dr Martens, Esselunga, Fat Face, Garden Centre Group, Gondola Group, Grand Frais, Hobbs, Holland & Barrett, Iceland, Internet Stores, Lemon Pepper Holdings (Wingstop), Maisons du Monde, Masai Clothing Company, Materne, MKM Building Supplies, MRH, Muuto, Nocibe, Notonthehighstreet, Parkdean Resorts, Pets at Home, PureGym, Rapha Racing, Scholl Footwear, Schustermann &Borenstein, Seraphine, Stylight, Somerfield, Stokomani, Tastecard, Tastecard, Vivarte, Wagamama, Wagamama, Vendor Due Diligence for W, Wiggle, Wolf, World Duty Free, Zabka

Consumer

Armitage Pet Care, Aston Manor, Bambi, Britax, Butterkist, Cadum, Dr Martens, Flora Food Group, Fox's, Hovis, Hovis, Knjaz Milos, Kondor, Masai Clothing Company, Mayborn Group, Mutti, Quorn, Refresco Gerber, Sanex, Scholl Footwear, Signature Foods, St. Tropez, Tilda, Violife, Whitworths, Whitworths, Winterbotham, Young's

Buy-Side

Retail & Leisure

Alessi, Apaczka, Atlas for Men, BoConcept, Comptoir des Cotonniers, Cortefiel, Cruise.co.uk, Cura of Sweden, Debenhams, Dispensa Emilia, Displate, D.M.O. Petcare, Dollar Shave Club, Eminence, Enchanting Travel, Esselunga, Eurogarages / EFR, Farfetch, Gaucho, Georg Jensen, Get Your Guide, Greene King, Halfords, Hobbs, House of Fraser, Humanoid, I@D, I.C.E., Ideal Shopping Direct, inov8, IRO, Jawoll, JD Classics, Jimmy Choo, Kaufhof-Inno (German/Belgian Department Stores), KFZ 24, Kiwoko, La Piadineria, Lagkagehuset, Loungers, Matalan, Materne, Maxeda, Motor Fuel Group, Mr.Bricolage – Tabur (French 3rd DIY Retailer), New Look, Oro, Photobox Group, Picard, PureGym, Saga, Schustermann &Borenstein, Smyk, SOR Technology, Stelux, Vestiaire, Vestiaire Collective, Vivarte, Voyageurs du Monde, Wendelbo, Willerby, Zizzi Clothing, Zwift

Consumer

ABC Morini, Addo, Alce, Armitage Pet Care, Bertoncello, Biscuits International, Callmewine, CoFresh, CS Piumini, Dermalogica, Edita Food Industries, East End, Euromoda, Everton Tea, Farnese Vini, Froneri, G-Star Jeans, Gelit, Georg Jensen, Greenland Seafood, Hortex, inov8, Jimmy Choo, Kayali, Lampa, Lanificio dell'Olivo, Lintbells, LR Cosmetics, Lumene, MEC3, Menghi, Monbento, Mondelez Candies, MPM, Murad, Nero Nobile, Nestlé's South African Ice Cream Business, Palacios Alimentación, Peyman, Pinarello, R&R, Refresco Gerber, Scott's Garden Products, Simple, Spumador, Tangerine, T&J Investor, The Beauty Tech Group, Ultra Premium Direct, Weetabix, Yoplait

IPO

ADNOC Distribution, Allegro, AO World plc, B&M Bargains, Card Factory, GAME, Pets at Home, Watches of Switzerland, Bakkavor, Budweiser APAC

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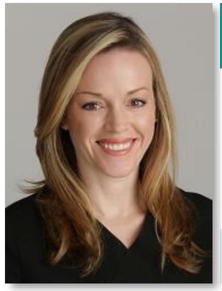

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