



Mondee A.I. Marketplace Virtual Launch Event

July 7, 2023

Transcript

Jeff: Good day everyone. Today is very special for Mondee as we celebrate our one-year anniversary since going public on the NASDAQ. On this same day, one year later, we are excited to showcase our new, first of its kind, AI-integrated travel marketplace and technology platform. I'm Jeff Houston, Senior Vice President at Mondee.

I will also be joined today by our Founder, Chairman, and CEO, Prasad Gundumogula, who will provide an overview of Mondee and our company vision; then our Chief Marketing Officer Kymber Lowe will walk through demonstrations on our new features and technology; and at the end of the tech demo, our Vice Chairman and Chief Strategy and Business Development Officer Orestes Fintiklis as well as our Chief Operating Officer Jim Dullum will join us all for a Question and answer session.

To kick things off, I'd like to share a bit more about us:
Mondee is a cutting-edge travel technology company and modern travel marketplace with unique content, distribution, and features.

We connect real-time to over 500 airlines and 1 million hotels, and we distribute through 60 thousand travel experts and 125 million closed-group members.

The travel market is a two trillion-dollar industry, with a self-service space that includes published fares, supplier websites, and general broadcast channels. But Mondee operates in the Assisted & Affiliated space, a larger and rapidly-growing segment catering to complex trips and experiences.

At our core, we connect suppliers like airlines and hotel companies with consumers like travel experts, organizations, and travelers through our industry-leading platform, all available today on both the web and our mobile app.

This creates a modern travel ecosystem which allows users to explore the world in whatever way works best for them, with expert advice available at their fingertips whenever they need it.

Safe Harbor I'd like to remind everyone that this call may contain forward-looking statements, including discussions on revenue, business growth, management and governance plans, and other non-historical statements, as described in our press release. These forward-looking statements are subject to certain risks, uncertainties, and assumptions, including factors related to Mondee's growth, industry evolution, product development, management performance, and general economic and business conditions.

We do not undertake any obligation to revise statements to reflect changes that occur after this call. Descriptions of these and other risks that could cause actual results to differ materially from these forward-looking statements are discussed in our reports filed with the SEC and our press release issued earlier today.

During the call, we may refer to non-GAAP financial measures. Reconciliations of the most comparable GAAP measures are available at investors.mondee.com.

Now, I'm pleased to hand it over to Prasad Gundumogula.

Prasad: Thank you, Jeff, and welcome! I'm excited to introduce the transformative AI platform and innovative new features we've developed for the Mondee Marketplace that will revolutionize the way you plan and book a trip.

For travelers, we create immersive travel experiences through self-service exploration tools by AI and on-demand Local Experts globally for travel experts and influencers, we enhance their local expertise with global knowledge through our AI-driven marketplace.

Prasad: Our mission is to bring joy to the journey, making your travel moments personal, surprising, and meaningful – while also getting you the best value.

Curation and localized experiences are key. Powered by the most fully-integrated AI travel platform out there, our marketplace helps travel experts and influencers have the relevant knowledge of what their travelers and followers are looking for, and save time while crafting personalized experiences for their clients.

Prasad: Our all-in-one platform offers travel content in about 20 languages and expanded customer support via phone, chat, and email.

Travelers and experts have access to a comprehensive network of over 500 airlines, 1 million hotel and vacation rentals, 30 thousand rental car pickup locations, and 50 cruise lines – along with negotiated rates that are significantly lower than what's offered on other popular travel sites.

Prasad: What truly sets the Mondee Marketplace apart, though, is our AI Platform.

As part of our commitment to innovation, we've built a robust AI platform that combines leading technologies such as Generative AI, Deep Learning, Computer Vision, and a Recommendation Engine – along with Conversational Commerce to transform the travel booking process.

The Fintech tools provide additional choices and protection for all purchases within our marketplace.

This AI integration creates a powerful and intuitive tool for travelers, travel experts, influencers, and organizations alike. It streamlines and simplifies how you plan, book, share, and even make changes to your trips.

Abhi, our Personal Travel AI Assistant, can engage with users in meaningful conversations, understand complex questions, and offer comprehensive responses. It provides even more personalized suggestions as travelers turn their dream trip into a reality. Beyond that, Abhi can also instantly create a custom travel experience guide based on a traveler's interests, making it easier than ever to refine the trip and complete the booking.

Now let's take a look at Abhi in action.

Prasad: Hey, Abhi, what is the trendiest beach club in Greece right now for someone in their 30s who likes house music?

As you can see Abhi has responded immediately: "the trendiest beach club is Cavo Paradiso, located on the island of Mykonos."

From there, you can ask Abhi to create a customized itinerary for a 5-day trip to Mykonos so you can see the club for yourself, while also exploring other local attractions.

All you need to do is provide your origin city, the travel dates, and the types of activities you're interested in during your stay -- like sightseeing, beaches, watersports, and more -- and Abhi will take it from there, suggesting a day-by-day plan for your trip. Kick off your journey exploring Old Town Mykonos and Little Venice, then lounge on Nammos Beach before returning to your conveniently located hotel, which Abhi has chosen based on your agenda.

Once your itinerary is generated, you will also receive a personalized Travel Booklet with additional information about the attractions, activities, and related travel tips ensuring you get the most out of your adventure. Just click "Explore Now" on any of the trip days, and you'll be taken to a handy guide with details on the boat you wanted to rent, the windmills you wanted to see, or the museum you wanted to visit, along with an interactive map showing you exactly where to find them.

Abhi can help users to explore the relevant local activities, Tours, and Restaurant recommendations personalized for their visit.

Prasad: Within the itinerary itself, you can click "Book Now" to view both flight, hotel and activity options, then add them directly to your cart, streamlining the booking process to help you create authentic, immersive travel experiences.

To further enhance the travel experience, Abhi can make live connections with local experts to help you refine your plans.

This blend of AI combined with local experts' real-time guidance, will create extraordinary experiences.

For example, do you have an important event like a wedding that requires the support of a specialized expert on the ground?

Help with finding the perfect reception venue in Paris is just a few keystrokes away.

Now let me hand it off to our Chief Marketing Officer Kymber Lowe, who's going to share more details about the groups Mondee serves, and how our AI-powered platform can meet each of their specific needs.

Kymber:

Thank you, Prasad. You've heard us mention these before, but our Marketplace is designed to support travel experts, influencers, organizations, and travelers.

Travel experts are travel agents, concierge, and other specialty professionals dedicated to crafting the perfect trip for their clients, and our AI integration allows them to expand their global expertise, providing unique recommendations that make travelers feel like locals wherever they land.

Influencers and freelancers are tastemakers of the travel industry, guiding their followers on where to go, what to see, and how to get there via social media. Influencers are able to use Mondee's AI technology to simplify their trip-planning, letting them focus their energy on creating meaningful and engaging travel content.

Organizations include both nonprofits and corporations looking to make travel simpler for their members and employees, and all our time-saving AI integration benefits extend to those members invited onto the platform as well.

And of course, the travelers themselves are the ones packing a bag, boarding a flight, and seeing the world. Travelers using our self-service booking tool no longer have to spend hours on trip research thanks to our AI chat function, which dramatically streamlines the process.

Kymber:

Let's start by diving into more detail on the features Mondee has tailor-made for travel experts, and how our AI technology gives them the resources to craft hyper-local experiences for travelers.

For Experts, our AI chat feature Abhi can help them select options for travelers from our expansive inventory of airlines and hotels. Simply ask Abhi to help you “book a flight”, and after a few quick follow-up questions, it will present a comprehensive list of options.

Experts can also search Mondee’s inventory themselves by clicking “Reserve Trip” in Abhi’s main menu, or navigating to the “Inventory” tab on the platform’s home page.

Our marketplace simplifies sorting through all the travel options, allowing experts to quickly build custom itineraries.

Abhi can also help experts manage existing trips for travelers in their network. Simply ask for an overview of “my trips,” select the “Customer” option, and Abhi will send a full carousel of upcoming client travel, along with options to change, cancel, email trip details, and more.

But beyond just making changes to a trip, Abhi’s conversational AI can also *enhance* the trip by offering personalized recommendations for restaurants and activities in specific locations, based on the previous searches a traveler was making.

Additionally, with Mondee, every trip is an opportunity for collaboration. From the chat function or through the trip view, experts can use TripBuddy, our conversational commerce chat function to send an itinerary to travelers and invite feedback, making sure they're satisfied with each facet of their upcoming adventure.

Experts can even send the itinerary to multiple travelers at once if they’re assisting with a group trip, enabling clear and direct communication throughout the process.

KyMBER:

After all trip details have been approved and all the traveler’s needs met, it’s time to book through Mondee’s innovative and streamlined checkout process.

After clicking “checkout”, you’ll be taken to our checkout page with all your trip information and a cost breakdown in one place – along with fields to enter traveler info and add trip extras like travel insurance and seat selection.

Our platform lists the total cost for all elements of the trip, including calculated commission. Experts are also able to offer travelers a refundable ticket, automatic check-in, and price drop protection to guarantee they're getting the best bang for their buck.

The Mondee Marketplace allows travelers to pay in one single checkout for all legs of the trip, rather than piecemeal by flight, hotel, car, and cruise.

Travelers also have the option of paying securely in a number of different currencies via credit card or digital wallet, including Apple Pay and Google Pay, with the added benefit of fraud protection technology.

The Mondee Marketplace also makes it simpler than ever for experts to expand their client base. With our "Magic Link" tool, they can create a unique link connected to their account, which they can then send to travelers via email or by copying and pasting.

Once the traveler receives it, all it takes is one click and they'll be taken to our sign-up page, where their newly-created profile will be tied directly to your expert account.

If experts have a long list of clients, they can also upload that list directly to the platform for a bulk member invite, saving additional time.

Once logged in, travelers can book through the platform directly without having to call the expert if they prefer to map out the journey themselves, but any trips they book will still generate commission for the travel expert

Which brings us to our innovative analytics dashboard, accessible from the left sidebar menu. Experts can see all upcoming trips for your various clients and review booking reports that synthesize data regarding who is booking what, when.

Travel experts are able to manage their commission by navigating to "Company Settings," then "Promotions." From here, they can adjust commission by inventory type, add markup or service fees, and change commission visibility settings, whether they want it itemized in the client's itinerary or included in the total cost. This customizable commission makes it easy to create limited-time promotions, with reduced commission on top of the already-discounted rates offered through Mondee.

And if experts ever want to check their stats quickly, they can just ask Abhi to "show me my bookings for the last month" and instantly receive an overview of booking numbers, revenue, and earnings directly in the chat window.

Kymber:

As for customer support, the Mondee Marketplace has you covered. We have 24/7 assistance available for both experts and their clients via email, phone, and Abhi, our AI chat integration, with cruise and inventory experts also on hand to help them better serve travelers.

You can access our support team through the icon at the top of the screen or by "Asking Abhi" to connect you to a support function using the chat on the bottom right-hand side.

Additionally, in the support settings, experts can opt to be the first point of contact for travelers in need of assistance, or let Mondee step in and handle any questions.

All these features work in tandem to ensure that travel experts can streamline all aspects of the trip planning and booking process on behalf of their customers.

And with our mobile app, experts are no longer tied to their desk and can run their business from anywhere.

For influencers and freelancers, Mondee has developed a platform to help them monetize their following and generate an incremental revenue stream.

We've also ensured that influencers have access to the marketplace's robust inventory and intuitive search tools.

This allows them to travel more often at less cost and use AI to simplify their trip-planning so they have more time to see the world – and share it with their followers.

Beyond that, Mondee also offers tools for influencers to oversee their growing business through our Analytics Dashboard, where they can manage their user network, view Booking Reports, and get a big-picture view of the income they're generating.

When creating an account on Mondee, the subscription fee is waived for influencers, and Influencers will make 1% commission for any trips booked through Mondee by their network.

And if an influencer's follower wants to invite their friends, family and network into Mondee, they will be rewarded with \$10 in travel credit for every new member. These referrals will become part of the Influencer's travel business, and the influencer will also make 1% commission for trips booked by travelers coming in through the refer-a-friend program.

Kymber:

And now influencers can get even more from their travel content by including their Mondee "Magic Link" on trips they post to social media. Then, if a follower is inspired by the breathtaking vistas from their Grecian getaway, they can click that link and jump directly into the Mondee Marketplace to replicate it.

From there, an influencer's network is in good hands. Travelers who join Mondee through their invite have access to our platform's inventory, discounts, AI integration, and customer service support as they plan their next big adventure.

Between the Refer-a-Friend feature and our platform's integrated AI, Mondee Marketplace makes it possible for influencers to expand their reach, boost their business, and benefit more from the content they're creating, all while enriching the travel experiences of their followers.

Next, let's take a look at the Mondee Marketplace experience from the traveler's point of view.

Many of the benefits we've discussed extend to travelers, like access to experts, our robust inventory, competitive fares, and time-saving AI integration.

Whether travelers in the early stages of trip-brainstorming aren't quite ready to connect with an expert yet, or they simply want to handle the bulk of research on their own, our AI chatbot Abhi can help generate itineraries in mere moments.

Travelers with Paris on their mind can navigate to Abhi in the bottom right-hand corner of the screen and dive right in, providing destination details, origin cities and trip dates while our AI does the heavy-lifting.

Depending on a traveler's interests and the duration of their stay, Abhi creates -- and sends to their email -- a customized, day-by-day travel guide with all the details for local attractions and activities to incorporate in their trip.

Abhi even retains the context of previous conversations, so if you ask for dinner recommendations while on your trip, it will remember where you are -- which helps you get to where you want to go *next* that much quicker.

Of course, Abhi support doesn't end after your trip is booked. By navigating back to Abhi's main menu options, a traveler can view all their upcoming trips and select specific trips they want to manage.

With Abhi's help, travelers then have the freedom to change or cancel a trip, modify email addresses for itineraries, and even add trip extras like travel insurance and seat selection.

KyMBER

And for trips with multiple travelers, our TripBuddy group chat makes the planning process easier than ever.

Users can access this feature by adding an item to your cart, then clicking on the bag icon. From there, they can invite other travelers to view the itinerary-in-progress, allowing them to chime in directly with thoughts and suggestions.

Once the trip is finalized and the traveler is ready to book, they can navigate directly to our secure checkout page from that same chat window.

So even for the self-sufficient traveler who prefers to handle booking themselves, Mondee makes it possible to design the trip of your dreams in mere minutes.

For Organizations, all the features that Mondee Marketplace offers to our travelers, we can also provide to your employees and members.

Our AI platform supports travelers in your network every step of the way: from the seed of a trip idea, through booking, and beyond, for flight tracking and trip extras like seat selection and travel insurance.

Abhi, our generative and conversational AI chat, can streamline the process as well by answering questions, suggesting itineraries, and facilitating connections to local experts.

And of course, your members and employees can also use the platform to pay for all segments of their itinerary in a single, frictionless checkout in their preferred currency, or even with a digital wallet.

Our traveler management tools make it simple to invite employees or members to the Marketplace via email, bulk upload, or Magic Link, and our User Management page simplifies the activation and deactivation process for everyone within your network.

Mondee's Organization Dashboard also allows for a birds-eye view of all bookings within a company. By offering employees and members access to the Mondee Marketplace and all its

perks, organizations can expect boosted satisfaction and higher retention in addition to revenue sharing through all bookings made by members you've invited to the platform.

Kymber: Whether you're a non-profit or a corporation, Mondee provides secure and affordable travel solutions to build loyalty among your members and employees.

Today the Mondee Marketplace is available on the web and our mobile app, for both iOS and Android, and we can't wait for our users to start booking trips with its AI-integration, collaborative cart technology, and expansive inventory.

Thanks for tuning in, and I'll pass it back to Jeff.

Q&A SESSION

Jeff:

Hello everyone, and thank you for joining our Q&A session. As a reminder, before we get started, enter your questions in the platform and our panelists will answer them live.

With that, I'd like to welcome our speakers, Prasad and Kymber, and introduce you to our other panelists, Orestes Fintiklis, Vice Chairman Chief Strategy and Business Development Officer, as well as Jim Dullum, Chief Operating Officer.

Our first question is from an investor. "How is your AI different from the AI launched by other travel companies?"

Prasad

Okay, let me take that. There's a lot of talk about AI in travel and in every [inaudible] months. Mondee has been working on its AI platform for years, a long time before it become a code word. And this is because one of our pretense is to give the tools to everyone to become a travel expert. And what the freelancer, the Uber driver, the single mother was missing in becoming a travel expert, we understood early on that AI was a solution to that. That's how we created this AI platform.

The travel incumbents today have all announced generative AI platforms of some sort. However, nearly without exception, they're all just a plug into one of the generated AI platforms available in the market.

Mondee's AI platform is very different on the inquiries part. In addition to our own AI platform, we're connecting and taking the best of all platforms forward by industry giants such as Googlebot, OpenAI, ChatGPT and IBM Watson, collectively forging be the most sophisticated, personalized, generative AI travel assistant.

However, as you have witnessed, Abhi is much more than addressing inquiries. Abhi is the first fully integrated AI platform. Not just chatting to the other users and generating an AI content, but also making actual bookings. Providing them the preview of the trips and giving them the very hyper-local activities around their trips to really gain the experiences. And giving them the restaurant options and all these lifestyle choices. As well as making changes to the existing bookings and even creating real time, tailor-

made travel guides for every user based on their unique preferences. And taking personalized to an entirely new level.

Another point I would like to highlight here is the AI is all about data, specialized data. And what Mondee has is access to 65,000 experts and growing. Using the knowledge base that we have and connectivity to the experts that nobody else has access to, this data where, who we use, what we use to train our models and be able to bring that personalized expertise and personalized guided experiences to our customer base. What you have seen today is just a beginning. Stay tuned and we'll continue our discussion.

Jeff:

Thanks, Prasad. The next question is from another investor. "How is your AI technology creating jobs and employment opportunities?"

Orestes:

Thank you, Jeff. I will take this one. This is Orestes, I'm the vice chairman of the company.

So a common misconception about AI in general is that it is created by the skilled and the privileged for the skilled and the privileged. The reality is the exact opposite. The other day I was reading an article on the Financial Times and the title was Will ChatGPT be Homer Simpson's Salvation? And this is precisely one of the strengths of AI to convert everyone into an instant expert.

As Prasad mentioned, one of the missions of Mondee is to empower everyone to become a travel expert. The prior versions of our disruptive technology in the last 15 years or so have been providing to everybody a booking engine, access to privately negotiated and discounted content, payment platforms, Fintech tools. But the only piece of the equation that was really missing was to provide the actual expertise itself. So now our AI tech is completing the puzzle effectively by putting this global knowledge in the fingertips of everyone, whether you're an expert, an influencer, or a freelancer.

So now the yoga instructor, the semi-professional surfer, the ski instructor, the Hispanic single mother, that until now they were confined to the limits of their profession. They are all empowered to sell and arrange travel. Not only because we give them the booking engines and the content, but also because our AI platform, our unique AI platform, is giving them the instant expertise.

Last night, Jeff and I, we were in the car and the driver who overheard our discussion, he turned around and he asked, "Can I download that? Can I use this? Can I become a travel expert?" And the answer is so easy and so obvious. Just like Uber democratized transport and Airbnb has democratized the daily home rental, Mondee and our new platform are democratizing travel, potentially creating thousands of jobs in the process.

Thank you. Jeff. Back to you.

Jeff:

Thanks Orestes. We have another investor question. "Tell us a bit about your inclusion of cruises, why it's important and how it's differentiated."

Jim:

Jeff, that's a good question. Let me, I'll take that one. Jim Dullum, Chief Operating Officer, and to all of you, good afternoon, good evening, good morning, wherever you are.

So there's an old adage in business, we do things because there's demand for a product or a service, we can do it better and we can bring a better result. Well, that's true here for us in cruises. Is there demand for cruises? Of course there is. Cruise is one of the fastest growing parts of the tourism sector. There are predicted to be almost 40 million cruisers within the next few years, certainly by 2027. So that says there is substantial demand.

And what's interesting is it is primarily served, over 70% of cruise bookings have been served by experts. That makes it perfect for our expert platform to be able to offer this kind of a service.

So now you get to, well, do we offer it more conveniently, more cost effectively? With our AI technology that Prasad was talking about that you saw in the demo, the answer is a definitive yes. That with our AI technology, we are able to sort through all of the plethora of options in cruises. Everywhere from the planning through the booking, we are able to make that process much more efficient.

And more than that, we are able to provide for these experts, these tens of thousands of cruise experts out there who we will now bring to the Mondee Marketplace, we're able to offer them the full suite that they can now provide to their customers. So not only air and hotel prior to or post the cruise, but also activities, events, things like that around the cruise. So we're able to offer the full suite all in one place. This has been a multi-platform task usually for cruise experts in the past. Kymber described it well in the demo, single clicks here, easy to access information there. They will be able to see it all. They will be able to provide it very seamlessly to their customer.

So you get to the last part, is this more convenient? Is this a better offering? And again, a definitive yes. The customers of our travel experts in the Mondee Marketplace who are interested in cruise, all 40 odd million of them within the next few years, they will be able to have a much better experience delivered much faster and much more conveniently. So those are the key reasons that we thought, yeah, this is a great thing to add next. And here we are.

With that, I'll pass it back to you, Jeff.

Jeff:

Thank you, Jim. Here's a great question from a journalist. "How are you going to market this?"

Kymber:

Oh, I'll take that one, Jeff. I'm Kymber Lowe. I'm chief marketing officer at Mondee and of course the team. And I have been spending the past few months building out a best in class marketing team with leaders from companies like Amazon, AWS, Google, JetBlue, Air France, KLM Group and more. And in working together with this bar raising team, we've created both a dynamic and multifaceted plan that leverages various channels to reach our target audiences.

So our mix includes a combination of digital marketing, social media, and influencer marketing that's going to be really critical for our strategy. We'll be launching strategic partnerships to outreach and we'll continue to drive our affiliate and referral program programs as well. And of course, we'll be working with our internal teams within on strategies for our recent acquisitions.

So all of these form an integrated data driven strategy, really critical that it is data driven and that it's designed to create awareness, generate interest, and drive adoption globally. I also wanted everyone to know that right now we're waiving the signup fee for influencers. So we're encouraging people to go to Mondee.com and experience our Marketplace and Abhi as well.

Thanks for the question. Back to you, Jeff.

Jeff:

Hey, thanks, Kymber. Next question is from an investor. "How are you planning to monetize this Marketplace? Are there different tiers of service?"

Orestes:

Thank you, Jeff. This is Orestes. I will take this one. So just to remind everybody, one of the strengths of our company is that we are already profitable and also high growth. So the question from for one our investors is how we can enhance our monetization through this AI power platform that we just presented.

And I would say there are at least three ways that the platform will allow us to make even more money. The first one is giving more tools and more products to our existing customers. We have 60,000 or more than 60,000 travel experts who can now book also cruises. They will have a much more powerful platform with 20 or so languages, the AI itself. So it will give them an edge and it will allow them to increase their market share. So when our experts increase their market share, we make more money through more transaction based revenues.

The second way that we believe this platform is going to enhance our monetization strategy is that we will have simply more of these experts. The thesis is that we are converting everybody into an expert. And what was missing was the AI. We already have more than 60,000. Now with AI, anybody can be an expert like the message that Prasad has delivered. So if we have more experts, more customers, more revenues, more transactions, more transaction revenues.

So third but not least is as Kymber explained, we have a number of subscription based revenue streams. Even though influencers do and can get for the first year for free, more professional travel experts, membership organizations, corporates who can also become members, they have a subscription fee attached to that different kind of platform. And that subscription fee would allow a percentage of our revenues, the percentage of our revenues that comes from subscriptions to increase. So this technology is increasing both our transaction revenues and our subscription revenues.

So thank you. Thank you, Jeff for the question.

Jeff:

Thank you, Orestes. Our next question comes from Dylan Heslin at Roth Capital. "Where is the data coming from to make the itinerary recommendations? Is it your strategy to own legacy data or trips via other sources? How can you leverage your own trip data to improve satisfaction and push for more trip add-ons in the future?"

Prasad:

Let me take that question. So there are two sources. The first one is what is available on the internet, what is available on all these generative AI companies combined all this data for years of data. And that's on source. We use Googlebot, OpenAI, different sources to get that data.

And on the other side that we have years of travel experts knowledge base. The way that they solve the problem, they sat and worked with their customers, satisfy their needs, the queries that they answer and all of that. The data that we have it in addition to all the bookings and all the systematic responses of what the customers are looking for and how we make the whole booking process complete and provide the experience and the value to our end users. So we have the data, we combined our models with that travel experts data.

And we use that for trip planning and as well as the booking process. We are deeply integrated into AI platform is our commerce engine, our booking platform, using this data as well as the trip history that we would be able to provide a very personalized experiences to our travelers. And providing the knowledge base, the right knowledge base to our travel experts.

Thank you, Jeff. [inaudible].

Jeff:

Thank you, Prasad. Our next question is from Mike Randall at Northland Securities. "Do you expect to see inflection in bookings revenue? Was there any beta testing to get a sense of lift?"

Orestes:

Thank you. Thank you, Jeff. I'll take that. I believe, I mean, I answered partly that question when I explained the additional revenue streams that this AI power platform's going to degenerate. But I think where Mike being an equity research analyst is coming from, he's probably asking whether that is baked in our guidance. So the answer to that is that no, our kind of guidance does not include the impact of the AI power platform.

Yes, most likely there will be an uptick in the revenues because our customers will be able to sell more. We will have more travel experts in our platform and we'll have additional subscription revenues. However, do bear in mind that in the first quarters of rolling out this new platform, in addition to having incremental revenues, there will be incremental costs as well, especially as we try to capture a lot of market share in the first few quarters of this initiative.

So the short answer is that we haven't baked anything in guidance. There will be more revenues, there will be more cost, but we believe that this is transformational to the mission of Mondee of converting everybody into a travel expert.

Thank you, Jeff. Back to you.

Jim:

Well, Jeff, let me, before you go to the next one, let me just add on the second part of Mike's question, which was, did we beta test? Mike, you've followed us for a little bit that we are very aggressive, but no, we're not crazy. Yes, we have done beta testing.

This is AI based. So part of it is making sure that it's learning, that it's continuous learning going through the process. So we have done beta testing with a number of different groups to include some customers so that we were able to streamline this and it's working. It'll work well, and it will only continue to get better and better literally every hour of every day.

Yours, Jeff.

Jeff:

Thank you, Jim. The next question comes from Brent Knoblauch at Cantor Fitzgerald."Which part of this leveraging ChatGPT, and which part is leveraging Bard and which part is leveraging Watson?"

Prasad:

So we use, of course, this is a secret recipe that we use leveraging all these platforms. The Watson we use for natural language processing primarily. And for every Googlebot and ChatGPT and the amount of data that they process, the real time information and the whole models and the new models that they're pushing it, we use effectively the places where they're good at. And then our platform actually identifies the areas that they can be good at. And then we use that for that area.

But from there, we created our own AI platforms. And whether it's a conversation or on the other key elements that require for us to create these experiences, whether it's the stitching of the content or whether it's a computer vision, and whether it's a recommendation engines and all, we use our platforms to effectively use that to provide the experiences to the travelers and to provide this knowledge base to any user who can be an expert using this.

Orestes:

And Prasad, may I add? I think what is crucial to understanding this question is that our AI platform has a number of parts. The first part is the one that you can also see out there in some of the other OTAs which is the inquiries part. So for the inquiries part, very naturally we rely on some of the existing platforms.

Now, one of the unique features that we have here is that we're not just relying on one of them for the inquiries part, we link to both the ChatGPT which is the open OpenAI, the Googlebot, and the IBM Watson. And we choose the response that is the most relevant. Whilst most of the OTA solutions that you have seen out there, they just link to one of those three.

Now, this is a very small part of our AI as you have seen in the demonstration. The most important element and the differentiation here is that our AI allows you to go all the way to the booking, not just booking, to make changes after you book your trip. Not just that, to create a real time customized itinerary and a travel guide that you can actually experience before you choose the trip to decide if that is the trip for you.

When beta testing actually the platform, I spent days kind of day daydreaming on different scenarios and different places I could be experiencing as if I am there before I made a decision of where to book. So in this sense that it goes beyond the inquiry all the way to the booking, the changing, and actually creating customized itineraries that include not just hotels and flights, but also experiences, restaurant reservations, we believe that we have at this point in time, the most elaborate, the most sophisticated, the most integrated, full stop, the best AI travel platform out there by light years when compared to what you have seen out there from the competition.

Thank you, Jeff. Back to you.

Jeff:

Thanks, Orestes. Our next question comes from Nick Jones at JMP Securities. "How are you marketing the tech launch to your users? What do early adoption trends look like?and how should we expect to see these solutions manifest in Mondee's financial model?"

Orestes:

So I'll st-

KyMBER:

I'll go ahead and ... Go ahead, Orestes.

Orestes:

Oh, sorry, go ahead. Go ahead, go ahead.

KyMBER:

I was just going to say in terms of our marketing out to our customers and our users, it's a lot of the digital social events that we have talked about previously. And then I'll let Orestes take the second half.

Orestes:

Yes. So with regard to our existing customers, for most of the customer personas, the transition will happen automatically. And we have evolved our platform over the last 15 years, so whichever platform you have, from tomorrow or the day after, you will have the new version of the platform that automatically has the AI. So when it comes to our existing customers, it is the most seamless and the most obvious way of enhancing the monetization.

From that point onwards, it will all depend on the pace and the speed of adoption by the social media influencers, by the freelancers. And then of course, by the virality. I mean you have seen, we have created a strong element of virality in how we're launching it. So if you're an influencer, you sign in for free and then you receive 1% of whatever your followers are booking. But then if your followers invite their friends, they get enhanced monetization incentives, like \$10 credit for each one of them. And then this can become viral. And then at the end of the day, the social media influencer is receiving 1% of everybody who they invited directly and who came in directly through cycles of subsent invitations into this closed group of users.

Jeff, back to you.

Jeff:

Thanks, Orestes. The next question is from a journalist. "What about bloggers and travel media? What can they earn from bookings through their content or sites?"

Orestes:

Yes. So again, Kymber can add after that, but the concept here is that anybody can be a travel expert. Even if you are say for example, somebody within your family who is the one typically arranging the trip. So if you're a blogger, you can invite anyone you want to be part of this ecosystem.

Now you have to decide whether you are going to be more committed and be more on the travel expert, travel agent side and actually procure the booking themselves. In which case you will have to get one of the subscription based platforms that allow you to determine the markup that you want to have, that you actually have to do the work and actually start the process and complete the process with your potential customers.

Or if you want to be more hands off and you just want to invite people that into this platform and you let them do all the work. In that case, you don't have to pay anything as a subscription because you'll be getting the influencer version, but you will only be receiving 1%. I say only in the sense that you cannot determine the markup yourself. But again, it can be a very powerful incentive because it includes everybody who comes into this ecosystem through the virality.

But at the end of the day, the idea here is that everybody can create their own personal closed group. It can be a blogger, it can be a journalist, it can be a single mother, it can be the surfer that books the trip that everybody goes together every weekend to Nicaragua to surf. He can book the trip for the 20 people that go together and make money off it. Or it could be the ski instructor that from time to time when when he gives private classes, he also helps his customers book, for example, the trip. Or it could be the yoga instructor that is organizing a retreat and now is sending the invite in an email saying these 30 guys every year they go, I don't know, to Tulum and they do yoga. Now they can actually all book together. And not only they have ways of monetizing, they actually get access to discounted content. And not only that, they have the conversational commerce that you have seen that they can all collaborate together and create the itinerary real time and then book on the basis of that.

So Jeff, back to you.

Jeff:

Thanks, Orestes. The next question is from an investor. "AI platforms are only as good as the data they use. Where will Abhi get data such as hotel and restaurant reviews in order to guarantee superior recommendations versus OTAs?"

Prasad:

There is already a lot of data available on the internet and on third party sources of these reviews. However, we are enhancing the data with our experts database and knowledge base to enhance that with the real reviews by the users and by the experts who are in those areas.

And we have plans to use the user generated content, and we have a lot of user base and hundreds of millions of users who we have got the access and plan to get onto this, releasing this platform to everyone. And where we wanted to use the content being generated by the users for the use of these reviews and be able to provide a superior recommendations and on. So it's a combination of the third party data. It's a combination of what's available on the net and with the refined reviews by our experts. And then a combination of the user generated data. [inaudible].

Orestes:

And I would just highlight a few points there. The first one is that we are connected as you know with 500 airlines and a million hotel and vacations that has accommodation, 50 million searches a day on our platform. So we do have unique travel centric content.

Now, a major OTA may say, "Yes, I have the same." But the big differentiation here is that we have more than 60,000 experts. So these 60,000 experts are generating content and they are generating within our ecosystem. So we have data from actual experts which are not common and available to OTAs or other platforms.

And then last but not least, it's essential to understand how the trip is generated. So in this case, the content in many ways is generating the trip. So if you go on Instagram for example, and you are following a certain influencer and they put a link of a trip to Bali and you click on it, that's precisely how you have the review. Because that influencer that you are following, that you trust that they know what they're doing because they live in Bali, is creating the itinerary on which you click and that's how you become part of this ecosystem.

So it's the content in some cases that is generating the trip itself. And this is a unique feature of the ecosystem and how the Mondee Marketplace is very, very different to any platform out there.

Jeff, back to you.

Jeff:

Thanks, Orestes. So this concludes the Q&A section of this event. Thank you very much for your thoughtful questions and for participating in this event.