

Booking Holdings (NASDAQ: BKNG) runs online travel marketplaces (Booking.com, Priceline, Agoda, KAYAK, OpenTable) that connect travelers with hotels, homes, airlines, car-rental firms and restaurants without owning any of them: it earns a commission or margin on each reservation, plus payment-facilitation fees and advertising. FY2025 (year ended Dec 31, 2025) revenue was \$26.9B (+13%) on \$186.1B of gross bookings (+12%), a revenue take rate of 14.5%, with operating income of \$8.8B and net income of \$5.4B after \$1.3B of other expense (mostly currency losses on euro debt) and a \$457M KAYAK impairment. Merchant revenue (Booking.com collects payment) was \$17.8B (+26%), agency revenue (the hotel collects) \$8.0B (-6%) and advertising and other \$1.2B (+11%). Room nights grew 8% to 1,235 million, and 70% of gross bookings were merchant (63% in 2024). In H1 2026, revenue was \$12.9B (+11.5%) and net income \$3.0B, and Booking Holdings bought back \$7.8B of stock.

BUSINESS MODEL CANVAS

Booking Holdings

Research date: Oct 11, 2026

Evidence-backed · sources in companion brief

KEY PARTNERS

- **Accommodation partners** — about 500,000 hotels and about 3.9 million homes and other stays (FACT).
- **Airlines, car-rental companies and attraction operators** — supply flights, cars and activities (FACT).
- **Restaurants** — OpenTable's reservation and software customers (FACT).
- **Google and other platforms** — significant source of traffic, and also a competitor (FACT).
- **Insurers and payment providers** — third-party insurance and payment services (FACT).
- **Gen AI organizations** — partnerships named as a strategic initiative (FACT).

KEY ACTIVITIES

- **Supply growth** — about 4.4 million properties at Booking.com at end of 2025 (FACT).
- **Performance and brand marketing** — \$8.2B in 2025 (FACT).
- **Payments platform** — merchant gross bookings reached 70% of the total (FACT).
- **Connected Trip** — one itinerary from inspiration to in-trip suggestions (FACT).
- **Gen AI** — trip planners, assistants, price comparison and partner chat tools (FACT).
- **Transformation Program** — about \$550M run-rate savings enabled by end of 2025 (FACT).

KEY RESOURCES

- **Supply** — about 4.4M properties on Booking.com (FACT).
- **Brands** — Booking.com, Priceline, Agoda, KAYAK, OpenTable (FACT).
- **Direct traffic** — mid-fifties % of room nights (FACT).
- **Technology** — cloud, data centers, mobile apps (FACT).
- **People** — about 24,300 employees (FACT).
- **Cash** — \$17.7B cash and investments, Jun 2026 (FACT)

VALUE PROPOSITIONS

- **Choice** — about 4.4 million properties plus flights, cars, activities (FACT).
- **Convenience** — planning, payment and language options in one app (FACT).
- **Value** — competitive prices and loyalty programs such as Genius (FACT).
- **Partner reach** — new demand, language and payment services for suppliers (FACT).
- **AI help** — trip planners, assistants and a price comparison tool (FACT).

CUSTOMER RELATIONSHIPS

- **Genius loyalty** — expanding across verticals at Booking.com (FACT).
- **Mobile app** — mid-fifties percent of room nights; mostly direct (FACT).
- **AI customer service** — better resolution times and satisfaction (FACT).
- **Partner tools** — Smart Messenger and Auto-Reply (FACT).
- **Cancellation flexibility and coupons** — used to stay competitive (FACT).

CHANNELS

- **Performance marketing** — search engines, affiliates, meta-search, social (FACT).
- **Brand marketing** — digital and television advertising (FACT).
- **Direct traffic** — mid-fifties percent of room nights (FACT).
- **Mobile apps** — mid-fifties percent of room nights (FACT).
- **AI platforms** — a risk and an opportunity as agents book travel (FACT).

CUSTOMER SEGMENTS

- **Leisure and business travelers** — across 220+ countries and territories (FACT).
- **Accommodation partners** — hotels, resorts, homes, apartments (FACT).
- **Value shoppers** — Priceline, primarily North America (FACT).
- **Asia-Pacific travelers** — Agoda, headquartered in Singapore (FACT).
- **Diners and restaurants** — OpenTable, primarily U.S. (FACT).
- **Referral advertisers** — travel sites that pay KAYAK (FACT).

COST STRUCTURE

- **Marketing** — \$8,186M in FY25, 30.4% of revenue (FACT).
- **Sales and other** — \$3,453M, incl. merchant transaction costs (FACT).
- **Personnel** — \$3,403M; about 24,300 employees (FACT).
- **IT** — \$908M, up 17.8% on cloud costs (FACT).
- **Impairment and transformation** — \$457M and \$205M in FY25 (FACT).
- **Interest expense** — \$1,617M in FY25 (FACT).

REVENUE STREAMS

- **Merchant revenue** — \$17,755M in FY25, +25.5% (FACT).
- **Agency revenue** — \$7,968M in FY25, -6.5% (FACT).
- **Advertising and other** — \$1,194M in FY25, +11.3% (FACT).
- **Take rate** — 14.5% of gross bookings in FY25 (FACT).
- FY25 operating income \$8,825M; net income \$5,404M (FACT).
- H1 2026 revenue \$12,884M, +11.5%; Q2 \$7,352M, +8.1% (FACT).