

Duff on Hospitality Law

OTA & Travel Distribution Update - Final review of antitrust allegations against hoteliers; Guest ownership as spoils of today's digital war; Homeaway adds traditional hotel inventory; Chatbots become more mainstream

By Greg Duff on 6.15.18 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending June 8, 2018 is below. This week's Update is a lengthy one and includes our sixth and final installment of our series in anti-trust challenges to hoteliers' keyword practices. I hope you enjoy.

Competitors' Agreement to Restrict Keywords – Bad / Hoteliers' Organization of Distribution Chains – Good

(Keyword Restrictions - Part VI: Hotels and OTAs – Where Do We Go From Here?," GSB Client Update, June 8, 2018)

Don completes his review of recent anti-trust allegations made against hoteliers in his sixth and final installment and touches briefly on Google's role in all of this.

Guest Ownership Are the Spoils of Today's Digital War

("Marriott CEO on Tech Giants: 'We Are in an Absolute War for Who Owns the Customer,'" Skift Travel News, June 8, 2018)

One of the most highly-anticipated sessions each year at the annual NYU International Hospitality Industry Investment Conference is the opening CEO panel. This year's panel did not disappoint, as Marriott CEO Arne Sorenson took the opportunity to provide the audience with one of the most honest assessments of the threat posed to the lodging industry by the rapidly changing (and growing) digital platforms of Google, Facebook and Amazon. Among his many observations – both during the CEO panel and in a follow up interview with Skift – Sorenson noted the reinvention of search through Amazon's use of voice-activated devices, the important role of loyalty in fending off these digital platforms, the leveraging of Marriott's activity platform, Marriott Moments, for both guests and locals, and upcoming negotiations with the OTAs.

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Homeaway Joins Competitors in Adding Traditional Hotel Inventory

("It's Not Just Airbnb — HomeAway Starts Adding Hotels Too," Skift Travel News, June 6, 2018)

Over the past few weeks, we've featured a number of stories on Airbnb's growing product diversification as it seeks to add independent hotels and B&Bs to its accommodation inventory. Homeaway announced plans this past week to begin including traditional hotel listings on its short-term rental platform, though Homeaway is doing so simply by connecting with its sister Company, Expedia.

Chatbots Become More Mainstream

("Travelers are putting chatbots to work to find the best deals," Dallas News - All Content, June 4, 2018)

Tired of stressing about getting the lowest price airline ticket or hotel room? Time for DoNotPay.com, a website that not only monitors users' flight or hotel bookings, but uses its chatbot functionality to contact the subject airlines or hotel chains to re-book the lower priced tickets or hotel rooms and secure refunds.

Other news:

In land of the giants, smaller OTAs find ways to grab customers - travelweekly.com

Hospitality Net - Latest Industry News, June 7, 2018

OTAs' share of the U.S. travel market continued to rise last year. While that market share is dominated by Expedia Group and Booking Holdings brands, smaller OTAs are making inroads, thanks to strategies that include mobile-only approaches.

Accor Hotels starts facial recognition trials in Brazil

ZDNet - News, June 4, 2018

Accor Hotels has started a facial recognition trial in Brazil as a means to improve customer service delivery. Selected guests of the hotel's loyalty program will be the first users the new technology at a Pullman hotel in São Paulo. Facial-recognition databases used by the FBI and state police hold images of 117 million US adults, according to new research. Under the trial, guests are able to register at the desk or an information pillar at the reception then use facial recognition to access the room, therefore removing the need for keycards.