

Duff on Hospitality Law

OTA & Travel Distribution Update: BookingSuite pivots; TripAdvisor expands sponsored placements; rate detection services benefiting from wholesaler abuses

By Greg Duff on 3.15.19 | Posted in OTA Update

This week's Update includes a heavy dose of TripAdvisor updates. Once the dust settles a bit on this past week's big news – the announced acquisition of Hotel Tonight by Airbnb – we'll update everyone on the acquisition and its anticipated effects. Is it a game changer? I don't think so. Does the acquisition expedite the inevitable standardization of products and services across all the major online travel distribution platforms, definitely. In the meantime, enjoy this week's Update everyone.

BookingSuite Pivots

("Booking.com pivots BookingSuite into a hotel tech app store," Phocus Wire, March 6, 2019)

Since we first began our weekly OTA & Travel Distribution Update nearly 4 years ago (yes, it has been that long), we have periodically featured stories detailing Booking.com's efforts to diversify its service offerings through a series of small software company acquisitions. As everyone knows, this combination ultimately became BookingSuite and featured the products and services of former standalone companies Buuteeq, Hotel Ninjas and PriceMatch. In its latest iteration, BookingSuite (now operating as "BookingSuite App Store") has moved beyond its own proprietary offerings and now features the products and services of 45 third-party providers including ReviewPro, OTA Insight, HotBot and others. In the meantime, enjoy this week's Update everyone.

TripAdvisor Expands Sponsored Placements

("TripAdvisor expands Sponsored Placements for hotels adds new features," Phocus Wire, March 5, 2019)

Just a week after the UK's Competition and Markets Authority's issuance of commercial standards governing the allegedly misleading sales practices of certain OTAs and other online booking channels operating in the UK (including TripAdvisor), TripAdvisor announced this past week that it is expanding its pay-for-placement product, Sponsored Placements. According to the announcement, now any hotelier that provides TripAdvisor rates and availability may pay for better positioning on TripAdvisor's website. The now widely available Sponsored

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Placements also feature a number of new tools that allow hoteliers to target better their display advertising efforts. Given the recent CMA's action, I suspect that TripAdvisor will go to great lengths to ensure that these Sponsored Placements are well identified. If you have not yet considered adding TripAdvisor and its Sponsored Placements functionality to your keyword or negative keyword restrictions, it might be time to do so.

Rate Detection Services Benefiting From Wholesaler Abuses

("Hotels Tap New Tech to Clamp Down on Rogue Rates," Skift Travel News, March 4, 2019)

We've featured a number stories recently on the abusive "non-contracted" rate practices of a handful of "rogue" wholesalers. Hoteliers (and OTAs seeking to enforce mandatory parity requirements) are now turning to technology to help identify these non-contracted rates and the parties responsible for distributing them. Fornova, OTA Insight and RateGain are examples of companies providing these rate monitoring or benchmarking solutions. Last week, Fornova announced its acquisition of HotelsBI, a company that provides business intelligence services across a hotelier's many operations systems to better monitor rate practices. This recent acquisition is further evidence of hoteliers' (and OTAs') increasing interest in reigning in the distribution of non-contracted rates.

Other news:

TripAdvisor defends handling of rape claims at hotels

CBS News - U.S. Headlines, March 5, 2019

Sixteen months after coming under fire for its handling of claims of sexual assault on its customer forums, TripAdvisor is again defending its policy of not removing a business listing "when something terrible happens." An article published Tuesday in the British newspaper The Guardian relayed the distress of two women allegedly raped by employees of businesses listed on the travel site. One of the women told the newspaper she objected to TripAdvisor's suggestions that she "recall the humiliating details of my own sexual assault."

Travel Sites Owe Lower Tax On Car Rentals: Hawaii Justices

Law360 - Tax on Mar 5, 2019 (subscription required)

The Hawaii Supreme Court has ruled that five online travel platforms must pay the state's general excise tax on car rental transactions completed through their sites, but the companies only owe tax...

TripAdvisor Wants Sanctions In NJ Suit Over Shoddy Tour

Law360 - Hospitality on Mar 5, 2019 (subscription required)

TripAdvisor on Tuesday asked a New Jersey federal court to sanction a woman and her attorney for maintaining her consumer fraud suit against the company over an allegedly shoddy tour...