

Duff on Hospitality Law

OTA & Travel Distribution Update: The debate on Booking.com and Expedia's dominance in the marketplace; Silver Lake invests \$108 million in Vacasa; industry experts question Expedia's Partner Recovery Program

By Greg Duff on 6.8.20 | Posted in OTA Update

We cover the gamut of distribution topics in this week's Update – OTAs, GDS, search, short-term rentals and wholesalers. Enjoy.

Is OTA Supremacy Undeniable?

("Online Travel: Can Anyone Challenge The Supremacy Of Booking And Expedia?" Jun, 2020 via Hospitality Net - Latest Industry News)

Similar questions have been asked frequently across the industry as pundits, analysts and experts have warned that the struggling lodging industry is destined to repeat its post-9/11 practices of effectively turning over control of its room inventory to online distributors. Several of this week's stories look closely at this issue and try to answer the question of whether hoteliers are bound to repeat history or will perhaps use this opportunity to forge a new path.

Silver Lake Expands (Again) Its Stake in the Travel Industry

("Silver Lake makes another travel bet, leads \$108M investment in vacation rental platform Vacasa, Jun 2nd, 2020 via GeekWire)

If the name Silver Lake isn't familiar to you by now, it should be. Over the past few weeks, the powerhouse Silicon Valley technology investment firm has chosen to ignore the much-publicized effects of COVID-19 on the travel industry and instead made significant investments in Airbnb, Expedia and now, vacation rental platform, Vacasa. On Tuesday, Vacasa announced that it had successfully closed its Series D investment round, which was led by Silver Lake. This latest \$108 million infusion will help Vacasa weather the COVID downturn and continue investing in its meteoric rise in the vacation rental and management space.

Expedia's Partner Recovery Program Questioned

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("Experts say buyer beware when it comes to Expedia partner recovery program, Jun 5th, 2020 via phocuswire.com)

I encourage you to read the recent PhocusWire story, which covers Expedia's newly announced Partner Recovery Program. While the Program may be beneficial for some properties, the Program's eligibility requirements (and the long-term (post-COVID) effect of satisfying those requirements) need to be considered carefully.

Hotelbeds Partners with Trip.com

("Hotelbeds signs activities partnership with Trip.com, Jun 5th, 2020 via Travel Daily)

This past week, Hotelbeds announced a new strategic partnership with Trip.com (f.k.a. Ctrip) through which Hotelbeds' Beyond The Bed collection of activities, transfers and attractions will now be available (via API direct connectivity) to Trip.com users at various sales points and distribution channels. I'm sure I'm not the only person questioning whether this new partnership will somehow exacerbate the onward distribution of uncontracted rates that has plagued hoteliers over the past few years.

Other news:

Expedia TAAP Supports Travel Advisors With Incentive Program to Kickstart Recovery

Jun 5, 2020 via Travel Pulse

Expedia Partner Solutions (EPS), one of the B2B partnership brands of Expedia Group, is supporting US-based travel agents to kick start the revival of the travel industry through its new incentive program.

Google Expands Pay-Per-Stay Hotel Ad Product to Quell Risk Aversion

Jun 1, 2020 via phocuswire.com

As hotels look for ways to capture new bookings while minimizing expenses, Google is offering a new ad pricing product that provides low-risk visibility in its Google Hotel Ads platform. Since April, Google has made its "pay-per-stay" (formerly Google Hotel Ads Commission Program) available to all Google Hotel Ads partners globally, expanding from a small pilot that had operated for a few years.

Booking.com Extends Chairwoman Gillian Tans' Contract to 2021 in Surprise Move

Jun 2, 2020 via Skift

In a surprise move, Booking.com chairwoman Gillian Tans has extended her employment contract to 2021, a year longer than expected, Skift has learned. The move comes as Amsterdam-based Booking.com declined to apply for an extension of Dutch government relief, a move that likely means layoffs are coming.

Sabre Cutting 800 jobs, Realigning Company

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Jun 5, 2020 via travelweekly.com

Sabre will cut lose 800 employees in 43 office locations and will combine its airline and agency-focused businesses as part of a strategic realignment. Sabre said further details about the organization and its leadership team will be announced in July, when the structure goes into place.