

Duff on Hospitality Law

OTA & Travel Distribution Update: Booking Holdings and TripAdvisor dominate headlines with second-quarter earnings releases, reflecting historical impact of COVID-19 with some signs of improvement

By Greg Duff on 8.12.20 | Posted in OTA Update

Below is an abbreviated version of this week's OTA & Travel Distribution Update. Enjoy.

Booking Holdings Feels "Full Impact" of Coronavirus as Gross Bookings Plunge 91 Percent in Q2 2020

Aug 6, 2020 via Phocus Wire

Booking Holdings' gross travel bookings plummeted 91 percent to \$2.1 billion in the second quarter of 2020 as the company felt the "full impact" of COVID-19, said President and CEO Glenn Fogel.

Booking Sees Recovery After Reporting Record Sales Decline

Aug 6, 2020 via Bloomberg Quint – Stories (subscription may be required)

Booking Holdings Inc. beat Wall Street's subdued expectations and gave a positive outlook for the current period, sending the shares 5 percent higher in extended trading. The Norwalk, Connecticut-based company said revenue fell a record 84 percent in the second quarter from a year earlier to \$630 million. That was the lowest in a decade and shows how the COVID-19 pandemic has gutted the travel industry.

Booking.com Restructuring Will Pare Its Workforce By Up to 25 Percent

Aug 4, 2020 via Skift Travel News (subscription may be required)

Later than any of its peers, Booking.com announced Tuesday it will be restructuring and eliminating up to 25 percent of its global employee base, a number Skift estimated to be approximately 4,300 employees.

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Booking Holdings Says Leisure Hotels Are Able to Hold Rates Without Having to Offer Deep Discounts

Aug 6, 2020 via Skift Travel News (subscription may be required)

When the pandemic first struck, some observers worried that hotels would engage in deep discounting to try to fill occupancies. But new data from travel conglomerate Booking Holdings suggests that hotels have held the line on average daily rates generally speaking despite the large number of vacancies.

Booking Holdings Execs Discuss Domestic Booking Trends

Aug 7, 2020 via Hotel Business - News

In the second quarter, Booking Holdings Inc. saw revenue decline 84 percent versus last year and experienced its first quarterly EBITDA loss since 2001. However, as the quarter progressed, it also saw encouraging domestic booking trends.

Expedia Group Expands Optimized Distribution for Lodging Partners

Aug 4, 2020 via Hospitality Net - Latest Industry News

Expedia Group announced that it has rolled out its optimized distribution program for all medium to large-size lodging partners, allowing them to tap into new areas of B2B demand and giving them increased control of their B2B rates, availability and content across a network of global travel providers.

Expedia and Airbnb Bosses Have Conflicting Visions About the Future of Travel

Aug 5, 2020 via Skift Travel News (subscription may be required)

The heads of two of the largest U.S.-based online travel companies, Brian Chesky of Airbnb and Peter Kern of Expedia Group, have gazed into their crystal balls and conjured clashing visions about the future of travel. Kern argued last week during an earnings call that “travel is like water, it finds its way.” If travelers can’t fly internationally, they’ll drive domestically and choose short-term rentals if they consider hotels unappealing, Kern said.

European Hoteliers Shift Expectations For Financial Recovery Timeline From 2021 To 2022, New Research Reveals

Aug 7, 2020 via Hospitality Net - Latest Industry News

Key Points: New research - published in the July edition of The Hotelier PULSE Report, co-authored by Guestcentric & Great Hotels of The World, reveals a 25, 52 percent decrease in European hoteliers expecting to financially recover to 2019 levels in 2021.

Europe Sees Modest Rebound in Cheap Flight Bookings: New Skyscanner Data

Aug 6, 2020 via Skift Travel News (subscription may be required)

Europe has experienced a choppy tourism recovery, and Skift has been tracking the mixed signals. Fresh data underscores how the recovery in flight search has been uneven during

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these crucial high-season weeks. The figures suggest a modest rebound in some leisure flight bookings in Europe overall, but a retrenchment in other areas.

Sabre Preps for a World Where Global Corporate Travel Lags a Broader Rebound

Aug 7, 2020 via Skift Travel News (subscription may be required)

Over a few decades, Sabre has managed to bounce back after recessions. After crises in 2001 and 2008, the Southlake, Texas-based travel technology business returned to fat years after living through lean ones without much delay.

Tripadvisor Revenue Down 86 Percent in Q2 to \$59 Million, Still Better Than Expected, Says CEO

Aug 6, 2020 via Phocus Wire

For the second quarter of 2020, Tripadvisor is reporting revenue of \$59 million, a \$153 million net loss and a \$74 million adjusted EBITDA loss – but in a letter to shareholders, Co-Founder and CEO Steve Kaufer says that is still “better than our previously disclosed expectations.”

Tripadvisor Sees a Traffic Rebound But Revenue Still Lagging

Aug 7, 2020 via Skift Travel News (subscription may be required)

Tripadvisor represents a tale of two recoveries. Customers dreaming of travel during the pandemic restrictions have been coming back to its brands to research trips and outings. But a lack of confidence has been preventing the Needham, Massachusetts-based company from driving revenue from that recovery in the short-term.

Tripadvisor Looks to Direct-to-Consumer Offerings to Boost Business

Aug 7, 2020 via Hotel Business - News

During Tripadvisor Inc.'s earnings call for the second quarter ended June 30, CEO Steve Kaufer pointed out that unique users to the website improved month to month and also described some of the company's new direct-to-consumer offerings.

U.S.-China Tensions Could Roil Internet Usage Rules, Hurting Online Travel: Booking CEO

Aug 7, 2020 via Skift Travel News (subscription may be required)

Travel companies will be more cautious in approaching markets in China due to geopolitical tension. That was the message of Glenn Fogel, Booking Holdings CEO and President, during a Friday interview with CNBC.

U.S. Short-Term Rental Bookings at 81 Percent of 2019 Levels Despite COVID-19, Boosting Airbnb & Vrbo

Aug 4, 2020 via Hotel News Resource

Short-term rental bookings are proving to be a bright spot in the U.S. travel sector during the COVID-19 pandemic, according to data from AllTheRooms Analytics, a provider of short-term rental analytics. Despite rising U.S. cases in the last two months, short-term rental bookings for

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the next 180 days made on platforms such as Airbnb and Vrbo have continued to rebound, and are now at 81 percent of their 2019 levels.