

Duff on Hospitality Law

OTA & Travel Distribution Update: Online travel suppliers come and go on Google's short-term rental platform; Google launches contactless guest system for travelers; EU regulators once again take different approaches to rate parity

By Greg Duff on 9.3.20 | Posted in OTA Update

This week's Update features important updates on the status of rate parity in the EU and introduces yet again, new tools by Google for safety conscious travelers.

Suppliers Come and Go on Google's Short-Term Rental Platform

*("Booking Is In, Airbnb Is Out of Google Vacation Rentals," Aug 26, 2020 via Skift Travel News)
(subscription may be required)*

Participate in the free advertising program of the world's most dominant search engine (and at the same time further strengthen the search engine's dominance) or shun the program and its millions of potential users and go it alone? That is the difficult choice currently facing short-term rental suppliers (i.e., OTAs and management companies). In the year since Google launched its vacation rental program, suppliers have come and gone (and come again). Just a few months ago, neither Booking.com nor its sister-company, Agoda, participated in the program (after being featured as one of the primary participants at the program's launch in early 2019). Airbnb followed quite a different path, joining the platform when Booking.com/Agoda were out and then leaving the platform when Booking.com/Agoda returned. Today, Booking.com and Agoda are both participants, while Airbnb is not.

Google (Again) Launches New Tools for Travelers

("Google expedites launch of contactless guest system for hotels in response to COVID," Aug 26, 2020 via Phocus Wire)

As the demand for contactless technology increases, Google is now making its Nest Hub devices and Google Assistant available to hotels across the United States. Until now, the solution has been available to only a select group of pilot users. Similar to Amazon's Alexa for Hospitality, which launched in 2018, Google's solution offers hotels the opportunity to customize the services and features it offers – service requests, media, check-out, guest surveys and the ability to control in-room devices. The in-room solution also provides a real-

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time translation feature that allows hotel staff to communicate with guests in 29 different languages.

EU Regulators (Again) Take Different Approaches to Rate Parity

("Booking.com spars with German antitrust regulator over 2015 ban of 'narrow parity clauses'," Aug 28, 2020 via MLEX Insight)

While the number of EU regulators welcoming Booking.com's (and Expedia's) voluntary extension of its previous (2015) "narrow" parity commitments continues to grow, Germany has again elected to take a different approach. This past week, Booking.com and the German competition authority (Bundeskartellamt) exchanged barbs over the results (and relevance) of a recent investigation by the authority into the effects of Booking.com's narrow parity requirements. The authority, which is currently appealing a lower German court's ruling striking down the authority's prior prohibition of parity, asserts that the investigation rejects the so-called "free-riding" justification often used by OTAs to support parity requirements. In response, Booking.com questioned the relevancy of the authority's investigation (given the lower court's previous ruling) and (not surprisingly) argued that the minimal parity requirements are necessary to prevent free riding by hoteliers, which will ultimately undermine OTAs and lead to less price transparency and higher consumer prices.

Other news:

Trip.com Group Limited (NASDAQ:TCOM) Expected to Announce Quarterly Sales of \$362.05 Million

Aug 28, 2020 via Zolmax News

Brokerages predict that Trip.com Group Limited (NASDAQ:TCOM) will post \$362.05 million in sales for the current quarter, according to Zacks. Four analysts have provided estimates for Trip.com Group's earnings.