

Duff on Hospitality Law

Online Travel Update: Expedia Chairman anticipates the bounceback of leisure and business travel; Nevada court rules litigation against online travel agencies can continue; Booking.com loses court battle in Germany

By Greg Duff on 5.28.21 | Posted in Online Travel Update

This week's Update contains a variety of stories, including details of a recent court win for German hoteliers and the recent musings of the always entertaining, Barry Diller. Enjoy.

Barry Diller's Latest

("Expedia's Barry Diller on Biz Travel Doubters: 'They're All Dopes,'" May 21, 2021 via Skift Travel News (subscription may be required))

Last week, in a CNBC interview with Expedia Group chairman, Barry Diller, he shared his latest views on the return of travel. Diller, like many, believes that leisure (consumer) travel will be the first to return. Diller did take issue with those that speculate business travel will never return. Barry's assessment? "They're all dopes." Many in the airline industry share Diller's view on business travel with several predicting a return following the Labor Day holiday.

Nevada Court Allows Online Travel Agency (OTA) Litigation to Continue

("Judge: Nevada case against online travel companies continues," May 18, 2021 via Vegas Inc - All Stories Headlines (Las Vegas, Nevada))

Last week, a Nevada state court ruled that litigation brought on behalf of the State of Nevada against several of the largest Online Travel Agencies (OTAs) could continue. The litigation, like so many other lawsuits filed against OTAs over the past several years, alleges that the OTAs have underpaid taxes owed on the bookings. The industry will be keeping a close eye on these cases as their outcome will have a long-lasting effect.

Booking.com Loses Defense of "Narrow" Parity

("Booking.com loses German antitrust case over 'narrow' hotel-reservation clauses," May 18, 2021 via MLEX Insight; "Germany: hoteliers win against Booking.com," May 18, 2021 via Le Figaro (translated))

With its decision last week, the German Federal Court of Justice (the highest court in Germany)

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has banned Online Travel Agency's (OTAs) use of all so-called "narrow" (or direct channel) parity provisions. In other words, German hoteliers are now able to offer rates on their own websites lower than the rates offered through OTAs as well as offer differing rates among its OTA partners. The decision culminates a process that began back in 2013 when Germany's competition authority determined that OTAs' use of both indirect and direct booking channels was anti-competitive. Even after Booking.com's adoption of narrow parity in 2015 (like it has successfully done in so many other countries to avoid anti-competition scrutiny), the German authority continued its efforts to ban the parity requirements. In a statement responding to the recent high court decision, Booking.com expressed concern that the decision could result in consumers paying more for their stays. Whether that actually happens and whether the decision will have any effect on other European Union member states and their disparate approaches to rate parity remains to be seen. In the meantime, German hoteliers have something to celebrate.

Other News:

[Four Key Takeaways From Skift's Short-Term Rental and Outdoor Summit](#)

May 20, 2021 via Skift Travel News (subscription may be required)

The short-term rental, vacation home rental and outdoor adventure sectors have been the most resilient parts of the travel industry during the pandemic. Brands have used recent waves of consumer and investor interest to raise their games and ambitions. Yet questions remain for all three segments.

[Expedia, Booking.com and Airbnb Differ on Marketing Tactics as Recovery Begins](#)

May 19, 2021 via Phocus Wire

Three giant brands in online travel are attempting to capture some of the so-called pent-up demand for trips as lockdowns ease in some markets around the world. Two of the trio – Expedia Group and Booking Holdings – are putting their faith in age-old performance marketing tactics that have served them well for over a decade, although the former is taking a slightly different approach.

[Pandemic Highlights Value of Travel Agents](#)

May 14, 2021 via Yahoo Finance - Top Stories

Planning a trip overseas these days requires more than the usual hunt for cheap flights and a sweet hotel. Travelers need to know when they can reasonably go, which countries are ready to accept them, what will be open, what entry requirements their destination may demand and, if they care about such things, which hotels have implemented extra germ-busting protocols.

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New Chat-Based Corporate Travel Service Launches in Japan

May 21, 2021 via Phocus Wire

Japan-based global online travel company Venture Republic is launching a new chat-based corporate travel booking and management service in collaboration with LINE Works, the business chat service division of Japanese communications company.