

Duff on Hospitality Law

## **Online Travel Update: Booking Holdings to acquire Getaroom; Amadeus announces value-based agreement with Delta Airlines; the end of travel advisors may be near**

By Greg Duff on 11.19.21 | Posted in Online Travel Update

We begin this week's Update with the announced acquisition of Getaroom by Booking Holdings. Enjoy.

### **Booking Holdings to Acquire Getaroom**

*("Booking Holdings to Acquire Getaroom for \$1.2 Billion," November 12, 2021 via Phocus Wire)*

On Friday (November 12), Booking Holdings announced one of its largest acquisitions in some time – the \$1.2 billion purchase of B2B platform, Getaroom. At closing, Getaroom will join Priceline's strategic partnerships team, Priceline Partner Network, which, Priceline claims, will result in new and improved B2B distribution opportunities for its hotel suppliers.

### **Amadeus Announces Value-Based Agreement With Delta Airlines**

*("Amadeus Enters Into Value-Based Distribution Deal With Delta," November 10, 2021 via Travel Weekly)*

Seeking to leverage global distribution systems' (GDS) improved merchandising platforms (through which suppliers like Delta can display a full range of ancillary and premium products), Delta has struck its third value-based distribution agreement – this time with Amadeus. Like Delta's previous agreements with Sabre (May) and Travelport (August), this latest agreement allows Delta to move away from flat transaction fees to value-based fees determined by the value of each booking. As hotels consider attribute-based pricing (see our prior [story](#)) or alternative uses of their services and amenities (e.g., day use, co-working, etc.), can hotels' use of these new GDS merchandising platforms be far behind?

### **Is This the End of the Travel Advisor?**

*("U.S. Travel Agencies Can't Cope With Demand Because of Advisor Shortage," November 9, 2021 via Skift) (subscription may be required)*

As the travel industry continues to return to "normalcy," one thing has become increasingly clear. The industry's labor shortage is likely to have a profound and potentially long-lasting effect. This week's example – the endangered travel advisor. With 62 percent of U.S. travel advisors

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either laid off or furloughed in 2020, and travel agency owners either unwilling or unable to rehire advisors, clients desperate to travel have two choices – postpone or even cancel their travel plans or find some other booking alternative. As we noted a few weeks [earlier](#), there is growing evidence that those travelers who not willing to wait are beginning to use booking alternatives. Neither choice is good for the industry. Postponing travel or not traveling at all is obviously not good for anyone – particularly the millions employed globally in the travel industry. A wholesale shift in booking behavior (similar to the dramatic shift that occurred post 9/11) presents its own challenges. Travel advisors play critical roles in the travel ecosystem, particularly for those suppliers with a wide variety of customizable products and services (think cruise, tours and luxury travel). Not only are many of these booking alternatives (even direct channels) poorly suited to promote and “sell” (or upsell or cross sell) these products and services, but as history has shown, many of these third-party channels become prohibitively expensive and difficult to manage as they grow in popularity and begin to yield considerable market power.

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Other news:

### **[Apple Privacy Changes Could Give More Leverage to Big Online Travel Agencies](#)**

*November 10, 2021 via [Skift Travel News](#) (subscription may be required)*

Apple’s privacy changes are becoming a marketing and personalization headache across the travel industry, but they could further strengthen the largest online travel agencies with access to huge amounts of first-party data versus smaller competitors.

### **[Tripadvisor CEO Steve Kaufer to Retire as Company Posts Q3 Revenue of \\$303 Million](#)**

*November 8, 2021 via [Phocus Wire](#)*

Tripadvisor announced the news in tandem with its financial report for the third quarter of 2021. Kaufer says he will remain in his position until a successor is named.

### **[SiteMinder Grabs Unicorn Status in Australia IPO](#)**

*November 8, 2021 via [Skift](#) (subscription may be required)*

Chalk one up for the behind-the-scenes channel managers and hotel distribution: Sydney-based SiteMinder achieved unicorn status in an initial public offering in Australia, and had a market cap of around \$1.4 billion (AU \$1.88 billion) at the close of trading Monday.