

Duff on Hospitality Law

Online Travel Update: Booking.com Adds Loyalty Program Benefits; Yelp Makes News on Two Fronts; and Major OTAs Spend More Billions on Marketing

By Greg Duff on 4.8.22 | Posted in Online Travel Update

After a few quiet weeks, last week produced a number of stories that caught our attention and made it into our weekly Update, including two interesting stories on customer reviews. Enjoy.

Booking.com Adds Loyalty Program Benefits

(“Booking.com Adds a Third-Level of Benefits to Its Loyalty Program,” April 1, 2022 via Hospitality Net - Latest Industry News)

Booking.com announced last week that it was adding a new, third tier to its Genius loyalty program. Members qualifying for this new level will enjoy discounts of up to 20 percent (as compared to discounts of 10 percent and 15 percent for first tier and second tier members, respectively), free upgrades (at participating properties), free breakfast (also at participating properties) and priority customer support (with live service agents). With this latest announcement, suppliers should again expect a big push by Booking.com to grow the number of properties in its loyalty program. Market managers will be busier than ever in trying to convince individual properties to offer deeply discounted “Genius” rates.

Yelp Making News on Two Fronts

(“Yelp Reviews Not Meaty Enough To Support Defamation Suit,” March 30, 2022 via Law360)
(“Yelp expands health ratings for restaurants, with help from Seattle startup,” April 1, 2022 via Geekwire)

Our Update features two stories this week on restaurant review site, Yelp. The first details a recent announcement by Yelp to now include health inspection data to its existing restaurant reviews. Leveraging health inspection data collected (or even generated) by local Seattle startup, Hazel Analytics, Yelp will now provide inspection results for restaurants in 48 states, and Toronto and Vancouver. Given customers’ (and travelers’) continuing concerns regarding health and safety (a phenomenon likely to continue long past COVID), this addition of health inspection data is not surprising. Our second story looks at an issue that is frequently raised by many of our clients – at what point does a user’s review cross the line from helpful information to actionable defamation or libel? The case at issue arose from two patrons’ reviews of a Pennsylvania restaurant’s “mediocre” offerings and lack of supplies. On Wednesday, March 30,

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a New Jersey federal court dismissed the restaurateur's defamation claims, stating that the patrons' reviews constituted a statement of opinion and not fact (and therefore did not support the defamation claim). The restaurateur's related claims for libel and tortious interference were also dismissed.

Here Comes Those Crazy Marketing Budgets Again

("Online travel giants ramped up marketing spend in 2021," March 30, 2022 via Phocus Wire)

No, we are not back to 2019 (pre-pandemic) levels quite yet, but the amounts spent by the major online travel agencies (OTAs) for marketing this past year were close. In 2021, Booking Holdings spent \$3.8 billion on marketing, which is a considerable increase over 2020 (\$2.2 billion) but still below its 2019 peak (\$4.98 billion). In the fourth quarter alone, Booking Holdings spent nearly \$1 billion (\$974 million) on marketing activities. Not to be left behind, Expedia Group actually outspent its rival by nearly \$300 million in 2021 (total spend of \$4.1 billion, compared to its 2019 peak of nearly \$6 billion). In contrast, Airbnb, which has largely avoided many of the traditional online marketing tactics of its OTA rivals, spent only \$1.9 billion. Trip.com spent \$772 million in its 2021 marketing efforts, which is far behind its 2019 peak of \$1.3 billion. My prediction - expect record levels of marketing spend in 2022.

Other news:

HotelPlanner and Choice Hotels Sign Deal to Integrate Group Bookings

March 31, 2022 via PRWeb

HotelPlanner, a leading travel technology platform powered by proprietary artificial intelligence, announced a service provider alliance with Choice Hotels International, Inc. The alliance integrates HotelPlanner's group inventory and group leads with Choice Hotels properties to expand group sales for both companies.

Google Maps Antitrust Probe Gains Momentum

March 31, 2022 via Skift (subscription may be required)

The U.S. Justice Department has breathed new life into an investigation of Google Maps to determine if bundling the service together with other Google software illegally stifles competition, according to two sources familiar with the matter. The probe of the Alphabet Inc unit first came to light in late 2020 and had been quiet until recent months when investigators again began making inquiries, the sources said.

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CWT Adds Point-of-Booking Carbon Indicators

March 28, 2022 via Business Travel News

CWT has partnered with Thrust Carbon to add carbon footprint indicators at the point of sale in its myCWT web and mobile booking tools. With the data integrated, travelers can see estimates of carbon emissions for flight and hotel choices, and compare them with the typical carbon footprint for air routes, according to screenshots provided by CWT.

Tags: Defamation, marketing, Online Reviews, OTAs, restaurants