

Duff on Hospitality Law

Online Travel Update: Trivago Is Fined for Misleading Room Rates; Travel Influencers Are Under a Legal Microscope; and the U.K. Announces New Rules on Fake Reviews

By Greg Duff on 4.29.22 | Posted in Online Travel Update

We begin this week's Update with the promised overview of the [DOJ's recent guidance on the ADA and website accessibility](#). Enjoy.

Expedia Group's Trivago Fined for Misleading Room Rates

("Trivago fined for misleading consumers on hotel room rates," April 22, 2022 via Hotel Management Network - Top Stories)

Last week, the Australian Federal Court fined metasearch platform, Trivago, \$44.7 million for its misleading claims about rates on its website and in television advertising. The decision culminates an extensive investigation by the Australian Competition and Consumer Commission (ACCC) that began 2018. At issue was Trivago's use of an internal algorithm that produced search results based on the cost-per-click (CPC) fees paid Trivago by booking sites (the higher the fees paid, the better search placement) and not, contrary to advertising by Trivago, on the lowest available rates. As part of the investigation, Trivago admitted that use of the algorithm caused consumers to overpay approximately \$38 million to booking sites.

Influencers Under a Legal Microscope

("Consumer watchdog 'takes stand' against dishonest travel influencers," April 19, 2022 via Travel Weekly)

Last week, the consumer-advocacy group, [Travelers United](#), filed suit against social media influencer, [Cassandra De Pecol](#) and her company, Expedition 196. In its lawsuit, Travelers United takes aim at De Pecol's claim that she is the first woman to travel to all the countries in the world (despite evidence that several women accomplished the goal before De Pecol), De Pecol's alleged failure to disclose that she's paid by many of the brands she features in her social media posts and De Pecol's allegedly misleading reviews (actually, her own reviews) of her recent book. The suit suggests that Travelers United may be making an example out of De Pecol whose alleged practices are reflective of the many perceived ills of social media generally.

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The U.K. Announces New Rules on Fake Reviews

("New rules to protect consumers' hard-earned cash," April 19, 2022 via UK Government - News and Communications)

It wasn't that long ago that the UK's Competition and Markets Authority (CMA) and its predecessor made news in the online travel industry with its creation of the now infamous "closed users groups." Now, the U.K. government is granting new enforcement powers to the CMA to better equip the CMA as it prepares to enforce several newly announced consumer laws. Fake reviews are among the many practices targeted by the new laws, including those that pay others to write a review, host reviews without taking reasonable measures to ensure they are genuine and offer to submit or facilitate fake reviews. With its new enforcement powers, the CMA will be able to award compensation directly to consumers harmed by these practices and to impose financial penalties without court proceedings.

Other news:

Expedia Joins Travalyst to Support Sustainability Mission

April 20, 2022 via Travel Weekly (UK)

Expedia Group is the latest company to join Travalyst, the sustainable travel organization founded by Prince Harry. The online travel company said its partnership with Travalyst will support the organization's goal of moving towards an industry-wide alignment for the decarbonization of aviation.

Omri Morgenshtern Now Helms Agoda

April 20, 2022 via TTG Asia

Booking Holdings has promoted Omri Morgenshtern to the role of Agoda's Chief Executive Officer, effective July 1, 2022. He will take the reins from John Brown, who will assume the role of Chairperson. Morgenshtern is currently Agoda's Chief Operating Officer, a role he has held since July 2018.