

Duff on Hospitality Law

Online Travel Update: Why Banks' Growing Interest in Travel?

By Greg Duff on 7.22.22 | Posted in Online Travel Update

It was another slow week in the online travel industry. Following up on our observations from a few weeks ago, we feature a story on banks' now undeniable interest in travel. We also include a story on payments. This story is not our first story on payments, but it is an indicator of where we expect to spend more time in the weeks ahead. Enjoy.

Banks and Travel

(["Banks Look to Travel to Boost Customer Loyalty," July 15, 2022 via Phocus Wire](#))

A few weeks ago, we noted banks' growing interest in travel and travel related companies. If nothing else, readership of our distribution blog by banks and other financial companies has grown exponentially this past year. So why the interest? According to PhocusWire, the interest is primarily a loyalty play as banks seek to add a powerful (and currently, desirable) perk to their cardholders. Examples of these relationships include – Capital One and Hopper, Revolut and Expedia, U.S. Bancorp and TravelBank and JPMorgan Chase and Frosch. According to a recent loyalty survey conducted by Arriva, 63 percent of industry respondents plan to offer new travel rewards, including exclusive travel options and deeper discounts.

An Update on OTAs' Summer Travel Season

(["Airbnb and Expedia Momentum Slowed in June While Booking.com Showed Strength," July 11, 2022 via Skift](#)) (subscription may be required)

(["Booking Holdings Faces a Challenge Because of the Euro's Fall," July 13, 2022 via Skift](#)) (subscription may be required)

With many in the industry enjoying unprecedented levels of traveler demand, two industry titans appear to be losing momentum. According to data intelligence firm, Similarweb, visits to Airbnb.com and Expedia.com during the month of June actually declined month-over-month from May. When compared to year-over-year results, visits to the two sites grew less than one percent (0.72 percent and 0.66 percent, respectively). In contrast, visits to Booking.com's website grew month-over-month (by 4.75 percent) and year-over-year (26.6 percent). Why the difference? Some point to Booking.com's heavy European focus where travel has been slower to rebound than the U.S. market (allowing Booking.com to perform better this year versus last year). Others points to signs that the U.S. market is starting to slow as the industry begins to experience the effects of multiple headwinds – inflation, recession fears, etc. Booking.com's gains may be short-lived, however, as the Euro's slide in valuation is making travel for Europeans more expensive. Stay tuned as this rollercoaster continues.

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Other News:

Difficulty Making Payments Sours Guests' Hotel Experience

July 12, 2022 via Phocus Wire

Guests are twice as likely to experience anxiety and uncertainty when making hotel payments than in making everyday payments at home, according to a new Amadeus report.