

Duff on Hospitality Law

Online Travel Update: New Federal Legislation Targets Junk Fees, Booking.com Redesigns Search Results with AI, American Airlines Enforces NDC Adoption

on 4.3.23

This week's Update features an important update from my partner Eryn Hoerster on recently proposed federal legislation designed to reign in alleged drip pricing abuses. Readers of our Update know that we've featured several stories over the past year detailing efforts at the federal and state level to address these so-called junk fees, including efforts at the FTC, state enforcement efforts and proposed state legislation (by both Republicans and Democrats). Expect many more stories on this evolving issue in the months ahead. Enjoy.

- **Senators Introduce The Junk Fee Prevention Act.** On March 23, 2023, Senators Richard Blumenthal (D-CT) and Sheldon Whitehouse (D-RI) introduced federal legislation seeking to eliminate “excessive, hidden and unnecessary fees” (including hotel resort fees) that are imposed on consumers. Details of the bill are available in Eryn's update below. Fortunately, as drafted, the bill targets not only hoteliers, but also third parties that advertise rates for short-term lodging (i.e., OTAs).
- **Adaptive Content to Redesign Booking.com Search Results.** In an interview last week at Skift's Future of Lodging Forum, Booking.com's Senior Vice President and Chief Technology Offer, Rob Francis, offered attendees a glimpse of changes that might be coming to the OTA via the introduction of ChatGBT or other similar AI technologies. According to Francis, this new technology will allow the platform to deliver search results reflective of the type of user doing the search and the user's intent (versus one or more potentially misleading search terms). Francis believes that Booking.com will have a distinct advantage against its competitors in leveraging these new AI tools given its long history with AI and dedicated AI work force.

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- **American Airlines Forces Adoption of NDC.** What better way to get travel agents to embrace your new preferred connectivity solution than limiting certain (preferred) content to only that solution? On April 3, American Airlines moves forward with its controversial plan to make certain content available only through NDC connections. While agents may still view these preferred fares via their legacy GDS connections, agents will be forced to use an NDC connection to make the booking.
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Junk Fee Prevention Act: Senators Introduce Bill to Eliminate Excessive Fees for Consumers

March 31, 2023 via Eryn Hoerster from Foster Garvey

The "Junk Fee Prevention Act" by Senators Blumenthal and Whitehouse, which targets excessive fees and pricing disclosures in the lodging, ticket, airline, and communications industries, and could result in a reset of the market for hotels that charge resort or amenity fees, with uniformity in price disclosures. The proposed legislation could impact the hotel industry by requiring them to display the "total price" of lodging at the first instance, including any mandatory fee.

Booking.com's Top Tech Exec Expects ChatGPT to Redesign Its Search Pages

March 29, 2023 via Skift Travel News

Skift Take The online travel agency will embrace "adaptive content" in what could be a significant evolution in the way people look for hotels. But any changes will be dictated by its customers, rather than hype. Matthew Parsons Share The days of the typical hotel search results page are numbered, ...

American Airlines launching NDC plan over objections

March 29, 2023 via Phocus Wire

American Airlines will move forward with its controversial plan to make some of its content available only to travel agencies booking through a new distribution capability connection.