

Duff on Hospitality Law

OTA & Travel Distribution Update - March 10th, 2017

By Greg Duff on 3.17.17

This week's GSB OTA & Travel Distribution Update for the weekend ending March 10, 2017 is below. Expedia, Airbnb and Facebook are featured in this week's update.

- **The Battle of Reports Continues [Short-Term Rentals].** By now, most everyone is likely aware of the AHLA funded study recently conducted by CBRE's hotel division of Airbnb and its whole-unit / multi-unit hosts. The resulting report was released last week and appears on its face to rebut many of the claims made by Airbnb in previously released reports and presentations. Highlights include...
 - Three million total listings in 2016
 - Year-over-year revenue to Airbnb hosts (in the aggregate) nearly doubled in 2016
 - Hosts renting whole-units accounted for 78% of total revenues in the United States
 - Forty percent of revenue generated by whole-unit hosts earned by hosts with more than one listing - those most like traditional commercial lodging operators
 - Hosts renting two or more whole-units generated nearly \$1.8 billion in revenue (\$700 million of which was generated in the top 13 markets)

A complete copy of the CBRE report is available [here](#).

- **Facebook Increasingly Seen as Viable Travel Advertising Platform [Social Media].** Skift last week released portions of its deep dive into Facebook and its growing role as a digital marketing platform for the travel industry. According to the report, several unique aspects of Facebook and its engaged loyal user base (1.2 billion active users in December 2016) make Facebook a complimentary (not a Google replacement) and highly effective platform for OTAs and hoteliers.

Facebook's Strong Growth Among Travel Brands Will Not Hurt Google

Skift Travel News, Mar 7, 2017

The intent to grow Facebook advertising is clear from both the hotels and online travel companies. As conversion continues to improve, Facebook will grow its market share within a

strongly growing digital advertising pie. - Jared Wein

Other news:

Hotel industry group: Airbnb hosts run 'illegal hotels,' skirt regulations

Biz Journal - Southwest News, Mar 10, 2017

A new study backed by a hotel industry group says many Airbnb listings are more like de facto hotels that can evade hospitality regulations, giving them an unfair advantage over traditional hotel and bed-and-breakfast operators. The full report is available [here](#).

Airbnb Closes \$1bn Funding Round

BizPlus Ireland, Mar 10, 2017

Home-share company Airbnb has raised just over \$1 billion (€948m) in investment funding in a deal that values the firm at €29bn, according to the company's filing with the US Securities and Exchange Commission. This makes it the second-most valuable startup in the US, trailing only Uber. Airbnb did not...

In The Luxury Travel Segment, The Super Rich Are Leaving Technology In The Draw

Forbes Business, Mar 4, 2017

While online travel agencies bombard you with billions of dollars trying to convince you to plan your own travel, the Super Rich are increasingly using traditional travel agents, and most of their transactions are handled by phone calls and emails, not computer reservations systems.

TripAdvisor Is Being Massively Outspent by Its Biggest Rivals

Skift Travel News

Even if TripAdvisor can straighten out its Instant Booking feature, it still faces the daunting task of changing consumer perceptions in the face of Expedia, Booking.com and others, which are saturating digital media and broadcasting. - Dennis Schaal