

Duff on Hospitality Law

OTA & Travel Distribution Update - July 14th, 2017

By Greg Duff on 7.21.17 | Posted in OTA Update

A number of updated and new stories in this week's OTA & Travel Distribution Update for the week ending July 14, 2017. We hope you enjoy.

Expedia's MeetingMarket Now Speaks English [OTA/GROUP]

("Expedia extends MeetingMarket, English-speaking markets first," Tnooz News Feed, July 12, 2017)

We've previously reported on Expedia's small group booking platform (MeetingMarket) and its recent expansion in Germany. Now, according to Expedia, the platform is ready for its introduction in English speaking markets – primarily as a white label solution. Expedia's focus on leveraging the MeetingMarket platform first as a white-label solution (as opposed to a standalone, branded small group marketplace) is just one more example of Expedia's effort to expand its product and service offerings beyond its many well-known booking and metasearch platforms. Expect an announcement soon on the first North American hotel company to embrace this new Expedia offering.

"I did it my way . . ." New York Hotel Association Launches Own Independent Booking Platform [OTA]

("Announcing FindHotels.nyc - New Booking Platform for NYC Hotel Association Members," PR Newswire General Business News, July 11, 2017)

The Hotel Association of New York City announced last week the launch of FindHotels.nyc, a new direct-to-consumer booking platform for its 300 member hotels. According to the announcement, in addition to providing hoteliers a "friendlier" new booking platform, FindHotels.nyc and the digital marketing campaign around it will ensure that the booking platform is featured prominently on well-known metasearch sites and other distribution points. It will be interesting to see whether other regional groups (e.g. city or state hotel associations, CVBs, etc.) pursue creating a similar distribution platform and whether these platforms are able to succeed where Room Key has failed.

"Alexa: Book Me a Hotel Room" [METASEARCH]

("Kayak and Amazon Echo Now Offer Voice-Powered Hotel Booking," Skift, July 12, 2017)

Not surprisingly, Kayak announced this past week that users of Amazon's voice-activated interface (Alexa) can now use the interface to not only search for hotel rooms, but now book

hotel rooms. Although clearly still in its infancy (as attested to by Skift in the linked user review below), this inaugural use of a voice-activated interface to book a hotel room (recall that Expedia now allows users of Alexa to book car rentals) is a sign of things to come. It is time for hoteliers to break out those OTA and other distribution agreements to consider how existing terms and conditions might apply to voice-activated interfaces (keyword limitations should soon not only address written search queries, but also voice).

Harvard Report: OTA Consolidation Harmful [OTA]

("Research Shows That OTA Consolidation Is Harmful To Consumers," Lodging, July 14, 2017)

According to a report released last week by Harvard professor, Benjamin Edelman, consolidation in the U.S. online travel industry has provided its remaining two participants an unchecked ability to bias supposedly "evenhanded" hotel search results. Highlights from the report include:

- Expedia and the Priceline Group (together with their owned distribution channels) now control 95% of the U.S. online travel market (no other OTA controls more than 1% of the market)
- Hotel search results on the largest OTA sites are directly affected by the commissions paid by participating hotels
- Competitive practices of hoteliers (e.g. loyalty program rates) have resulted in hoteliers' demotion or complete removal from the largest OTA sites
- Correction of this now two-decades old phenomenon would require a series of policy changes, including prohibition against demotion or removal of competing hotels, mandatory sort order objectivity and conspicuous website disclosures to allow users to better distinguish between organic and paid hotel search results

I encourage everyone to read [Edelman's report](#).

Other news:

Airbnb Moves Into Corporate Travel Mainstream With Concur Integration

Skift Travel News, July 13, 2017

As Airbnb becomes bookable through the online booking tools of corporate travel management companies, its acceptance in corporate travel policies will likely rise as well.

Four Seasons Hotels and Other Sabre-Connected Properties Suffer Third-Party Data Breach

Skift Travel News, July 11, 2017

Sometimes it really does pay to book direct. At least in this case, customers who booked direct weren't impacted. Those who booked on third-party channels like online travel agencies weren't as lucky.