

Duff on Hospitality Law

OTA & Travel Distribution Update - Sep. 29th, 2017

By Greg Duff on 10.6.17 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending September 29, 2017 is below. This week's Update is a lengthy one and contains a number of stories that, although not directly associated with distribution, I found personally interesting. For those of you who wish that I stick purely to distribution matters, I apologize in advance.

The Schwarzenegger of Hostels is Coming [SHORT-TERM RENTALS]

("Hilton CEO Outlines Plans For 'Hostel on Steroids", Skift Travel News, September 26, 2017)

For those of you who have been readers of my weekly update for a while now, you know that I frequently include stories about the rapid changes occurring in the hostel industry. Hostels are no longer the dorm-like accommodations that we once stayed in while traveling through Europe. In fact, I've suggested in prior Updates that hostels may be the lodging industry's best answer to the exploding short-term rental industry. At Skift's annual industry event, the Skift Global Forum, held in New York last week, Hilton CEO, Chis Nassetta, shared Hilton's plans to launch a new, mico brand of hotel (yes, another brand) for urban markets. According to Chris, this new brand's emphasis on "connectability, flexibility and a local vibe" will allow the brand's hotels to capture younger travelers who don't yet have the financial resources to stay in more traditional Hilton-branded urban hotels earlier in their travel lifespans. Hostel anyone?

Short-Term Rentals Continue Their March to Mainstream Use and Acceptance [SHORT-TERM RENTALS]

("BridgeStreet partnership with SiteMinder Signals Mainstream Shift for Alternative Stays," Tnooz News Feed, September 28, 2017)

Bridgestreet, the rapidly growing global booking platform offering exclusively serviced apartments and homes, announced last week plans to place its 90,000 accommodations on meta search site SiteMinder. Not only does this announcement further legitimize Bridgestreet's growing business, but also allows SiteMinder to now appeal to an even larger traveler market.

The Wisdom of Danny Meyer

("Restaurateur Danny Meyer on Instagram, Postmates and Why Everyone Really Just Wants a Nice Meal," Skift Travel News, September 27, 2017)

In another story coming out of this past week's Skift Global Forum, Skift shared highlights from its interview with legendary New York restaurateur, Danny Meyer. For those of you who don't know Meyer (founder and CEO of Union Square Hospitality Group and founder of now public,

Shake Shack), I've been a huge fan since reading his *New York Times* bestseller, *Setting the Table*. Meyer's book is by far one of the best books I've ever read on the heart and soul of hospitality. While Meyer is frequently identified as an early adopter of new technologies in his never ending quest to refine and improve guest service, Meyer is also quick to point out that sometime the simplest of things (i.e. human touch) is what guests want most.

Magnuson Seeks to Convert OTA Bookings [LOYALTY / OTA]

("Magnuson Hotels' new loyalty program comes with OTA conversion offer," Hotel Management, September 21, 2017)

Magnuson's recently announced loyalty program, Magnuson Rewards, is taking a rather bold approach to converting guests who book through third-party OTAs into future direct bookers. For a limited time, guests who register for the rewards program while on property can earn credit for the nights of their current stay, regardless of whether the booking came through a direct channel or an indirect, third-party channel. Such newly registered loyalty program members are then required to book direct the remaining number of minimum nights to earn the loyalty program's benefits (i.e. Amazon gift card).

Other news:

Airbnb Launches Local Tours in NYC with Sarah Jessica Parker, Star of 'Sex and the City'

Business Insider, September 25, 2017

Airbnb is launching local tours and other experiences in New York City this week, with one listing promising "an unforgettable shoe-shopping experience" led by a New Yorker whose bio describes her as "an actor, producer, businesswoman ... and a proud New Yorker."

Regulations Proposed by San Diego for Short-Term Rentals

San Diego Business Journal - Services, September 28, 2017

Faced with continuing complaints from local residents about noise and other nuisances created by vacationers using home-sharing sites such as Airbnb, the San Diego City Council later this month will tackle a proposed multipronged approach, including new registration fees and steep penalties for noncompliance by property owners.