

Duff on Hospitality Law

OTA & Travel Distribution Update - Nov. 10th, 2017

By Greg Duff on 11.17.17 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending November 10, 2017 is below. Senator Kobuchar's recent request for an DOJ and FTC investigation into OTAs' purportedly anti-competitive practices leads this week's Update.

U.S. Following UK's Footsteps by Launching Probe into OTAs' Anti-Competitive Practices? [OTA]

("Sen. Klobuchar Urges Online Travel Agency Antitrust Probe," Hotel Online, November 7, 2017)

On Tuesday last week, Senator Amy Kobuchar (D-Minn.) wrote a letter to the Department of Justice and Federal Trade Commission seeking an examination of online travel agents' practices that can be "detrimental to consumer welfare." According to Kobuchar, the concerns that lead the UK's Competition and Markets Authority (CMA) to re-open its investigation into OTAs' practices just weeks ago (see our prior [story](#)) warrant a similar examination here in the U.S. Kobuchar's letter comes 8 months after raising similar concerns (along with Senator Jerry Moran (R-Kan.)) with the Department of Transportation, only to be told by the DOT that its existing travel consumer protection policies were sufficient to address the Senators' concerns.

Accor Abandons Third-Party Booking Aspirations [OTA]

("AccorHotels Ends Its Quest to Be a Booking Engine for Independent Hotels," Skift Travel News, November 9, 2017)

Approximately two years ago Accor broke ranks with other hotel operators (as it has often done over the past few years) by opening its branded booking engine (Accor.com) to select independent (and otherwise unaffiliated) hotels. According to Accor, the addition of independent hotels to its branded platform (and resulting "Accor Marketplace") would drive traffic to its branded platform benefiting both independent hoteliers and Accor-branded properties. It appears things did not go quite as planned. In last week's announcement of its decision to abandon the effort, Accor pointed to the many competing uses of critical marketing time and energy (and of course, dollars) and the need to focus those limited resources on uses other than driving traffic to the combined Marketplace. Any possible lessons here for Roomkey?

Short-Term Rentals Continue Assault on Mainstream Distribution Channels [METASEARCH]

("Trivago goes home with HomeAway inventory," Tnooz News Feed, November 7, 2017)

Trivago (home to the beltless and sometimes creepy, Trivago travel guy) made news last week

with its announcement that it was planning to gradually integrate Homeaway's 1.5 million residences into Trivago's meta search platform. Trivago's announcement comes on the heels of Priceline Group's announced plans to integrate its residential inventory across Priceline Group's many channels. For those of you still doubting the competitive effects of short-term rentals, it is hard to dispute the dilutive effect these thousands of listings will soon have on these widely used distribution points.

Other news:

Where The Big Four Online Travel Agencies — Expedia, TripAdvisor, Ctrip, & Priceline — Are Placing Their Bets

CB Insights - Blog, November 9, 2017

Four online travel agencies (OTAs) have played a big role in shaping the state of travel search and booking: Expedia, TripAdvisor, Ctrip, and The Priceline Group. Today, TripAdvisor ranks first among OTAs in number of users, while Expedia, The Priceline Group, and China-based Ctrip...

Skyscanner acquires London's Twizoo, a platform that scrapes user reviews from Twitter

Venturebeat, November 9, 2017

Travel search giant Skyscanner has acquired Twizoo, a U.K.-based platform that identifies user-generated content on Twitter for companies to use as part of promotional campaigns on their websites. The deal represents Skyscanner's sixth known acquisition of all time, and its first since being acquired itself last year by Ctrip, one...