

Duff on Hospitality Law

## **OTA & Travel Distribution Update - Dec. 8th, 2017**

By Greg Duff on 12.15.17 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending December 8, 2017 is below. OTA powerhouses, Expedia and Booking.com, feature prominently in this week's Update.

### **Expedia Seeks to Leverage Legacy PMS Platforms [OTA]**

*("Expedia sets sights on legacy tech with ambitious 'travel platform' for hotels," Tnooz News Feed, December 7, 2017)*

At this year's annual Expedia Travel Partner Conference, Expedia made clearer than ever its ambition to become a technology solutions provider to the lodging industry, not just a booking engine. In a series of presentations at the Conference, Expedia executives discussed the three pillars of the "Expedia Travel Platform" – operations (Expedia's modern version of a PMS via ALICE), revenue (Expedia's existing revenue management platform, Rev+) and data (data gleaned from the millions of transactions processed on its suppliers' behalf). Interestingly, Expedia's access to data and its well-known data practices may prove to be the biggest differentiator between Expedia's products and the products and solutions of its more traditional competitors, many of which never imposed such practices with their customers. It will be interesting to see how many hoteliers will be willing to turn their hearts and souls over to a company that for years has been characterized by the industry as the devil.

### **Motel 6 Throws in the Towel [OTA]**

*("Expedia to provide Motel 6 with a range of technology tools," Tnooz News Feed, December 7, 2017)*

Speaking of turning your heart and soul over to the devil. . . Expedia announced last week that G6 Hospitality (the Blackstone-owned parent of Motel 6) has become the second large hotelier (the first being Red Lion) to adopt the Expedia Travel Platform. According to the announcement, initial implementation of the Program by G6 will include Motel 6 loyalty program enrollment and rates on Expedia's sites, the creation of exclusive Expedia-only deals and a corporate-level Expedia Media Solutions advertising program. Unfortunately, the announcement provided no information on what, if any, commission discount G6 received in exchange for its many concessions. Additional elements of the partnership include Expedia and G6 partnering on an enhanced version of Rev+ and G6's possible adoption of future white-label Expedia solutions. A savvy investor recognizing the short-comings of traditional lodging brands? More to come...

**Booking.com Seeks to Solve China Market [OTA]**

*("Online travel firm Booking.com seeks a slice of China's booming domestic tourism market," SCMP Business, November 29, 2017)*

Calling all hoteliers struggling to penetrate the Chinese domestic market. . . Booking.com announced plans last week to enhance its efforts to penetrate the Chinese domestic leisure market (4.88 billion domestic travelers in 2016). Booking.com's plans include both the adoption and implementation of new technologies (AI) and growing its current 600 staff members. Whether this announced plan will be enough to close the gap between Booking.com and its powerful Chinese competitors (Ctrip, Agoda and Alibaba) remains to be seen.

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Other news:

**People Keep Finding Hidden Cameras In Their Airbnbs And There's Only So Much The Company Can Do**

*BuzzFeed - Latest, December 5, 2017*

A viral tweet showing a hidden camera found in an Airbnb has rekindled the debate around home sharing and privacy.

**Fifth Circuit Vacates \$84 Million Class Action Award Against Online Travel Companies**

*Texas Lawyer, November 30, 2017*

The U.S. Court of Appeals for the Fifth Circuit has vacated an \$84 million class action award won by 173 Texas cities who sued numerous online travel.