

Duff on Hospitality Law

## **OTA & Travel Distribution Update - Skift reports key takeaways from inaugural tech. forum; Expedia plans five-fold increase in activities bookings; Gillian Tans joins Ctrip's board**

By Greg Duff on 6.22.18 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending June 15, 2018 is below. Hometown favorite, Amazon, features heavily in this week's Update.

### **Skift Reports Key Takeaways from Inaugural Technology Forum**

*("4 Key Insights on Travel Tech Advances, Personalization, Voice and Amazon," Skift Travel News, June 14, 2018)*

Skift held its inaugural Skift Tech Forum in Silicon Valley this past week. If any of you attended the Forum and found it valuable, please let me know. Following the Forum, Skift's editors provided their thoughts on the Forum's key takeaways:

- The divide between the technology "haves" (e.g. Expedia and Alibaba) and "have nots" (travel suppliers) is only growing larger.
- Personalization remains an often repeated industry buzzword, though industry members recommend proceeding with caution.
- Voice search continues to show great promise, particularly in the 2-5 year horizon.
- Technology platforms – such as Google and Amazon – with their vast amounts of user data loom large in travel distribution.

### **Expedia Plans Five-Fold Increase in Activities Bookings**

*("Expedia gets super-serious about activities, plots five-fold booking jump," PhocusWire, June 13, 2018)*

Following in the footsteps of its global travel distribution competitor Booking.com, Expedia shared last week its strategy for growing its activities bookings from roughly \$400 million annually to \$2 billion annually. According to Expedia, its recent wide-spread rollout of a self-

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service platform (LXP Central) through which suppliers can post and manage their own activities inventory will play a critical role. Moving suppliers (many of whom still rely on manual methods to manage inventory) to this new platform will allow Expedia to rapidly expand its current activities offerings (roughly 27,000 activities offered through 4,000 suppliers). Improved technology is only part of Expedia's plan, however, as Expedia is also changing its focus for activities from primarily a pre-trip opportunity to both a pre-trip and in-destination opportunity. Hoteliers beware...

### **Gillian Joins Ctrip's Board**

*("Global powerhouse solidifies as Booking.com CEO joins Ctrip board," PhocusWire, June 12, 2018)*

The relationship between Bookings Holdings and Ctrip took a significant step forward this past week. While Bookings has been a well-known investor in Ctrip for years (\$2 billion since 2012), the sometimes competitive relationship (think Kayak vs. Skyscanner) has evolved with the appointment of Booking.com's CEO, Gillian Tans, to Ctrip's board. What this might mean for suppliers as they try to manage these many channels independently remains to be seen. Distributors that historically have cooperated very little – contract terms, enforcement, etc. - may soon change their approach.

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Other news:

### **Consumers would prefer the Amazon of travel to be Amazon**

*Tnooz News Feed, June 13, 2018*

If consumers are anything to go by, then the top choice of consumer sites offering travel bookings would be Amazon, according to a report by OAG.

### **Expedia throws a wrinkle into travel packages**

*Travel Weekly, June 11, 2018*

Expedia Add-On Advantage will enable customers to essentially create a travel package without having to buy the components at the same time. The hotel can be booked any time before their trip begins.