

Duff on Hospitality Law

OTA & Travel Distribution Update - Unprecedented penalty for author of fake hotel reviews; Short-term rentals become increasingly available to corporate travelers; Hotelbeds begins inevitable brand consolidation

By Greg Duff on 9.21.18 | Posted in OTA Update

This week's Update is one of the largest in some time.

Unprecedented Penalty for Author of Fake Hotel Reviews

("A Peddler of Fake Reviews on TripAdvisor Gets Jail Time," Skift, September 12, 2018)

Last week an Italian court sentenced the owner of Italian company, PromoSalento, to nine months of jail for selling fake reviews to hundreds of businesses, including hotels. According to TripAdvisor, the Italian court's unprecedented sentence is the culmination of efforts by TripAdvisor dating back to 2015 to put an end to the known fraudulent reviewer. Whether the Italian court's sentence is a sign of things to come by European, UK and US regulators remains to be seen, though TripAdvisor is keen to garner the support of regulators in putting an end to fake reviews as it continues its efforts to establish and maintain the legitimacy of its core review business.

Short-Term Rentals Become Increasingly Available to Corporate Travelers

("BridgeStreet Adds Hostels and Vacation Rentals to Biz Travel Platform," Skift Travel News, September 12, 2018)

Extended stay booking platform, BridgeStreet Global Hospitality, announced plans last week to diversify its traditional extended stay offerings by adding vacation rentals, hostels and furnished homes to its platform. With the addition of this new inventory, corporate travel managers will soon be able to enjoy the same security and service levels that their corporate travelers have received in the past for traditional lodging accommodations, but now with homes and other alternative forms of accommodations. According to BridgeStreet CEO, Sean Worker, the addition of alternative accommodations reflects the company's ongoing efforts to address the increasingly diverse desires of its potential traveler base – taking inspiration from Amazon, Marriott and Airbnb.

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Hotelbeds Begins Inevitable Brand Consolidation

("Hotelbeds Consolidates Travel Agency Business Under One Brand," Skift Travel News, September 10, 2018)

Following its series of acquisitions, global wholesaler, Hotelbeds Group, announced plans last week to begin consolidation of its portfolio companies, commencing with its retail travel agency business. Beginning in the EU and Middle East, Hotelbeds will soon begin to phase out existing brands TravelBound, TravelCube and GTA, moving retail agents to Hotelbeds' Bedsonline platform. With the consolidation, travel agents will gain access to more lodging properties – increasing the number of available properties threefold over current offerings.

Other news:

CruiseWire Pioneers One-Way Ocean Travel with Innovative Cruise Booking Website

PR Newswire News Releases, September 14, 2018

CruiseWire, an online travel agency, has announced the official launch of the world's first cruise booking website designed primarily around one-way cruise travel.

Budget Carrier AirAsia Is Trying to Become a Lifestyle Booking Site

Skift Travel News, September 13, 2018

Can a budget carrier like AirAsia, known for attracting travelers seeking the lowest fares, become a lifestyle brand with online-travel-agency-like features? That's what AirAsia, a leading low-cost carrier in Southeast Asia, is attempting to do. Spencer Lee, head of commercial for AirAsia Malaysia, said Thursday that the airline intends to officially launch its Travel360.com website in the fourth quarter, furthering those aims.

China's Ctrip could make first bet in food biz, invest \$100 mn in Zomato

Money Control - Business News, September 10, 2018

China's largest travel booking site Ctrip may invest in online food delivery platform Zomato as part of a funding round that could go up to \$400 million (close to Rs 2,800 crore), sources told The Times of India. This will be the first bet in the food business for the Chinese company Ctrip has not been very active in investing in India, with a stake only in MakeMyTrip.