

Duff on Hospitality Law

OTA & Travel Distribution Update - Hopper is poised for growth; Vacasa is Oasis' latest suitor; American Airlines' direct connection efforts provide valuable lessons for hotel industry

By Greg Duff on 10.12.18 | Posted in OTA Update

Another relatively quiet week in the world of distribution.

Hopper Is Poised for Growth

("Hopper Raises \$100 Million More for Airfare and Hotel Rate Prediction," Skift Travel News, October 3, 2018)

We brought you our first Hopper [story](#) back in January following its announced launch of Hopper Hotels. The predictive pricing based booking platform was back in the news this past week with its announcement that it had closed a \$100 million Series D round of financing (at a valuation of \$750 million). According to Hopper, the investment will fund adding market managers in key international markets to secure more direct airline and hotel inventory. Bucking the trend of predictive analytics travel companies before them (think Farecast), Hopper is one of the few booking platforms to successfully leverage its airfare and hotel room rate pricing analytics as a differentiator among other online booking sites.

Vacasa Is Oasis' Latest Suitor

("Vacation rental company Vacasa acquires Hyatt-backed Oasis Collections," GeekWire, October 2, 2018)

Portland, Oregon-based Vacasa is the latest in a series (Accor and Hyatt previously) of investor / owners to try to leverage Oasis Collections' vacation rental platform and portfolio of high-end vacation homes. With the addition of Oasis' homes, Vacasa not only adds to its growing rental home portfolio generally (10,600 and counting at the time of the purchase), but adds homes in key (currently, under represented) urban markets in international destinations.

American Airlines' Direct Connection Efforts Provide Valuable Lessons for Hotel Industry

("American Airlines Feels Vindicated In Its Second Try at Direct Distribution," October 4, 2018)

I'm constantly reminded how different the airline industry is from the hotel industry. Ownership and control over the supply of products and services is always a good place to start. That said, American Airlines' efforts to better differentiate its products and services (other than through

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price) by providing rich content directly to travel agents and managers, which began back in 2010, should provide the hotel industry some valuable lessons. Bold vision. Unwavering commitment to that vision in the face of industry backlash and criticism. Sharing of best practices among industry members. Recognition of (but not over-reliance on) industry middlemen. I'd encourage everyone to read the informative and well-written piece by Sean O'Neill at Skift that is linked below.

Other news:

Cvent Expands Partnership with AccorHotels

Business Wire Communications News on Oct 3, 2018

Cvent, a market leader in meetings, events, and hospitality technology, today announced that renowned brand and long-time Cvent customer AccorHotels will utilize Cvent's Business Transient solutions exclusively across their more than 4,500 hotels worldwide to more effectively manage their corporate travel programs.

Indonesia's online travel startup Traveloka in talks to raise US\$400M, says report

E27 News on Oct 4, 2018

Jakarta-based online travel startup Traveloka is in talks with existing and new investors to raise about US\$400 million in funding, says a Bloomberg report citing multiple people privy to the development. The company intends to use the capital to "push beyond traditional airline tickets and hotel bookings into activities for travellers like concerts or amusement parks", according to this report. When contacted, a Traveloka spokesperson said: "At this moment we cannot make a confirmation because as part of our corporate policy, we do not comment on rumor or speculation in the market."