

Duff on Hospitality Law

OTA & Travel Distribution Update: Mistakenly discounted rates a regular occurrence; Report discloses rampant disclosure of personal information by travel apps

By Greg Duff on 1.11.19 | Posted in OTA Update

Mistakenly Discounted Rates a Regular Occurrence

("\$16,000 first class seats sold for \$675. Errors like these are more common than you'd think," Vox, January 4, 2019)

Details emerged this past week about Cathay Pacific's unprecedented discounting of first class and business class tickets on certain flights. In some instances, the discounted tickets reflected over a 95% discount off the normal fare. As suspected by many (including those who report on such discounts), the discounts were not intentional and were instead the result of a technical glitch in Cathay Pacific's systems. Whether for legal reasons or reputational concerns, Cathay Pacific chose to honor the discounted fares for those customer who purchased tickets before the glitch was discovered. From our own experience (and as confirmed in the article below), these mistaken fares (and hotel room rates) are somewhat of a regular occurrence. While there are things an airline or hotel company can do in advance to help avoid the need to honor these mistaken fares and rates, the potential reputational harm (particular in this age of travel blogs) often demands that companies honor the mistaken fares and rates.

Report Discloses Rampant Disclosure of Personal Information by Travel Apps

("Popular Travel Apps Shared Detailed User Information With Facebook," Skift Travel News, January 2, 2019)

In a report issued last week by London-based Privacy International, the privacy watchdog detailed alleged privacy abuses of several common travel applications (including Kayak, TripAdvisor and Skyscanner) involving the unauthorized sharing of personal information with Facebook (irrespective of whether the user was a Facebook member or logged in or out of his/her account). According to the report, the information shared included users' application use, including flight search activity (departure and arrival cities, dates of travels, number and class of tickets, etc.). Several of the applications identified in the report have indicated that they taking the privacy report seriously and that they are considering changes to their data sharing practices.