

Duff on Hospitality Law

## **OTA & Travel Distribution Update: State attorneys general explore alleged anti-trust violations; Amazon has entered the online travel industry; TripAdvisor formally adds safety features**

By Greg Duff on 5.24.19 | Posted in OTA Update

The week's stories remind us how quickly things continue to change in the distribution landscape. Enjoy.

### **State Attorneys General Exploring Alleged Anti-Trust Violations**

*("U.S. state AGs looking into Expedia Group, hotel practices in antitrust probe," Reuters Company news, May 9, 2019)*

News of state attorneys generals' investigation into hoteliers' online practices has made headlines these past two weeks. Initiated by the Utah state attorney general in 2017 (and now involving an unidentified number of additional state attorneys general), the ongoing investigation is centered on hoteliers' alleged agreement to not bid on each other's keywords (the same claims made by Travelpass in its pending Texas litigation).

### **Amazon May Enter...Has Entered the Online Travel Industry**

*("Amazon May Not Be Able to Resist the Lure of Online Travel - PhocusWire," Hotel News Resource, May 15, 2019)*

Change in the online travel industry is sometimes fast and furious, which is one of the primary reasons we launched our weekly OTA & Travel Distribution Updates nearly three years ago (yes, it has been that long). Headlines this past week regarding Amazon and its inevitable and then actual entrance into the online travel industry only proves our point. Early in the week, every online travel newsletter, blog and social media platform featured news of Morgan Stanley's conclusion that Amazon could not logically (\$600 million profit) remain out of online travel for much longer. If that wasn't enough to get the attention of established industry participants (many of which have dismissed reports of Amazon's inevitable entrance into travel), reports issued only days later of Amazon's actual entrance into online travel surely did. On Thursday, industry expert and friend [Robert Cole broke the news](#) that Amazon (powered by Indian OTA, Cleartrip) had added domestic flights in India to its offerings. Travelers booking flights on Amazon receive cash back – the amount of which depends on whether the traveler in an Amazon Prime member. Expect many more stories in future Updates on this potentially

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landscape-altering addition to online travel.

### **TripAdvisor Formally Adds Safety Features**

*("TripAdvisor adds safety features to reviews," Phocus Wire, May 15, 2019)*

Following up on a story we featured months ago regarding concerns over TripAdvisor's addition of safety related incidents to its property reviews... TripAdvisor has now added a safety review filter allowing users to search reviews based on assault, drugs or other safety incidents. While I readily support providing travelers with critical safety information, I remain concerned over the amount of effort, if any, that TripAdvisor undertakes to confirm these "allegations" of misconduct before posting. Hoteliers already struggle from time to time with the effects of rogue (e.g., misleading, false, anti-competitive) reviews. Now, given the serious nature these safety-related reviews, rogue reviews (and their ill-intentioned authors) have the potential of wreaking even more havoc.

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Other news:

### **Google Travel Is Now One Step Closer to One-Stop Shopping**

*Skift Travel News on May 14, 2019*

If you've been waiting for the proverbial next shoe to drop when it comes to Google Travel putting all the pieces together, it just did. Google on Tuesday launched a Google Travel desktop website that puts flights, hotels and vacation packages, as well as a variety of trip-planning tools and recommendations, all on one page. The features are also available in Google Search and Google Maps, the latter making Google Maps more of a superapp for travel, dining, events, spa appointments, and more. In a blog post written by Richard Holden, Google vice president product management, travel, Google said last year it made it easier to navigate between Google Flights, Google Hotels and Google Trips "easier on smartphones," and the company claims the desktop treatment is similar to what it did on mobile.

### **American Express to Buy Resy, a Restaurant Booking Service**

*New York Times - Most Recent on May 15, 2019*

American Express has considered dining perks one of the main benefits for its card members, helping them book tables at hot spots and offering them rewards points for doing so. Now it is taking a new step into the industry — by buying the country's biggest privately held restaurant reservation service. American Express announced on Wednesday that it had agreed to buy Resy, whose services allow customers to book reservations and restaurants to manage them.

### **Booking Drops Hotel Requirement to Book Tours and Activities**

*Skift Travel News on May 15, 2019*

After acquiring tours and activities software provider FareHarbor last year and launching

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options to book activities in 150 cities, Booking.com has taken the next step in pushing its tour offerings mainstream. Booking.com is expected to announce Wednesday at a conference in Europe that it is debuting an offering in 10 European and Middle Eastern cities that enables customers to book tours and attractions on a standalone basis without having first to book a hotel room.