

Duff on Hospitality Law

OTA & Travel Distribution Update: Expedia's Vrbo sees significant growth in bookings; Expedia expands cryptocurrency payment options; Singapore Airlines adds global distribution system surcharge

By Greg Duff on 7.16.20 | Posted in OTA Update

Several themes emerged in this week's stories, including the bullish return of short-term rentals and the continued direct booking efforts by airlines and the metasearch sites seeking to serve them. Enjoy.

Vrbo Hitting Its Stride

("Vacation Rental Brand Vrbo Emerges as Expedia Star With Pandemic-Era Bookings," Jul 6, 2020 via Skift Travel News (subscription may be required); "Expedia's Vrbo vacation rental business sees 'significant' growth as travel giant aims to cut costs," Jul 6, 2020 via GeekWire)

For several weeks now, we have featured stories on the purported v-shaped recovery of the short-term vacation rental market. Does such a recovery represent a short-lived phenomenon or a seismic shift in travelers' accommodation preferences in the post-COVID world? It is probably too early to tell, but Expedia's announcement this past week only adds to the debate. Last Monday, [Expedia reported](#) that its rental platform Vrbo had increased its gross bookings year-over-year in the months of May and June. Expedia attributes Vrbo's success to the platform's largely whole-home inventory in drive-to destinations, which only months earlier had been viewed by many in the industry as a weakness. Vrbo's success took place a month before Expedia began consolidating its two major rental platforms – Vrbo and Homeaway. Despite Vrbo's success, gross bookings across the Expedia family of brands were down 45 percent in June (which is an improvement over the 85 percent decline experienced in March and April).

Expedia Expands Cryptocurrency Options

("Expedia In Deal With Travala.com To Add Crypto Payment Option," Jul 6, 2020 via RTT News - Top Stories)

This past week, UK-based travel booking platform [Travala.com](#) announced that it had struck a

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deal with Expedia Group to make available Expedia's 700,000 hotels and accommodations to users of the crypto-friendly platform. Travelers can now book and pay for Expedia accommodations using one of the 30 cryptocurrencies used by Travalala (including Bitcoin). The Expedia partnership comes seven months after Travalala and [Booking.com](#) announced a similar distribution relationship.

Singapore Adds Global Distribution System Surcharge

("What a New Surcharge From Singapore Airlines Could Mean for Other Carriers, Jul 6, 2020 via Skift) (subscription may be required)

Although the effects of such a change on other longtime users (e.g., domestic airlines or even possibly, hotels) of the traditional global distribution systems remain unclear, Singapore Airlines' recent announcement of imposing a \$12 per booking surcharge on global distribution system (GDS) bookings (beginning in January 2021) could be a game changer. Bookings made through Singapore's New Distribution Capability (NDC) channel will not be subject to the surcharge. Although Singapore isn't the first airline to institute a GDS surcharge (several European airlines have already implemented similar surcharges), it is one of the first Asian airlines (after Qantas) to do so. The surcharge is part of Singapore's larger objective to make the information and functionality available to users on its own platforms available to its travel partners. More to follow...

Other news:

Skyscanner Shows Tenacity to Overcome Challenges Selling Airline Tickets on Mobile

Jul 7, 2020 via Skift Travel News (subscription may be required)

A few years ago, Skyscanner and other travel price-comparison search brands risked losing relative popularity. Consumers were switching to mobile devices, and metasearch brands don't make as much money on mobile as a rule. But new e-commerce design tricks may catapult Skyscanner and its peers into more relevant positions again.

Barry Diller Has No Time for Talk of a World Changed by Pandemic

Jul 8, 2020 via Bloomberg Quint - Stories

Forget working from home and Zoom meetings. Barry Diller is betting the future looks a lot like the past. A billionaire who made his fortune first as a Hollywood mogul and more recently in online dating, Diller is predicting that life pretty much returns to normal once there's a coronavirus vaccine. Families will again take vacations and managers will send employees to conferences.

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Luxury Travel, Promotions and Strong Chinese OTAs Likely to Lead Chinese Outbound Recovery

Jul 8, 2020 via TTG Asia - News

Luxury tourism players are expected to be the first in the industry to see a revival of Chinese outbound travelers who will also be drawn to safe and secure hotels as well as attractive travel discounts and promotions, opined an expert in Chinese hospitality and tourism marketing technology.

Expedia's Melissa Maher Talks Recovery in Travel, Partnership With Hotels, and Diversity & Inclusion

Jul 8, 2020 via WIT

Charuta Fadnis, Senior Vice President of Research & Product Strategy at Phocuswright hosted 'The Breakfast Show In North America' at WiT Virtual Summit on June 24th when she interviewed Melissa Maher, Chief Inclusion Officer & Senior Vice President at Expedia Group, on issues from the company's recovery program to its diversity and inclusion initiatives.

Booking.com Introduces Safety Feature for Accommodation Partners

Jul 6, 2020 via Business Traveller - News

Following Cleartrip, and Tripadvisor, [Booking.com](https://www.booking.com) has also launched the 'health and safety measures' feature on its platform. The new feature will allow accommodation partners to select different health and safety measures they are taking in areas such as hygiene, sanitization, social distancing and food safety among others.