

Duff on Hospitality Law

OTA & Travel Distribution Update: JetBlue announces plans to distribute short-term rentals; Beachy, one of PhocusWire's Hot Travel Startups for 2021; Fintech may be the key to online travel recovery

By Greg Duff on 11.20.20 | Posted in OTA Update

This week's Update features a variety of stories, including the first of many upcoming profiles of [PhocusWire's 2021 Hot Travel Startups](#) focused on distribution and online travel. Enjoy.

[JetBlue to Distribute Short-Term Rentals](#)

("JetBlue to Debut Short-Term Rentals as Part of Its Growing Non-Air Offerings," November 11, 2020 via Skift Travel News) (subscription may be required)

Short-term rentals – the apparent darling of leisure travel during the COVID-19 pandemic – continue their march to legitimacy. Last week, JetBlue announced plans to add short-term rentals to its existing non-air portfolio of products and services. The new inventory will be provided by a to-be-named partner, but customer service will be handled directly by JetBlue (and not the supplier partner.) Potential supplier partners identified by JetBlue include Airbnb and Expedia's Vrbo.

[Ever Need to Reserve a Beach Chair? We've Got a Startup for You](#)

("Hot 25 Startups 2021: Beachy," November 9, 2020 via Phocus Wire)

In the first of several future profiles of PhocusWire's Hot Travel Startups for 2021, we introduce [Beachy](#). Founded in 2016, Beachy provides software that combines mapping technology with an online booking and payment system. This enables hotel and resort operators to better manage, and hotel and resort guests to book and pay for, lounge chairs, cabanas and other beach or poolside amenities – all completely contactless. The online platform also enables hoteliers to upsell related products and services like food and beverage. Beachy's plans for 2021 include continued work on integrating the booking platform with the multitude of legacy point-of-sale systems. What do readers think? Is there a need for this seemingly niche product? We'll keep people posted on Beachy's year ahead.

OTA & Travel Distribution Update: JetBlue announces plans to distribute short-term rentals; Beachy, one of PhocusWire's Hot Travel Startups for 2021; Fintech may be the key to online travel recovery

[Is "Fintech" the Key to the Online Travel Recovery?](#)

("Despegar Believes Financial Tech Will Hasten an Online Travel Recovery in Latin America," November 12, 2020 via Skift Travel News) (subscription may be required)

Speaking of online payments...Last week, Latin American distributor, Despegar, announced it had closed its acquisition of a majority interest in financial technology (aka "fintech") provider, Koin. Koin, like other similar online financial technology companies ([Uplift](#) and [Affirm](#)), provides consumers the opportunity to book and buy travel now, but pay in installments over time. According to Despegar, which has been offering the service to users for approximately a year, this new payment method will not only assist in getting people to travel again post pandemic, but will also shift current offline bookers of travel (approximately 60 percent of Latin travelers prior to the pandemic) to move their practices online. From what we've seen over the past few months, Despegar is not alone in its belief that fintech will play a critical role in the travel industry rebound post pandemic. We've worked with several clients to add these consumer financing options to their online payment method toolkit.

[Airbnb and Booking.com Desperately Seek to Avoid Gatekeeper Status](#)

("Online travel platforms dispute "gatekeeper" claims as Europe readies digital legislation November 11, 2020 via Phocus Wire)

Following up on a [story](#) from roughly two weeks ago...as work at the European Commission continues with its new regulations for the evolving digital economy (the first update in nearly two decades), online travel companies Booking.com and Airbnb are trying to distance themselves from the Commission's proposed Digital Markets Act (DMA) and its efforts to reign in and regulate the practices of so-called online "gatekeepers." Whether the list of companies subject to the Act and its regulations is limited to the largest of online platforms (e.g., Google and Amazon), or extends to smaller industry players, like Booking.com and Airbnb, remains to be seen. Among the many practices of gatekeepers to be potentially regulated under the Act include display order and parity practices. The initial draft of the Digital Markets Act is expected to emerge in early December.

Tags: travel, Travel and Technology