Duff on Hospitality Law

Online Travel Update: Agoda adds installment payments, and Expedia scales back its non-core businesses while its competitors press forward

By Greg Duff on 12.31.20 | Posted in Online Travel Update

We end 2020 with a heavy dose of antitrust/competition stories (which is a theme likely to continue into 2021), including updates from Russia, Croatia and the European Union. Those of you with properties in those markets may soon find new opportunities and methods to compete.

Agoda Adds Installment Payments
(*Agoda launches regional instalment payment option with Atome, December 20, 2020 via Markets Businessinsider.com*)
Not to be outdone by its competitors (see our prior story here), last week, Agoda announced that it is partnering with "fintech" provider Atome to offer installment payment options for travelers booking accommodations in select Asia-Pacific countries on the online platform. The new payment options will first be made available for bookings of accommodations in Singapore and Malaysia, but are expected to expand to accommodations in eight additional APAC markets in 2021. It will be interesting to see what effect these no or low interest installment payment options will have on the return of leisure travel in 2021.

Expedia Retrenches While Its Competitors Expand
(*Expedia scales back strategy on activities, December 21, 2020 via Phocus Wire*)
Last week, Expedia announced plans to shutter its brick and mortar activities and attractions desks (Expedia Local Expert) in Hawaii and Orlando. The announcement follows a string of similar announcements by Expedia involving the closure or divestiture of other non-core business (e.g., Expedia Group Multifamily Solutions and SilverRail). The announcement provides further evidence of Expedia's execution against previously announced plans to re-focus on its critical core businesses. While Expedia and other platforms (including Airbnb) have used the pandemic as an opportunity to re-focus and re-trench, others such as Booking Holdings are using the pandemic as an opportunity to press forward on plans to expand and diversify their businesses (and in some instances, into the same areas now being abandoned by Expedia). Which strategy is right? Who's to say, but it should make for an interesting 2021 as these companies begin preparations for the anticipated return of leisure, business and

ultimately, group travel in 2021.

Other news:

Russia Accuses Booking.com Of Violating Competition Law

December 21, 2020 via Mobile Reuters

Russia's federal antimonopoly service (FAS) has accused hotel reservation website Booking.com of violating anti-monopoly law, the regulator said last Monday. The statement from the FAS comes nearly a year after it opened an investigation into the company's move to ask hotels and hostels to offer the same prices on their own and rival reservation websites as on Booking.com.

More Transparency: Following EU action, Booking.com and Expedia Align Practices with EU Consumer Law

December 18, 2020 via European Commission - Press Releases

On December 17, The European Commission announced that Booking.com and the Expedia Group have improved the presentation of their accommodation offers, aligning it with EU consumer law. The changes followed a close dialogue with the European Commission and EU consumer authorities and concern information on promotional offers and discounts as well as influencing techniques.

Digital Payments Could Go Backwards with Hidden Charges Pushing Travelers to Use Cash

December 21, 2020 via Phocus Wire

Digital payments have accelerated during the pandemic with travelers switching to contactless cards and mobile options.

Online Travel Pioneer Heads Out of Retirement to Join Fast Growing Travel Site

December 22, 2020 via Poteau Daily News

Rick Schneider, who recently retired from Priceline as Vice President of Global Business Development for Priceline Partner Network (PPN), has decided to jump back into the travel space as Chief Strategy Officer of Charity Pro Travel.

Tags: travel, Travel and Technology