

Duff on Hospitality Law

## **Online Travel Update: Ryanair launches initiatives to protect customers from unauthorized online travel agents; short-term rental owners seek to attract direct bookings; Sonder doubles its valuation in under two years**

By Greg Duff on 5.7.21 | Posted in Online Travel Update

This week's Update features a number of stories on the growing short-term rental industry, including Sonder's recently announced plan to go public. Enjoy.

### **Ryanair Takes on Online Travel Agents (OTA)**

*("Ryanair launches new price checker and verified seal to further protect customers from OTAs," April 28, 2021 via Travel Daily News)*

Last month, Ryanair announced the launch of two initiatives: the Price Checker and Verified Seal. Both initiatives, which are available only on the Ryanair website and app, are designed to stop OTAs (none of which have commercial relationships with Ryanair) from overcharging users, providing incorrect passenger details and preventing the airline from dealing directly with passengers. The Price Checker allows passengers who have booked tickets through an OTA to check the amount actually paid by the OTA to Ryanair, versus any margin, markup or other fee added by the OTA. The Verified Seal guarantees passengers that they are booking directly with Ryanair, and not through an unauthorized distributor or reseller. Those booking directly through Ryanair are assured to receive the lowest fares, the lowest fees and charges for ancillary items and refunds paid directly by Ryanair to the passenger (and not an intermediary).

### **Are Direct Bookings Possible with Short-Term Rentals?**

*("The Grip of Airbnb and Short-Term Rental Giants Leaves Direct Bookings Elusive," April 28, 2021 via Skift Travel News) (subscription may be required)*

Short-term rental owners and managers seeking to attract direct bookers are finding the process exceedingly difficult. Spurred by Airbnb's now infamous decision to unilaterally refund travelers' deposits for COVID-related cancellations, many owners and managers are trying to go at it alone. Unfortunately, with demand for short-term rentals continuing to grow, the big platforms' (Airbnb, Vrbo, Booking.com) have restarted their efforts to regain market share,

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making the elusive direct booker even harder to find. Sound familiar to anyone?

#### **Sonder Doubles Valuation in Less Than Two Years**

*("Sonder plans to go public through SPAC on a \$2.2B valuation," April 30, 2021 via Phocus Wire)*

It wasn't even two years ago (July 2019) that we featured a story detailing the then apartment-style rental company's meteoric rise and incredible \$1 billion valuation. Following its recently announced merger with SPAC Gores Metropoulos II, Sonder estimates the combined public company will have a valuation double that at \$2.2 billion. Proceeds from the transaction, which are expected to exceed \$600 million, will be used to expand the company and further invest in its technology-driven operations platform. Sonder now operates 300 properties – both apartments used as transient accommodations and traditional hotels – across eight countries.

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Other News:

#### **Trivago Partners With TUI for Attractions as Online Players Bulk Up**

*April 27, 2021 via Skift Travel News (subscription may be required)*

When various coronavirus lockdowns in Europe fade away, tours and activities operators will find an assortment of new distribution partners with the latest being hotel-searcher Trivago through a partnership with TUI.

#### **Guesty Raises \$50M as Spotlight Remains on Short-Term Rental Sector**

*April 27, 2021 via Phocus Wire*

Guesty has raised a \$50 million Series D round, bringing the short-term rental property management platform's total funding to \$110 million.

#### **Google Expands COVID Info on Travel Searches**

*April 28, 2021 via Travel Weekly*

Google has launched functionality to help travelers keep track of Covid-19-related travel advisories and restrictions in their intended destination.