

Duff on Hospitality Law

Online Travel Update: Hopper introduces price freeze for hotels; Expedia aims to be one-stop shop cruise agency; Tripadvisor launches Tripadvisor Plus; a federal appeals court overturns 1-800 contacts decision

By Greg Duff on 6.23.21 | Posted in Online Travel Update

This week's Update features a number of important stories, including details of Tripadvisor's official launch of Tripadvisor Plus in the United States and an important update on the 1-800 Contacts FTC enforcement action. Enjoy.

Hopper Introduces Price Lock for Hotels

("Hopper enables commitment-free hotel price lock," June 17, 2021 via Phocus Wire)

Hopper, the mobile application that is home to the flight price freeze, flight delay protection and fully refundable air and hotel bookings, is now launching a hotel price freeze. The option allows travelers to freeze a hotel's listed rate for up to 60 days. Travelers who "freeze" a rate are protected if the rate increases (up to \$100 of any increase) and benefit from any rate decrease. If the traveler proceeds with the booking, the traveler's price freeze deposit is applied to the room charge. If the traveler abandons the booking, the price freeze deposit can be applied to any future booking made within 60 days. Bookings of locked prices are always subject to availability. The new pricing functionality is available for all hotels listed on the Hopper platform. Hopper may have picked exactly the right time to introduce this new pricing product as hotels seek to drive rates coming out of the pandemic.

Expedia Doubles Down on Cruising

("Expedia Cruises look to tech in push to be top agency in the sector," June 16, 2021 via Phocus Wire)

For years now, I've questioned our cruise clients about the lack of advanced online tools for cruise distribution. It appears that Expedia and its cruise-focused travel agency, Expedia Cruises, is seeking to fill that void. Expedia Cruises plans to introduce new technology and content designed to provide prospective cruisers and their agents a one-stop cruise resource. According to Greg Schulze, Senior Vice President of Transport and Cruise at Expedia Group, Expedia's goal is to become "the leader in digital experience and content, the leader in supply



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and transparent pricing, the leader in service and trip management." As part of the effort, Expedia expects to launch a content-driven informational site designed to provide cruisers information about vessels, available amenities and services, and activities and experiences in each port. Users of the new platform can book their cruise online or through an agent.

Tripadvisor Officially Launches Tripadvisor Plus

("TripAdvisor launches U.S. subscription service, which promises big hotel discounts," June 17, 2021 via Travel Weekly; "TripAdvisor gives Plus subscription service a full launch, adds spending partners," June 16, 2021 via Phocus Wire)

Tripaadvisor's membership based subscription program is officially launched in the United States. and it promises big hotel discounts.

Federal Appeals Court Overturns 1-800 Contacts Decision

("FTC Antitrust Ruling on 1-800 Contacts Gets Overturned," June 11, 2021 via Bloomberg Law) (subscription may be required)

Since the Federal Trade Commission (FTC) issued its ruling back in 2018, distributors seeking to avoid suppliers' requested keyword protections have relied heavily on the FTC's case against online contacts retailer, 1-800 Contacts. In its recent June 11 decision, the Second Circuit Court of Appeals overturned the FTC's ruling stating that the FTC had failed to provide sufficient evidence that the online retailer's agreements to restrict or prohibit competitors' use of the retailer's trademarks (e.g. 1-800 Contacts) in keyword bidding auctions actually led to anti-competitive price increases. According to the Court, the restraints contained in the online retailer's agreements could actually have pro-competitive effects because of their recognition and promotion of trademark (and possibly other IP) policy. While agreements like those of 1-800 Contacts are not immune from antitrust scrutiny, those seeking to challenge such agreements as anticompetitive or contrary to U.S. antitrust law will now potentially face a tougher evidentiary burden. The FTC is reportedly now considering its options following the Court's ruling, including a possible further appeal. A copy of the Court's ruling is attached.

Other News:

Airbnb, Vrbo Battle for More Vacation Cabins as Travel Rebounds

June 17, 2021 via Wall Street Journal – General (subscription may be required)
Airbnb in May said it eased the sign-up process for new hosts, reducing the number of steps required to 10 from dozens.



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<u>Hilton Solves Longtime Travel Frustration by Introducing Confirmed Connecting Rooms</u>

June 17, 2021 via Hospitality Net - Latest Industry News

Just in time for summer travel, Hilton solves travel planning frustrations as the first major hotel company to introduce a booking experience that allows individuals to easily book and instantly confirm at least two connecting rooms.