

Duff on Hospitality Law

Online Travel Update: Vrbo gets creative when facing vacation rentals shortages; Booking.com creates fintech business to enhance payment platform; tensions rise between Southwest Airlines and flight discounter Skiplagged

By Greg Duff on 7.9.21 | Posted in Online Travel Update

This week's Update features details on two recently filed lawsuits — one by American Airlines against Sabre and the other against Southwest Airlines by airfare discounter, Skiplagged. Enjoy.

Continued Inventory Shortages Cause Vrbo To Get Creative

*("Vrbo Adds Hotels to Fill In Vacation Rental Gaps," July 8, 2021 via Skift Travel News)
(subscription may be required)*

For several weeks now, we have included stories highlighting the mounting inventory shortages in vacation rentals. Travelers cannot seem to get enough of these unconventional (or maybe not so unconventional any more) accommodations. In an effort to address these shortages, particularly in high-demand resort markets, Expedia Group's Vrbo is now featuring traditional hotel accommodations — Holiday Inn Express, La Quinta Inn & Suites, Extended Stay America, etc. — in its search results. According to Expedia Group, Vrbo is sourcing these guest room accommodations both through corporate, portfolio-wide agreements and individual property agreements. Hotels featured on the site can elect to have Vrbo collect payment in advance, or the hotels may collect payment directly from the guest. Does this officially signify the transition of vacation rental platforms to becoming just another online distribution channel (like all other distribution channels)? It isn't clear.

Booking.com Getting Deeper Into Payments

("Booking.com aims to remove payment friction through creation of fintech unit," July 8, 2021 via Phocus Wire)

Apparently, Booking.com's much promoted facilitated payments platform may be just the beginning to the company's payment aspirations. Booking.com announced recently its plans to launch an independent fintech business to develop new products and services to help address the perceived challenges with cross-border and cross-currency transactions, while at the same

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time creating potential new revenue streams for Booking.com.

Tensions Mount Over Access and Use of Southwest Airlines' Rates and Schedules

("Flight Discounter Skiplagged Asks Federal Court to Tell Southwest Airlines to Back Off," July 3, 2021 via Skift) (subscription may be required)

For some time now, Southwest Airlines has served as the gold standard for travel companies willing to protect their critical product and service content — fares, schedules, etc. — from unauthorized use by third-party distributors (particularly, in the leisure segment). Recently, Skiplagged, the online platform that provides travelers discounted fares through the use of “hidden city” itineraries, decided to fight back against Southwest’s efforts by targeting the discounter. In its complaint filed recently in federal court against Southwest Airlines, Skiplagged seeks a declaration by the court that it is not subject to Southwest’s terms and conditions, which, among other things, prohibits the scraping of content (e.g., fares, schedules, etc.) from the Southwest website. According to Skiplagged, it does not scrape the airline’s website and obtains the valuable content from other third-party sources (though it failed to identify them). Interestingly, travelers who wish to purchase one of these “hidden city” itineraries from Skiplagged are directed to Kiwi.com to complete the booking. Earlier this year, [Southwest brought claims](#) against Kiwi.com for similar unauthorized use of Southwest fares and schedules. We will continue to monitor this litigation.

Other News:

American Airlines Sues Sabre Over Fare Display

July 7, 2021 via Phocus Wire

American Airlines has asked a Texas court to block Sabre from using its New Airline Storefront (NAS) display in global distribution system search results. The carrier alleges that new display interface, which Sabre designed with assistance from Delta, biases search results toward Delta in violation of Sabre's contract with American.

The Wrap: Tripadvisor Unveils New App, and Travelport Inks Deal With Emirates on Surcharge-free Content

July 7, 2021 via WIT

Travelport has launched a refreshed mobile app for iOS and Android users in time for the travel rebound happening across the globe. The new app gives users access to travel guidance and tips including traveler reviews and recommended places.

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Tripadvisor and CitizenM on Making Subscriptions Work for Travel - Econsultancy

July 5, 2021 via Hotel News Resource

Over the past couple of years, the idea of travel subscriptions has attracted increased interest, with Skift naming subscription travel one of its Travel Megatrends for 2020, calling it the “next frontier of loyalty.”