

Duff on Hospitality Law

## **Online Travel Update: Expedia predicts better travel days ahead; Southwest embraces Kayak's business platform; Oyo released the Top 10 most downloaded travel apps in 2021**

By Greg Duff on 1.21.22 | Posted in Online Travel Update

Our first Update of 2022 includes a number of stories on the evolving marketing tactics of both hotels and their distribution partners. Enjoy.

### **Better Days Ahead? Expedia Certainly Thinks So**

*("Online travel giants' marketing spend continues to head north," January 10, 2022 via Phocus Wire)*

*("VIDEO: How hotel marketing tactics are shifting," January 12, 2022 via Phocus Wire)*

Last week, two stories detail the major OTAs' apparent spending spree on sales and marketing. What's driving this growth? General optimism over the anticipated return of the travel industry? Renewed efforts to defend or capture critical market share in an increasingly competitive online market? Dogged determination to quash hoteliers' seemingly successful direct booking efforts – particularly over the past 18 months? Maybe a little of all three? According to a report issued last week by *PhocusWire*, most of the major online booking channels reported huge year-over-year increases in their third quarter sales and marketing spend. Airbnb increased its third quarter year-over-year spend by 156 percent to a measly \$291 million. Expedia Group increased its third quarter spend year-over-year by 150 percent to a whopping \$1.3 billion and confirmed plans late last week to run Superbowl ads for both Expedia.com and Vrbo (the first such ads by Expedia in years). Booking Holdings increased its year-over-year spend by nearly 100 percent to a total of \$1.38 billion. Bucking this trend was China's Trip.com, whose year-over-year increase of 12 percent was reported to be in response to continued uncertainty over the pandemic.

### **Southwest Embraces Kayak's Business Platform**

*("Southwest Airlines Connects to Kayak for Business," January 12, 2022 via Business Travel News)*

It wasn't that long ago that Southwest, choosing to focus nearly exclusively on its direct channel leisure business, wanted nothing to do with third party distribution channels. Things have obviously changed. Last week, Kayak announced that Southwest's fares (including

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discounts and rewards bookings) would be available on Kayak's business platform, Kayak for Business. According to statements from Southwest, Kayak won't likely be the last third-party channel to soon feature Southwest's fares and itineraries.

**The Top 10 Most Downloaded Travel Apps in 2021**

*("Google Maps Tops in 2021 as Most-Downloaded Travel App," January 10, 2022 via Yahoo Finance - Top Stories)*

Did you make the cut? If you are a hotelier, the answer is no. How about the list of top 10 downloaded online travel booking apps in 2021? Only online booking platform and operator, Oyo, made the list of top 10 downloaded online travel booking apps in 2021. Both Expedia Group and Booking Holdings fared well on the list of online booking app downloads – taking six of the 10 positions combined. Notably, online platform (and widely known provider of a variety of fintech products) Hopper continued to place well on the online travel app list, coming in third. Ever wonder what effect the exploding marketing investments of online travel companies is having, take a look at the two lists.

Have a great week everyone. Stay healthy.

Note, for those you venturing out again to industry events, I plan to attend the ALIS Conference in Los Angeles later this month. If you plan to be in Los Angeles, please let me know.

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Other news:

**Expedia Returns to Super Bowl Advertising in Sign of Optimism for COVID-Weary Travelers**

*January 15, 2022 via GeekWire*

Expedia Group is coming back to the Super Bowl, offering hope to those who yearn to be back on the beach. The Seattle-based online travel giant confirmed Friday morning that it plans to advertise for its Expedia.com and Vrbo brands during the broadcast for Super Bowl LVI on Sunday, Feb. 13.

**Google Represents Ongoing Threat to Online Travel Agencies, Says GlobalData**

*January 13, 2022 via GlobalData - All news*

COVID-19 had a serious impact on online travel agencies (OTAs), according to GlobalData, which notes that the OTA market value decreased by a gruesome 60.4 percent year-on-year (YoY) in 2020. The leading data and analytics company reveals that this strain has amplified OTA's existing concerns around the growing presence of Google in the market, and how the tech giant's control could impact competitiveness and, therefore, consumer choice.

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**Cvent Taps Former Military Vendor for Mtg. Health Pass Tech**

*December 23, 2021 via Business Travel News*

Meetings technology provider Cvent has partnered with multifactor identity authenticator ID.me to create and offer Cvent Health Check as a privacy-oriented health pass for meetings and events.