

Duff on Hospitality Law

## **Online Travel Update: An Update on Hotel Distribution and Vacasa's Change in Leadership**

By Greg Duff on 9.2.22 | Posted in Online Travel Update

The last unofficial week of summer was relatively slow in the online travel world, though last week did see the release of the European Commission's report on its recent study into the current status of hotel room distribution in the E.U. We've attached a short summary of the report as well as a link to the report itself. What this study might mean for hoteliers and OTAs in the E.U. remains unclear, particularly with one or more of the major distribution platforms possibly poised to become regulated under the Digital Markets Act (DMA). Enjoy.

### **E.U. Hotel Distribution – Update**

*[“Hotel Booking Market Sees Little Market Entry and Price Differentiation, EU Study Says,” August 26, 2022 via MLex Insights](#) (subscription may be required)*

*[“Europe's Hotel Booking Sector Broadly Unaffected by Antitrust Intervention, Commission Concludes,” August 26, 2022 via MLex Insights](#) (subscription may be required)*

Long time readers of our Update know that for several years our weekly Update featured frequent updates on E.U. member countries' investigations and ultimately, settlements involving OTAs' distribution practices (largely around rate and availability parity). As a result of these various investigations, several countries banned contractual parity requirements altogether while others adopted so-called “narrow” parity, allowing OTAs to maintain only their direct channel rate parity requirements. These investigations and settlements have served as the basis for countless OTA contractual negotiations over the past several years. Now, the European Commission has taken a close look at the effects of these various approved practices on competition among distribution channels – both direct (hotel) and indirect (OTA). While I've not yet had a chance to read the entire report, a few items from the attached summary are worth noting:

- The Commission provided no direction as the effects of its recent study. Might new legislative or regulatory efforts be far away? No one knows.
- The E.U. market is relatively stable in terms of market participants (and share), market practices, market commissions, availability and rates, with little differentiation among the market participants.

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- There are no discernable differences in countries that have outright banned the use of rate parity.
- According to the Commission, the soon-to-take effect Digital Markets Act will prohibit use of wide and narrow parity requirements, provided that such prohibitions only apply to designated "gatekeepers" To date, the only two travel platforms rumored to possibly receive the gatekeeper designation are Airbnb and Booking.com (which Booking vehemently disputes).

### Vacasa Announces Leadership Change

*"Vacasa CEO Matt Roberts Will Be Replaced by Ex-Egencia Boss Rob Greybar," August 24, 2022 via Skift (subscription may be required)*

Short-term rental management company, Vacasa, announced this past week that current CEO, Matt Roberts, was retiring and would be replaced by former Egencia CEO, Rob Greybar. While some in the industry are applauding Vacasa's decision to appoint someone with a proven operating history (Greybar spent 17 years at Expedia, 10 of which were leading Expedia's corporate booking platform, Egencia), I question whether Greybar's appointment might signify something more. Perhaps a recognition by Vacasa that its future growth is more likely to occur in the management and distribution of short-term rentals (as opposed to management only)? Perhaps Greybar's arrival signals an effort to move Vacasa's rentals into more diverse uses, including individual and (small) group business travel in today's upside-down world of work from home?

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### Other News:

#### SiteMinder Acquires GuestJoy to Expand Hotel Commerce Platform

*August 23, 2022 via Phocus Wire*

Women's media brand Cosmopolitan has launched a travel booking service called CosmoTrips. Built in partnership with DH Enterprise & Associates, the platform offers instantly bookable, curated vacation experiences across the United States.