

Duff on Hospitality Law

Online Travel Update: Airbnb to Feature Total (All-Inclusive) Pricing

By Greg Duff on 11.11.22

Good Sunday afternoon from Seattle . . . Our weekly Online Travel Update for the week ending November 11, 2022, is below. Booking Holdings features prominently in this week's Update as its planned acquisition of Etraveli faces regulatory scrutiny. Enjoy

Airbnb to Feature Total (All-Inclusive) Pricing

Readers of our weekly update know that resort fees and total (or all-inclusive) pricing are again in the news. While the FTC considers its plans for regulating resort fees and other mandatory charges, some industry members are proactively announcing their own total pricing plans. This past week, Airbnb announced plans to feature total pricing (including nightly rates plus cleaning fees and other applicable Airbnb fees and charges, but excluding taxes) at the beginning of users' search process across the entire the rental platform (Airbnb already displays all-inclusive pricing where required in the EU). Similar all-inclusive pricing will be featured on the platform's maps, property listings and price filter tools. Airbnb's failure to disclose often sizeable cleaning fees until check out has been the subject of many social media complaints and criticisms of the rental platform. The changes are scheduled to take effect next month.

Booking Holdings' Planned Acquisition of Etraveli Group to Face Full Scale Regulatory Review. Sources familiar with the European Commission's ongoing review of Booking Holdings' planned acquisition of Sweden-based Etraveli Group have shared that the

Holdings' planned acquisition of Sweden-based Etraveli Group have shared that the Commission plans to open a full-scale regulatory review of the acquisition when it finalizes its initial preliminary review (scheduled for November 16). Interestingly, the UK's Competition and Markets Authority (CMA) unconditionally approved of the acquisition earlier this year.

EU Court Asked to Reconsider Market Definition (and Parity). Nothing like having home court advantage in high stakes anti-trust litigation. A Dutch court considering claims of anti-competitive behavior by local hoteliers against Booking.com has asked the European Court of Justice for direction on defining online markets and whether price parity provisions comply with EU competition laws. In its request, the Dutch court questioned whether online travel platforms truly constitute a separate market (separate and apart from the many other available distribution channels available to travel suppliers). The European Court's response to the question will not only affect EU competition litigation in the future, but may also affect the





decision of whether Booking.com will be subject to the Digital Markets Act (DMA), which among its many other prescriptive measures, bans entirely MFN or parity provisions. We've linked below Booking.com's response to the Dutch court's request, which includes statements by Booking.com that seemingly re-confirm its agency status. These are definitely interesting times in the world of EU competition law and its effects on global online travel platform.

Hopper and Capital One Re-Affirm Partnership. Hopper and Capital One announced last week a new round of investment (\$96 million) by Capital One in Hopper (on top of its previous \$170 million investment) and a new long-term partnership between Hopper and Capital One Travel. According to Hopper, the new investment will be used to fund growth, including new social commerce initiatives. It is hard to say which is more meaningful at this point to Hopper, the new investment or a continued partnership, which is rumored by many to be Hopper's current largest (maybe even primary) source of bookings.

Have a great week everyone.

Other News:

Airbnb to Display Total Prices Up Front and End Checkout Task Drudgery

November 11, 2022 via Skift (subscription may be required)

Skift Take Airbnb has responded to years'-long criticism about a lack of transparency in the way it displays its prices. Now, will competitors do likewise? Dennis Schaal Bowing to criticism about surprise fees that potential guests encounter late in the booking process, Airbnb announced Monday that starting next month it ...

Booking's acquisition of ETraveli could hit regulatory snags

November 11, 2022 via Phocus Wire Booking Holdings' acquisition of ETraveli Group might have to jump regulatory hurdles, with the European Commission set to make a decision next week. A year ago, Booking Holdings announced its €1.6 billion takeover of ETraveli, whose brands include Gotogate, Flygresor, Seat24, Mytrip, virtual interlining technology provider TripStack and Flight Network. ...

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Booking.com welcomes questions to EU's top court on market power in hotel booking sector

November 11, 2022 via MLex

Booking.com has welcomed a decision by a Dutch court to seek guidance from EU judges on how to define online markets, and whether price parity clauses comply with the bloc's competition laws. "The Amsterdam Court has now called into question the faulty logic that online travel platforms constitute a market of their own," it said. A final verdict would be relevant for any competition cases in the sector, as well as for the EU's Digital Markets Act, which imposes tough obligations on digital platforms deemed to be "gatekeepers."

Booking's Etraveli deal faces full-scale EU antitrust probe, sources say

November 10, 2022 via Reuters (subscription may be required)

BRUSSELS, Nov 10 (Reuters) - Online travel agency Booking Holdings Inc's (BKNG.O) 1.63-billion-euro (\$1.7 billion) bid for Sweden-based Etraveli Group faces a full-scale EU antitrust investigation, people familiar with the matter said. Booking announced the proposed acquisition of private equity firm CVC Capital Partners-owned Etraveli in November last year. Etraveli ...

Hopper Attracts a \$96 Million Investment From Capital One in Partnership Expansion

November 7, 2022 via Skift (subscription may be required)

Capital One, which led a \$170 million investment round in travel app Hopper in 2021, has added \$96 million to the kitty, and the companies announced a long-term partnership between Hopper and Capital One Travel. "Following the success of Capital One Travel, Hopper and Capital One are announcing an extension ...

Destinations International creates DEI pilot powered by Tripadvisor

November 7, 2022 via Phocus Wire

Destinations International has unveiled an equity, diversity and inclusion (EDI) pilot program in partnership with Tripadvisor and the Charlottesville Albemarle Convention and Visitors Bureau in Virginia. "Tourism for All" will launch in Charlottesville and then open to all destinations in early 2024. The program aims to support CVBs and destination ...

