

Duff on Hospitality Law

## **Online Travel Update: The Spotlight on SMB Initiatives, Coalition Against Fake Reviews, and the Real Costs to Hoteliers**

By Greg Duff on 10.23.23 | Posted in Online Travel Update

From the number of announcements this past week by travel industry members detailing their new online small and medium business initiatives, someone must have deemed last week “small and medium business week.” We’ve included a few of the more interesting announcements in this week’s Update. Enjoy:

- **Google Trial Continues to Provide Interesting Insight into OTAs Online Advertising.** In last week’s Update, we featured the testimony of a senior Booking Holdings executive. This week, we feature the testimony of a former senior Expedia executive.
- **Rival Platforms Form New Coalition to Fight Fake Reviews.** Much was written this past week about several prominent online platforms’ (including Booking.com, Expedia and Tripadvisor) newly announced coalition against fraudulent online reviews. In this week’s Update, we include the story from the perspective of Seattle’s own, *Geekwire*. The newly formed “Coalition for Trusted Reviews” is notable as it is one of the few instances (perhaps only) where three major online travel rivals come together for a common objective. According to Amazon (which has been quite active pursuing fake reviews), the Coalition hopes to define best practices for hosting online reviews and to share effective methods for detecting and stopping fake reviews. The Coalition next meets in December at a meeting organized by Amazon.
- **Booking.com’s Payment Challenges Lead to Class Action Lawsuit.** Over the past few weeks, we’ve featured several stories about Booking.com’s payment platform’s apparent delay in making much needed payments to hotels in Europe and Asia. According to one operator in Japan, the payment delays still continue. Now, a group of Japanese hoteliers are planning a class-action lawsuit against Booking.com.

- **How Much Do Hoteliers Really Pay Intermediaries?** According to industry consultant, Max Starkov, the amount for 2023 is a staggering \$50 billion. If you include the costs associated with corporate travel agents and traditional travel agencies in the total, *Skift* estimates the yearly total climbs to \$75 billion.
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### **Expedia's Ex-COO Says Ad Fees Jumped After Google Remade Search**

*October 19, 2023 via Bloomberg.com*

Advertising payments from Expedia Group Inc.'s vacation home rental business to Alphabet Inc.'s Google ballooned 10 times over a five-year period, but failed to increase traffic after the search engine started showcasing its own flight and hotel information, a former executive of the company told a federal judge. About 500 ...

### **American's new biz travel incentive is for direct bookings only**

*October 19, 2023 via Travel Weekly US*

American Airlines' new incentive program for small and midsize businesses, AAdvantage Business, applies only to direct bookings. During American's Q3 earnings call on Thursday, chief commercial officer Vasu Raja highlighted AAdvantage Business, a program for unmanaged corporate travel that is replacing Business Extra. Unlike Business Extra, companies can only access ...

### **HBX Group marks start of new era for Hotelbeds**

*October 18, 2023 via Hospitality Net*

Hotelbeds has launched its new group brand, HBX Group to lead the B2B TravelTech company into the next phase of its evolution. Two years on from its shift to being a leader in the TravelTech space, the company is today establishing itself as a global travel ecosystem player, introducing new ...

### **Hilton Answers Call of Small and Medium Businesses to Create More Seamless, Rewarding Travel Experience**

*October 17, 2023 via Hospitality Net*

Hilton yesterday announced two new digital innovations designed to create a more seamless travel experience for small- and medium-sized businesses. The innovations are part of Hilton's long-term commitment to digitally transform the business travel experience – from booking to billing – for the millions of small- and ...

### **Amazon, Expedia, Glassdoor, and others form coalition to fight fake reviews**

*October 17, 2023 via GeekWire*

A newly formed coalition of companies from e-commerce, travel, employment and other sectors plans to work together against a common problem across their industries: fraudulent online reviews. The new Coalition for Trusted Reviews was announced Tuesday morning by Amazon, Booking.com, Expedia Group, Glassdoor, Tripadvisor, and Trustpilot. The companies say they ...

### **Fraudsters target Booking.com customers claiming hotel stay could be cancelled**

*October 16, 2023 via Graham Cluley Security Blog*

One of the world's largest online travel agencies, Booking.com, is being used by fraudsters to trick hotel guests into handing over their payment card details. How do I know? The fraudsters tried the trick with me.

### **Japanese hotel owners plan to sue Booking.com over payment failure**

*October 15, 2023 via Japan Times Online*

As major online travel agency Booking.com faces reports of payment failures in Europe and Asia, some Japanese hoteliers are planning to file a class-action lawsuit against the company. Hotel owners say that over the past few months, Booking.com has failed to promptly transfer customer payments to the hotels, essentially leaving ...

### **Hotels to Pay Middlemen \$75 Billion in 2023: Skift Research**

*October 13, 2023 via Skift Travel News*

Hotel companies pay billions a year to online travel agencies and other distributors. Our estimate of how much is eye-opening. So is hoteliers' naiveté about how sustainable their level of spending is. Seth Borko and Sean O'Neill, Skift Share How much will hotel companies pay OTAs (online travel ...