

Duff on Hospitality Law

Travel Industry Trends: Junk Fees, Layoffs, and Expedia's Package Deal Shake-Up

on 12.9.24

Good Sunday evening from Seattle . . .

As many of you know, I returned a few weeks ago from an extended sabbatical – three months well spent traveling, cooking, reading and driving my wife crazy. Now that I am back in the office, it is time to start again our Online Travel Update. We are using this opportunity to re-format things a bit and to re-commit ourselves to identifying the stories that we feel are most important and relevant to our clients; we all receive far too many “industry” updates each day and/or week. For that reason, we may not circulate an Update each week. If there is nothing important to share, there is no need for an Update. Our Updates will also continue to feature comments from me, though you may find that my comments more than ever reflect my particular opinion, viewpoint or cynicism on a specific story or issue. If you ever disagree with me, let me know. I always welcome your feedback.

Finally, if you have ideas on how we might improve our Update, please let us know. We want to make our Updates as helpful as possible. If you know someone who might benefit from the Update (or even better, might benefit working with our hospitality team), please also let me know. Thank you for being part of this newsletter.

Now on to the Update . . . Stories from the past two weeks are below. Hotel fees and pending federal legislation seeking to uniformly regulate hotel fees remain an important industry issue. Other updates reflected in the stories below include Google's ongoing efforts to satisfy EU regulators and Expedia's off and on relationship with Hopper. Did Hopper really improve its customer UX such that Expedia is now comfortable working with Hopper or did Expedia's new leadership's desire to restore revenue lost as a result of terminating the Hopper relationship drive this latest decision? Finally, did anyone listen to the recent Expedia quarterly earnings call (or read the associated transcript)? I know at least one of you did because we talked about it last week. I don't know about you, but if you listen carefully to Expedia's announced plans around packages (as explained by new Expedia CEO, Ariane Gorin), Expedia seems poised to turn packages and the use of package rates on their head. Give it a listen or read. It may be time to ask start asking questions of your Expedia account rep. Enjoy.

- **Industry Groups Voice Strong Support for Federal Junk Fee Legislation.** It isn't every day that both AH&LA and the Travel Technology Association speak out in favor of the same issue.
- **Industry Layoffs Are Not Limited to Hoteliers.** In recent weeks, much has been written about re-structurings and layoffs occurring at the large hotel companies. This past week, we were reminded that these same re-structurings and layoffs are also occurring with some of the largest distribution platforms (Expedia earlier this year and now Booking Holdings). Booking Holdings' recent announcement regarding the layoff of 60 employees at one of its business units, Rocket Travel, raises interesting questions about Booking Holdings' overall business (B2B) strategy.
- **First Hoteliers, Now Online Travel and Tour Companies Voice Concern Over Google's DMA Changes.** Something tells me that we will be hearing and reading a lot about this issue for weeks and months to come. Expect to see more from us on this issue in future Updates as I get my arms around these latest changes.

Have a great week everyone.

Headlines This Week

AHLA urges Congress to protect consumers, federal workers; spur hotel hiring

December 6, 2024 via Hospitality Net

The American Hotel & Lodging Association (AHLA) this week urged congressional leaders to take up important legislation that would protect consumers from hidden fees in their hotel booking journey before the 118th Congress ends Jan. 3, 2025. In a letter to House and Senate leaders, AHLA President & ...

Travel Technology Association Commends Congress for Championing Price Transparency

December 6, 2024 via Travel Tech Association

Laura Chadwick, President and CEO of the Travel Technology Association, released the following statement following the Senate Homeland Security and Governmental Affairs Subcommittee on Permanent Investigations hearing titled, "The Sky's the Limit—New Revelations About Airline Fees." "Travel Tech thanks the Senate Homeland Security and ...

Booking Holdings Laid Off 60 Employees at B2B Arm as It Resets Priorities

December 4, 2024 via Skift

As Booking Holdings resets its investment priorities in the AI era, its business-to-business services, which Expedia has far outpaced, won't likely be high on the list. What's next? Booking Holdings has laid off around 60 employees at one of its business-to-business units, Rocket Travel by Agoda, part of

Online Travel to Google: Search Changes Are Geared to Create Conflict, Political Backlash

November 28, 2024 via Skift

Google's search changes won't win any friends among online travel companies doing business in Europe. However, they might help whip up opposition to the Digital Markets Act. A group advocating "neutral search," including more than 40 online travel and tour companies, drafted a letter to the European Commission ...

Google to test plain 'blue link' results for hotel searches in EU markets in latest DMA twist

November 26, 2024 via TechCrunch

Google has announced it's making more changes to how it displays search results in the European Union in response to continued complaints that it's failing to comply with the bloc's Digital Markets Act (DMA). This will include what it bills as a "short test" of plain "blue link" style search ...

Amex GBT proposes remedies to help push through CWT deal

November 25, 2024 via Business Travel News Europe

American Express Global Business Travel and CWT have suggested a series of potential "remedies" to the UK's Competition and Markets Authority (CMA), which could help them to gain clearance for their proposed merger, including price caps and service commitments for larger clients.

Expedia and Hopper Resume Hotel Supply Deal After Bitter Falling Out

November 24, 2024 via Skift Travel News

Expedia punched Hopper in the mouth in 2023 when it cut off their relationship, and Hopper was never able to make up the lost ground. Expedia, under new leadership, wanted to see revenue from Hopper flowing in again. — Dennis Schaal Expedia Group is once again supplying hotel ...