

Duff on Hospitality Law

OTA & Travel Distribution Update - June 9th, 2017

By Greg Duff on 6.16.17 | Posted in OTA Update

This week's OTA & Travel Distribution Update for the week ending June 9, 2017 is below. This week's Update features a variety of stories.

Airline Surcharge Challenged [DIRECT BOOKING]

("IAG Flight-Booking Surcharge Faces Antitrust Complaints," MLex Market Insight, June 6, 2017)

A week or two ago British Airways announced plans to join Lufthansa in its practice of charging travelers who book through an intermediary (rather than direct with the airline) a booking surcharge (\$10.00). Last week, the Business Travel Coalition (a US-based managed-travel lobbying group) filed anti-trust complaints with regulators in Spain, the UK and the EU, arguing that British Airways' parent company, International Airlines Group (IAG) was abusing its superior market position by levying the charge. More information to come on this developing story in the weeks ahead.

Expedia's Group Booking Solution Continues Its Expansion [OTA/GROUP]

("Expedia Ramps Up MeetingMarket Service, Second Major Chain Signs," Tnooz, June 5, 2017)

In a follow up to a story we featured last year (and further evidence of a trend that I predicted nearly two years ago), a second European hotel chain has now announced plans to roll out Expedia's group booking solution, MeetingMarket. Over the past few months, European hotelier, NH Hotels, has followed a previous European rollout by Best Western by adding a white-label version of the MeetingMarket solution to its hotels' websites in Germany. According to Expedia, it will continue to focus its rollout of its small group booking solution – with its expanding multi-language capability – primarily in Europe. I suspect adoption of this new solution will soon play (or perhaps, for some, already plays) an important role in contract negotiations with Expedia.

Local Technology Newsletter Examines Direct Booking [DIRECT BOOKING]

("Hotels Try to Divert Business from Expedia and Priceline, as Millennial Travelers Upend the Industry," GeekWire, May 30, 2017)

Periodically, we like to feature stories from our own Seattle-based technology news website, Geekwire, which follows the local Northwest technology industry, including the many local companies working the in the travel and lodging industries. This past week, Geekwire, provided a good overview of the current hotelier vs. OTA battle with viewpoints from hoteliers, AHLA, Expedia and industry experts and consultants. Enjoy.

Other news:

Airbnb Can Operate Legally in Japan With New Law's Passage

Skift Travel News, June 9, 2017

Good news for Airbnb but the bigger question is what happens in a year or two? What kind of an impact will this have on the housing markets in Japan? And will this inevitably lead to over tourism?

Points International Aims to Upgrade Airline and Hotel Loyalty Programs

Skift Travel News, June 5, 2017

Points is trying to diversify beyond being the world's largest reseller of airlines and hotels points. But this loyalty tech company needs a little more mojo if it wants to produce truly game-changing products.