

HOSPITALITYLAWYER.COM PRESENTS

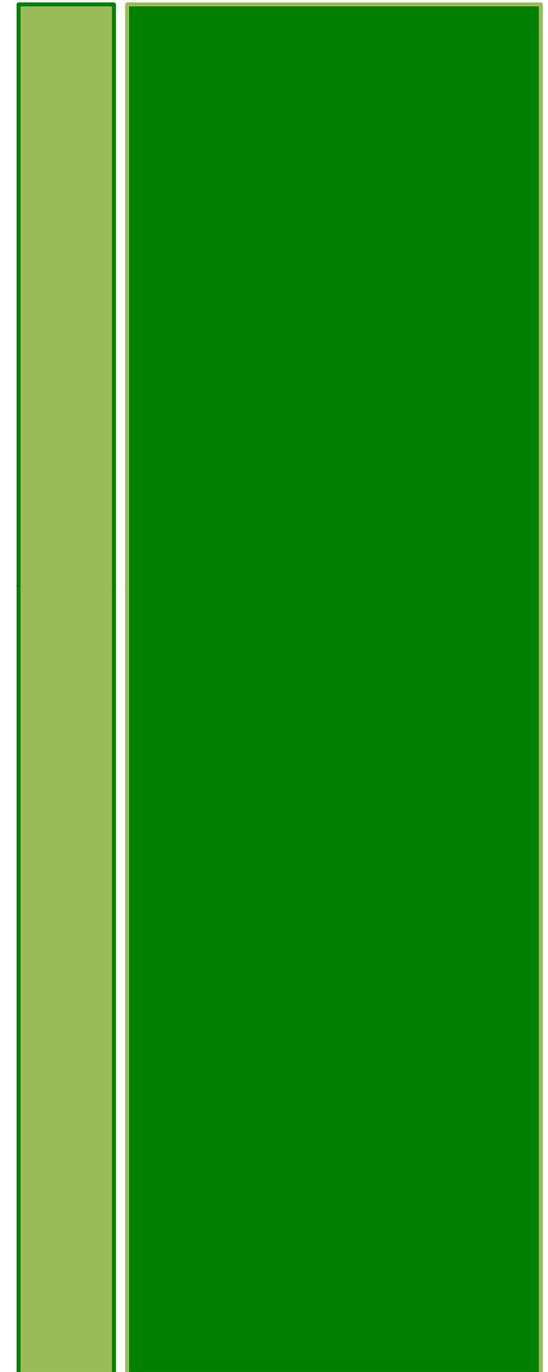


FEBRUARY 11-13, 2013 • HOUSTON , TEXAS

# PERSPECTIVES ON NON-TRADITIONAL DISTRIBUTION CHANNELS

Greg Duff and Ruth Walters  
Garvey Schubert Barer

Houston, Texas  
February 12, 2013



# BIOGRAPHIES



- **Greg Duff**
- Chair, GSB's National Hospitality Practice
- Operations-oriented practice – management contracts, sales, marketing, distributions and technology
- Former Assoc. GC, Westin Hotel Company and GC, Columbia Hospitality



- **Ruth Walters**
- Operations-oriented practice—marketing, sales, advertising
- Technology transactions—software, SaaS, ISP, online distribution
- Intellectual property—brands, copyrights, image releases

# AGENDA

1. Scope
2. Non-Traditional Channels
3. Traditional OTA Distribution Channel  
Implications

# HISTORY OF ONLINE DISTRIBUTION

- 1996 – Microsoft launches Expedia
  - Sabre launches Travelocity
- 1998 – Google founded
  - lastminute.com, Priceline launched
- 2000 – TripAdvisor launched
- 2001 – Orbitz launched
- 2004 – Expedia acquires TripAdvisor for \$210m
  - Facebook launched
  - Kayak launched

# HISTORY OF ONLINE DISTRIBUTION

- 2005 – Priceline acquires booking.com for \$135m
  - YouTube launched
- 2006 – Twitter launched
- 2008 – Airbnb launched
  - Groupon launched
- 2009 – Room 77 launched
- 2010 – Google acquires ITA Software for \$700m
  - Pinterest launched
  - JetSetter launched

# HISTORY OF ONLINE DISTRIBUTION

- 2012 – RoomKey launched
  - Priceline acquires Kayak \$1.8bn
- 2013 – Expedia invests \$30 million in Series C financing for Room 77

# SCOPE

Not a discussion involving . . .

1. Primary ("Traditional") Distribution Channels
2. Employment Practices and Policies
3. Mobile

# NON-TRADITIONAL CHANNELS

## 1. Daily Deals/Flash Sales and Private Sales

- Groupon, LivingSocial
- Jetsetter, Rue La La, Vacationist

## 2. Search

- Google – Google Hotel Finder

## 3. Maps

- Google Maps
- Apple Maps

# NON-TRADITIONAL CHANNELS – CONT.

## 4. MetaSearch / Aggregators

- Kayak
- Room 77
- RoomKey
- Hipmunk

## 5. Directories and Destination Sites

- Regatta

# NON-TRADITIONAL CHANNELS – CONT.

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## 6. Social Media (“Hybrids”)

- Travel Review Sites
- Facebook
- Pinterest
- BCKSTGR

# NON-TRADITIONAL CHANNELS – FLASH SALE

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Seattle ▾

Receive Getaway Deals +

Refer Friends. Get \$10\*

## Campbell's Resort on Lake Chelan – Chelan, WA

One-Night Stay for Two in a King Deluxe Lake-View Room. Combine Up to Two Nights.

Getaways | with Expedia

\$89

Buy!

Value	Discount	You Save
\$154	42%	\$65

Buy it for a friend!

Time left to buy  
8 days 12:43:16

Over 120 bought  
Limited quantity available

The deal is on!

Twitter Email Pinterest Facebook Send

Facebook Like 90



# NON-TRADITIONAL CHANNELS – PRIVATE SALES

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**JETSETTER**

Flash Sales | Destinations | Travel Ideas | ...

Invite Friends | My Account ▾

Type a Destination or Hotel

## The Alex

New York City, New York

Email Favorites Like 53 Pin It

Flash sale  
Ending soon



From **\$145** / night Hotel website \$209/night

Select check in date ▾

January						Feb >
S	M	T	W	T	F	S
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

Available check in dates Standby

Select check out date →

Deluxe King Room, 2 guests →

# NON-TRADITIONAL CHANNELS – PRIVATE SALES

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THE RUE 30 ▶  
PAY \$9.95 ONCE.  
SHIP FREE FOR 30 DAYS.

ALL WOMEN MEN LIVING TRAVEL KIDS TODAY'S FIX LOCAL COMING SOON

THE BIG GAME WEEKEND EXPERIENCE CLOSING IN 0 DAYS, 20:46:35 [Why We Love It ▶](#)

[Back to Boutique](#)

## Big Game Ticket Package with Hotel Stay

Celebrate the biggest day in football in true VIP style with exclusive tickets, luxe accommodations, pregame parties, and more.

~~\$20,000.00~~ **\$18,500.00**

Quantity  
1 ▼

ADD TO BAG QUICK! BUY IT ?



# NON-TRADITIONAL CHANNELS FLASH SALES AND PRIVATE SALES

## 1. Vouchers = Gift Certificates?

- Groupon Litigation
- Living Social Litigation

## 2. Federal and State Gift Certificate Laws

- Credit Card Act of 2009
- State Gift Certificate Laws Vary Widely
- Notable Exceptions

## 3. State Escheat Laws

# NON-TRADITIONAL CHANNELS - SEARCH

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Google HOTEL IN HOUSTON TEXAS

Hotel Finder Sun, Jan 27 – Mon, Jan 28 1 night Price Star rating User rating Amenities

642 hotels Sort

Hotel Name	Price	Star Rating	Reviews	Comparison
Sleep Inn & Suites Intercontinental Airp...	\$90	★★		22% more than usual
Homewood Suites by Hilton HoustonCl...	\$135	★★★	28 11 reviews	3% less than usual
Hampton Inn & Suites Houston-Medical...	\$135	★★★		4% more than usual
Aloft Houston by the Galleria	\$114	★★★	23 10 reviews	17% less than usual
La Quinta Inn & Suites Houston-Norma...	\$85			

### Aloft Houston by the Galleria

Add to shortlist Book at getaroom \$114 More

\$133 incl of taxes & fees. Booking links sponsored.

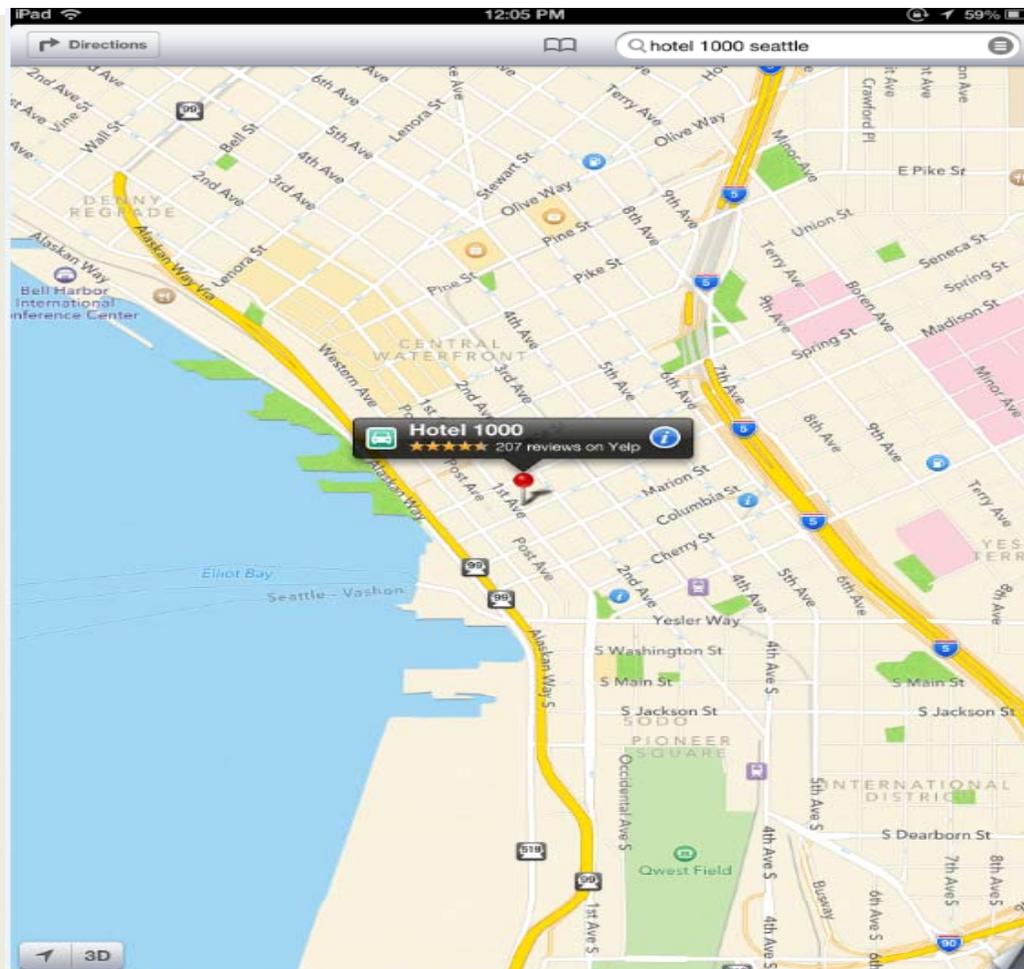
Overview Photos (15) Reviews (10) Location Rooms



★★★ [starwoodhotels.com](http://starwoodhotels.com)  
Accessible facilities · Air-conditioned · Free WiFi · Free parking · Gym

# NON-TRADITIONAL CHANNELS - MAPPING

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# NON-TRADITIONAL CHANNELS SEARCH & MAPPING

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1. Source of Information
2. Channel Management
3. Keyword Bidding

# NON-TRADITIONAL CHANNELS - METASEARCH / AGGREGATOR

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**KAYAK** Flights Hotels Cars Deals Vacations Cruises ▶ Login My Trips Free App

◀ See all Seattle hotels

## The Edgewater

★★★★☆      970 guest reviews

**Overview** | Map | Photos | Reviews | Similar

**Call**

2411 Alaskan Way Pier 67, Seattle, WA 98121, United States +1 206 728 7000  
[www.edgewaterhotel.com](http://www.edgewaterhotel.com)

The Edgewater - A Noble House Hotel is located in Seattle's Seattle Waterfront neighborhood, close to Pacific Science Center, Pike Place Market, and Space Needle. Nearby points of interest also include Experience Music Project Museum and Seattle Center. The Edgewater - A Noble House Hotel features a restaurant and a bar/lounge. Room service is available during limited hours. Recreational amenities... [More from Expedia Affiliate Network](#)

- air-conditioned
- casino
- golf
- kitchenette
- pool
- spa
- airport shuttle
- fitness
- internet
- parking
- restaurant

# DIRECTORIES AND DESTINATION SITES - REGATTA

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**Seattle**  
Seattle's Convention and Visitors Bureau

Show prices in: USD

Special Offers Hotel Concierge Why book with us? visitors about us

Search hotel by name Search



**Book Online**  
Alexis Hotel- A Kimpton Hotel

Arrival Jan-23-13

Departure Jan-25-13

Occupancy 2 Adults

Children

Check in all Hotels

**Search Availability**

[Return to list of hotels](#) **Jan-23-13 → Jan-25-13**



**Alexis Hotel- A Kimpton Hotel**  
A work of art in itself, the award winning Alexis Hotel was recently named to *Conde Nast's* 2012 Reader's Choice "Best Hotels in the Pacific Northwest." Our Seattle boutique hotel is committed to the arts community and partners with the Seattle Art Museum by featuring local artists throughout... [More description](#)

- High-speed WiFi Internet access, complimentary to Kimpton InTouch Guest Loyalty members
  - Hosted evening wine reception
  - 100% smoke-free environment
  - Complimentary onsite fitness center
  - Complimentary onsite private steam room

# NON-TRADITIONAL CHANNELS META SEARCH

1. Source of Information
2. Linking
3. Keyword Bidding

# NON-TRADITIONAL CHANNELS – SOCIAL MEDIA (REVIEW SITES)

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The St. Regis Houston Hotel

Sign in with Facebook | Sign in | Register Now! | FREE Mobile App | US

City, hotel name, etc. **SEARCH**

Home | Houston | Hotels | Flights | Vacation Rentals | Restaurants | Things to Do | Best of 2012 | Your Friends | More | Write a Review

Home > United States > Texas (TX) > Texas Gulf Coast > Houston > Houston Hotels > The St. Regis Houston

All 431 Houston hotels >

## The St. Regis Houston ★★★★★

Add to trip

1919 Briar Oaks Lane, Houston, TX 77027-3408 (Afton Oaks/ River Oaks)

Hotel website | Hotel deals | (713) 840-7600 | Hotel amenities

Special Offer **Book Early and Save**

2

Like

Pin it

Tweet



Professional photos



49 traveler photos

Ranked #16 of 431 hotels in Houston

231 Reviews

Show the lowest price for this hotel\*

Check In: mm/dd/yyyy | Check Out: mm/dd/yyyy | Adults: 2

Show Prices

Book now! Prices for this hotel have gone down in the past 5 days.

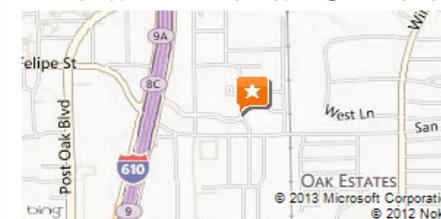
\*from our partners

### Travelers also viewed...

- Magnolia Hotel Houston (1,567 Reviews) Show Prices
- Four Seasons Hotel Houston (314 Reviews) Show Prices
- The Houstonian (242 Reviews) Show Prices

### Browse nearby

Hotels (431) | Restaurants (2778) | Things to Do (209)



Interactive map

Sponsored by: Best Western

231 reviews from our community

Write a Review

# NON-TRADITIONAL CHANNELS REVIEW SITES

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1. Data Usage & Ownership
2. API Terms of Use

# NON-TRADITIONAL CHANNELS – SOCIAL MEDIA (FACEBOOK)

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We're giving away a Weekend Stay...every month!

**Follow. Like. Enter. Win.**

Connect with us  
for your chance to win!

“Like” Omni Hotels & Resorts  
on Facebook to be taken to  
your Social Sweepstakes entry form!

# NON-TRADITIONAL CHANNELS FACEBOOK

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1. Contests and Sweepstakes
2. COPPA
  - Recent FTC Amendments

# NON-TRADITIONAL CHANNELS – PINTEREST

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5 pins



**TRUMP**  
*International*  
BEACH RESORT • MIAMI

The NEW ORLEANS HOTEL Collection

DOUBLETREE BY WILTON



**THE Fairmont**  
**COPLEY PLAZA**  
BOSTON

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[Tweet](#)  
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 HospitalityLawyer.com  
worldwide legal, safety, and security solutions

# NON-TRADITIONAL CHANNELS – ON THE HORIZON

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**BCKSTGR**  
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EARN REDEEM LEARN

00000000  
Award Miles

Earn BIG rewards for just being you.

0009350

Instantly earn United MileagePlus® award miles when you engage participating brands via social media – then use them for once-in-a-lifetime experience and lifestyle rewards.



## SIGN UP TODAY!

Through 1/31/13 earn up to to 600 miles for registering and linking to Facebook, Twitter and Foursquare.

Register Now

Watch How It Works

## BCKSTGR: Dream BIG!

Check out our latest exclusive experiences | [EXPLORE ALL](#)



# NON-TRADITIONAL CHANNELS: ENDORSEMENTS

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1. Convergence and integration of social media platforms
2. Liking, following, re-tweeting, re-pinning
3. FTC rules about endorsements

# NON-TRADITIONAL CHANNELS - IP MANAGEMENT

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1. Out-Licensing
2. In-Licensing
3. Rights of Publicity

# TRADITIONAL DISTRIBUTION CHANNELS - IMPLICATIONS

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1. Shifting business models
2. IP Concerns
3. Channel Management

# RESOURCES

[www.hotelmarketing.com](http://www.hotelmarketing.com)

[www.eyefortravel.com](http://www.eyefortravel.com)

[www.hsmai.org](http://www.hsmai.org)

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Questions?

# THANK YOU

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**HOSPITALITY BLOG**

[www.duffonhospitalitylaw.com](http://www.duffonhospitalitylaw.com)