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Expedia Hit With Antitrust Suit Over Hotel Pricing Restrictions

By **Rachel Riley**

Law360 (October 5, 2026, 6:39 PM EDT) -- Expedia broke federal antitrust law by barring listed hotels from selling rooms at lower rates through their own booking channels and using algorithms to punish them for offering reduced prices on competing travel agency websites, consumers claimed in a proposed class action filed in Washington federal court Friday.

The consumers say Expedia Group Inc. used its grip on the online travel agency website market to "impose exclusionary contracts and pricing algorithms" on hotels listed on its sites, including Expedia.com, Hotels.com, Travelocity, Orbitz and CheapTickets. These restrictions ultimately jacked up accommodation prices across the United States for not only customers who chose to book through Expedia sites, but also those who booked through rival websites or with hotels directly, the lawsuit alleges.

Eric L. Cramer of Berger Montague PC, representing the plaintiffs, told Law360 Monday the consumers and their legal team "look forward to holding Expedia responsible for its alleged anticompetitive conduct before a jury in Seattle."

"We allege that Expedia has abused its monopoly power in the online travel agent market, and that that conduct has artificially inflated prices for hotel rooms to the millions of consumers in the classes we propose to represent — even when those consumers did not use Expedia," said Cramer.

Media representatives of Expedia did not immediately respond to a request for comment.

The plaintiffs include California resident Ronisha Andrews, who booked accommodations at a San Diego area hotel through Priceline, and Washington resident Pak Seong Hoi, who made reservations at a Spokane hotel using the same website, according to the complaint. They are joined by Pennsylvania resident Lorraine Rocci, who booked accommodations directly with Hilton.

The plaintiffs seek to represent two nationwide classes of consumers who, starting Oct. 2, 2022, purchased U.S. hotel accommodations at properties listed on Expedia-owned sites: those who booked through online travel agencies not owned by Expedia, and those used direct hotel booking channels.

According to the complaint, Seattle-based Expedia Group's websites account for about 80% of U.S. hotel online travel agency gross bookings by dollar value. Major hotel groups — including Marriott, Hilton, InterContinental, Wyndham, Choice, Hyatt and Best Western — thus see listing on Expedia sites as key to reaching a significant portion of travelers.

The consumers claim Expedia's anticompetitive restrictions enable it to charge listed hotels a commission of roughly 15% on each booking made through its websites, or as much as 25% to 30% commission for hotels that pay for upgraded visibility on its sites. Listed hotels are thus forced to increase their prices to account for the commission costs, the plaintiffs allege.

The complaint targets two alleged Expedia practices, starting with what is known in antitrust law as a "most-favored-nation" contractual provision. This provision of Expedia's standard hotel agreement allegedly prohibits listed accommodation providers from offering prices through their own websites, apps, call centers or loyalty program portals that are lower than rates they advertise on Expedia-owned websites.

"As a result, and due to the challenged conduct, hotels must artificially inflate the prices in the direct-booked channel even though it is less expensive to sell through that channel," the plaintiffs said in the complaint.

The consumers also challenge Expedia's alleged algorithm-based anticompetitive tactics, which demote search results for listed hotels that post lower prices on competitor websites, including Booking.com, Priceline, Agoda and Trip.com.

The lawsuit says the algorithmic restraints include an "automatic rate match" tool that hotels are pressured to adopt to adjust their Expedia rates to match their lowest prices on any rival sites. Additionally, an Expedia VIP Access program ties price parity to marketing benefits and requires participating hotels to price rooms promoted to key customers 10% to 25% higher on non-Expedia channels than on Expedia sites, according to the complaint.

In addition to inflating hotel prices across the board, Expedia's practices have also downgraded customer service across the online travel agency market, the consumers claim.

"Insulated from the competitive discipline that would otherwise have forced Expedia to compete on the non-price dimensions of service, transparency, and remediation, Expedia has maintained opaque fees, restrictive refund and cancellation policies, and unresponsive customer service that a competitively disciplined [online travel agency] would have been forced to correct," the lawsuit states.

In addition to certification of the two proposed classes, the consumers also seek a ruling that Expedia's practices violate the Sherman Act, triple damages under Section 4 of the Clayton Act, a court order halting the targeted practices, pre- and postjudgement interest, and attorney fees and costs.

The consumers are represented by Beth E. Terrell and Blythe H. Chandler of Terrell Marshall Law Group PLLC, Eric L. Cramer, Dennie Zastrow, Jeremy Gradwohl and Robert E. Litan of Berger Montague PC, and Edward Normand, Kyle Roche, Stephen Lagos and Joseph Lemoine of Freedman Normand Friedland LLP.

Counsel information for Expedia was not immediately available Monday.

The case is Ronisha Andrews et al. v. Expedia Group Inc., case number 2:26-cv-03743, in the U.S. District Court for the Western District of Washington.

--Editing by Jay Jackson Jr.

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