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Duff on Hospitality Law

Airlines Become the Latest Target of Algorithmic Pricing Claims

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Good Sunday afternoon from Seattle . . . Our weekly Online Travel Update for the week ending Friday, November 6, 2026, is below. This week's Update features details from the recent Expedia and Booking Holdings' quarterly earnings releases as well as important updates on algorithmic and surveillance pricing. Enjoy.

Airlines Latest to Be Hit with Algorithmic Pricing Class Action. On late Friday came news of a new proposed class action case filed against major U.S. airlines Delta, United, American, Alaska, JetBlue and Southwest over the alleged sharing of proprietary information via an airline data hub (Airline Tariff Publishing Co.). Sound familiar? The same system and price sharing was the subject of earlier price-fixing claims by the Department of Justice in 1990. According to the class action filed last week, the consent decrees that resulted from the DOJ claims have expired and the airlines and information hub are again sharing the same proprietary pricing information. The lawsuit claims that the illegal price sharing has stifled competition and artificially raised prices in violation of the Sherman Act. Expect more updates on the case as it moves forward.

Expedia and Booking Holdings Share Details Ongoing AI Efforts. Last week's earning releases by Expedia and Booking Holdings gave readers (or listeners to the earnings calls) a glimpse into the distributors' ongoing AI efforts and their associated results. As for Expedia, Ariane Gorin, Expedia Group CEO, shared that Expedia's efforts include recently announced agentic partnerships (Meta Muse in North America) and new platform advertising products. According to Ariane, Expedia leads in U.S. citation share (how often its content is featured in response to queries of popular AI chatbots) but, as Ariane further noted, while AI platforms may be widely used for travel discovery, travelers still prefer to book directly with Expedia where they have the benefit of customer service. On the Booking Holdings side, CFO Ewout Steenbergen shared that users of Priceline's and Agoda's AI assistants converted at twice the rate of non-users and at higher booking values (for Agoda, roughly 20% more). As for traffic from popular AI chatbots, Steenberger noted that while numbers were increasing, AI directed traffic still accounts for less than 1% of Booking.com's room night totals.

FTC Investigation Features Prominently in Booking Holdings' Quarterly Financials. While details of the previously disclosed investigation remain scarce, the investigation and possible resulting claims made their presence known in Booking Holdings' quarterly financials. Third quarter revenue reflected a $900 million reduction because of the investigation. Booking Holdings also recorded a $100 million loss because of the matter. According to Booking Holdings' quarterly filing, the FTC investigation involves Priceline and an

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unidentified B2B partner (reported to be Guest Reservations) and relates to alleged "unfair or deceptive business practices related to disclosures, fees, customer support and billing practices." Restitution and penalties resulting from the investigation, according to Booking Holdings, could exceed $1 billion.

Restaurants Remain the Subject of Federal Pricing Inquiries. A week ago, the FTC, and this week, U.S. Senator Elizabeth Warren with other federal lawmakers.

Have a great week everyone.

Airlines Hit With Broad Antitrust Suit Over Price Info Exchange
November 5, 2026 via Law360
Major airlines including Delta, United, American, Alaska, JetBlue and Southwest have kept airfares high by sharing proprietary dynamic pricing information through a revamped data hub operated by Airline Tariff Publishing Co., two ticket buyers claim in a proposed class action filed in Washington federal court Wednesday.

Expedia Group Testing OpenAI Ad Products as Agentic Partnership Economics Take Shape
November 4, 2026 via PhocusWire
Expedia Group is participating in OpenAI's advertising products and is willing to accept the potential of lower returns as it tests them.

Expedia Expects Attractive Deals from Meta's Muse and Google's AI Overviews
November 4, 2026 via Skift
Will Expedia's advertising on Meta's Muse and Google AI Overviews be the new Google Search? Ariane Gorin is hopeful, citing Expedia proven track record in these sorts of deals. On the other hand, in years' past Expedia officials complained about the high cost of Google marketing.

US Lawmakers, in Letter, Question McDonald's CEO About Algorithmic Pricing Practices
November 3, 2026 via Reuters
US Senator Elizabeth Warren and four other lawmakers questioned McDonald's use of algorithmic pricing tools in a letter to CEO Chris Kempczinski, which the lawmakers shared with Reuters.

Booking Holdings, Inc. Q3 2026 Earnings Call
November 3, 2026 via Booking Holdings
Booking Holdings discusses its third-quarter 2026 financial results and business performance. For additional information, view the company's November 2026 investor presentation here.

Booking Holdings Puts Numbers Behind AI Assistant Performance
November 3, 2026 via PhocusWire
Travelers using Booking Holdings' artificial intelligence (AI) assistants at Priceline and Agoda converted at about twice the rate of non-users, the company said Tuesday.

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Why We've Been Looking at the Hotel Brands vs. OTAs War All Wrong
November 3, 2026 via Skift
The hotel industry's distribution war has an overlooked third party: the owner. New questions about AI, loyalty and customer acquisition could make that imbalance even more consequential.

Booking Takes $1 Billion Hit Over Possible FTC Settlement, Sees 'Mixed' Travel Market
November 3, 2026 via Skift
The Middle East conflict and higher airfares continue to make their mark industrywide.

Over 18,000 European Hotels to Pursue Landmark Collective Action Against Booking Holdings
November 2, 2026 via Hotel News Resource
More than 18,000 European hotels are preparing to launch a collective legal action against Booking Holdings, alleging anti-competitive practices and seeking redress for what they claim are unfair commission policies and restrictive contract terms.

Posted in Online Travel Update

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