

# EU Commission Blocks Booking's eTraveli Purchase & Highlights from Skift Global Forum: Online Travel Update

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The EU Commission's official decision to block Booking Holdings' planned purchase of eTraveli (a decision that Booking has publicly criticized and committed to challenging) garnered much of the news this past week, as well as stories from Skift's annual Skift Global Forum held in New York this past week. Enjoy.

- **Effects of Expedia / Hopper Split Explained (by Hopper).** In an interview this past week at the Skift Global Forum, Hopper founder and CEO, Fred Lalonde, claimed that Expedia (not Hopper) suffered the ill effects of the sudden termination of the parties' supply agreement. According to Lalonde, concerns over competition led to Expedia's decision, not Expedia's purported consumer concerns. Lalonde cited Hopper's growing market share in flights (at the expense of Expedia) as support of his competition claims. Any concerns that Hopper might have had about the loss of important hotel inventory may be short lived as Hopper also announced last week new hotel supplier deals with wholesalers Hotelbeds and WebBeds (on top of Hopper's growing number of direct supplier contracts).
- **EU Commission Officially Vetoes Booking's Purchase of eTraveli.** The long awaited decision by the EU Commission regarding Booking Holdings' proposed purchase of eTraveli finally arrived. In short, the Commission believed that the acquisition would have further cemented Booking's already dominant market position (60% market share) in hotel distribution in the EU. With an enhanced flight offering (identified by the Commission as a major acquisition channel for prospective hotel guests), Booking would have been in a position to expand its travel ecosystem and thereby drive even more traffic to its platform (ultimately resulting in higher costs for hoteliers and consumers). In rendering its decision, the Commission considered and ultimately rejected Booking's proposed compromise - a so-called "carousel" whereby a Kayak powered menu of competing hotel offers from other OTAs would have been shown upon checkout by flight customers. According to the Commission, the fact that the carousel would have been powered by a Booking Holdings company led to questions of transparency and possible discrimination. As we have noted in prior Updates, Booking has publicly criticized the EU's decisions (as late as last week at the Skift Global Form) and has vowed to fight the Commission's decision. More to come...
- **Expedia's "Fall Release 2023" to Feature a Number of Consumer Improvements.** According to recent announcements by Expedia, its planned fall release of updated products and features contains a little

something for everyone. Consumers will soon have the opportunity to converse (via ChatGPT) with Expedia's brand apps (Expedia, Hotels.com and VRBO) about prospective properties' amenities and services. Conversational travel guides will also be made available to users of the Expedia and Hotels.com app. Other new app features include "Trip Planner," a new tool to allow travelers to plan group travel, and improved functionality for managing users' loyalty program ("One Key") accounts.

### **Uber Continues Experiments With In-App Travel Products**

*September 28, 2023 via Skift Travel News*

Uber is pushing forward with experiments in other areas of travel. Uber CEO Dara Khosrowshahi detailed some of the plans on Thursday during the final session of the 2023 Skift Global Forum. About 22% to 24% of Uber users are traveling someplace outside of their home market, Khosrowshahi said. Last ...

### **Hopper CEO Claims Expedia Lost Bookings After Their Split**

*September 28, 2023 via Skift Travel News*

Skift Take Competition certainly played a role in the Expedia-Hopper split. Which company suffered the greatest? The larger company, Expedia, had more resources to absorb a hit. Dennis Schaal Share Hopper founder and CEO Fred Lalonde said Expedia Group's decision to abruptly remove its hotel inventory in July was driven ...

### **Booking's Etraveli deal blocked in EU over dominance concerns**

*September 26, 2023 via foster.com*

Booking has seen its plan to buy Etraveli blocked by EU merger regulators, who today said the deal would have strengthened Booking's dominant position on the market for hotel online ...

### **Mergers: Commission prohibits proposed acquisition of eTraveli by Booking**

*September 25, 2023 via EU Commission (ec.europa.eu)*

The European Commission has prohibited, under the EU Merger Regulation, the proposed acquisition of Flugo Group Holdings AB ('eTraveli') by Booking Holdings ('Booking'). The acquisition would have allowed Booking to strengthen its dominant position on the market for hotel online travel agencies ('OTAs') in the European Economic Area ('EEA'). Booking ...

### **Expedia Group builds generative AI into multiple products in its "Fall Release"**

*September 21, 2023 via Phocus Wire*

Among many other updates to its products and services for both travelers and industry partners, Expedia Group is partnering with travel influencers to offer short-form videos in the Expedia and Hotels.com apps.

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