

Online Travel Update: 2025 Year in Review

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Happy New Year . . . Our annual "year in review" Online Travel Update is below. We've enjoyed having the opportunity to work with many of you this past year and look forward to working with you in 2026.

Here's to a great and successful year.

January 10

Megatrends Conferences Produce Interesting Headlines and Other Important Considerations. By now, most everyone has probably seen or read some of the predictions coming out of this past week's *Skift* Megatrends conferences in New York and London. Thomas Reiner, a partner at Altimeter Capital, believes that online travel platforms face a daunting future (and for metasearch sites, possible outright extinction) with the advent of AI powered search. According to Thomas, the advent of AI powered search tools will allow travelers to bypass traditional travel platforms and go direct to hotels and other travel suppliers. Kayak CEO, Steve Hafner, raised similar concerns about the future of existing travel sites and apps, though Steve suggested that a "major travel company" like Airbnb or Booking.com could be a big benefactor of AI by becoming one of the first platforms to successfully integrate an AI engine. While's Steve's predictions about the likely effect of AI on traditional travel sites' futures received most of the headlines, other comments by Steve during his presentation caught our attention. Specifically, Steve's comment that Kayak was now making its "data" available to Google Gemini (Google's AI tool) raised a number of questions. Steve's comment combined with some recent discussions we've had with one of the largest online travel agents have caused us to begin re-examining our standard approaches with regard to IP licenses, confidentiality, privacy and data security and sales/marketing guidelines (e.g., SEO and SEM may soon fade away, but what comparable concepts will govern the use of AI tools and influence AI responses). For those of you wondering, paid advertisements are already a possibility on some AI platforms. This year may prove that AI and its effect and influence on travel was not just a bunch of hype. Stay tuned.

March 7

Banks and Credit Card Companies Continue Their Steady March into Travel. It's been a few weeks since we last featured a story on a major bank's and/or credit card company's latest travel industry success. Don't let our silence fool you. As evidenced by *Skift*'s latest research report, the banks and credit card companies are continuing their meteoric rise. For example, *Skift* predicts that in 2024, Chase Travel became the third largest B2C online travel booking platform (based on gross booking volumes), behind only Expedia and Booking.com.

May 2

Airbnb Looks to Hotels (Again) to Help Sustain Its Growth. Growth in Airbnb's traditional core markets (e.g., U.S., Canada, UK, France and Australia) slowed in the first quarter. According to Airbnb CEO, Brian Chesky, Airbnb will look to international markets and the addition of high-quality hotels to spur continued growth. "We think almost all hoteliers in the world would love to have Airbnb as a distribution channel," Chesky said. Other changes discussed this past week include the removal of subpar listings from the STR platform, the introduction of a new guest ratings system and introduction of total price display (say goodbye to the toggle). Will last week's announcements finally mean that Airbnb becomes a legitimate hotel distribution channel (and Airbnb supports enrollments on a portfolio-wide basis), time will only tell. We've heard similar statements from Airbnb in the past.

May 30

European Hoteliers Unite in Claims Against Booking.com. The national hotel associations of 25 European countries announced this past week plans to bring a class action against Booking.com. Seeking to leverage the European Court of Justice's (ECJ) September 2024 ruling that Booking.com's parity provisions violated EU competition law, the hoteliers seek the recovery of portions of commissions paid during 2004 - 2024. The claims will be led by Stichting Hotel Claims Alliance and are expected to be filed in a Netherlands court. In response, Booking.com has stated that it is unaware of the announced claims and disputed the precedential value of the ECJ's decision.

August 29

Booking.com's Growing Interest in Social Media. For the past several quarters now, Booking Holdings, CEO, Glenn Fogel, has made reference to Booking's increasing interest and investments in social media and AI. While many (this author included) focused largely on Fogel's statements on AI, Booking.com's newly announced partnership with TikTok provides some of the strongest evidence yet of Booking's efforts to leverage social media and to transition social media from a historically marketing focused channel (a source of traveler inspiration) into a booking channel. So, what does this newly announced partnership mean for hotels (and particularly, hoteliers' direct booking efforts)? I think it is too early to tell. Many questions remain about both social media and artificial intelligence and travelers' (across all ages and demographics) general willingness to use (and trust) either platform. For me, one thing is clear. Booking.com's latest announcement (which is only the latest in a growing list of newly announced partnerships between leading distributors and their new AI and social media partners) has brought back memories (not all good) of OTAs' early dominance of online search and the many bookings that resulted.

October 10

OpenAI Partners with Expedia and Booking.com to Launch ChatGPT Apps. The big announcement in online travel last week came out of OpenAI's annual development conference on Monday. ChatGPT has become an app "platform" open to third party developers. As part of the announcement, Expedia and Booking.com both announced new ChatGPT apps (with a TripAdvisor app soon to follow) that allow users of the AI platform to browse, select and ultimately book accommodations on the ChatGPT platform. (As we

have noted in prior [Updates](#), the inability to actually book travel without leaving a chosen AI platform has been noted in several studies as a source of frustration for AI users generally) To access the OTAs' content, users must first type in the name of the app (e.g., "Expedia" or "Booking.com") into their prompt or, and this where things get really interesting, the platform will suggest an app that the platform believes is most responsive to users' prompt if no app is specified. Connectivity between ChatGPT and the OTAs is provided via Model Context Protocol (MCP). The offerings are currently available to ChatGPT users (Free, Go, Plus and Pro plans) outside the EU. Industry reactions to the announcement have been mixed - from wild hysteria to shoulder shrugs. From my perspective, the need to summon the app in advance is definitely a drawback (and likely means that the announcement is not the game changer that many initially thought it might be). The scary factor here is the fact that ChatGPT will choose between the competing apps in the absence of a specific summons. How does ChatGPT choose between the competing apps? Will ChatGPT eventually monetize this choice (e.g., whomever pays ChatGPT the most)? Are the two (soon to be three) apps the only sources of content to respond to users' prompts? Our friends at Seattle's own Geekwire offer an interesting perspective on the announcement and the potentially perilous position that Expedia now finds itself.

November 14

[Want to Get Lucky? Plan a Vacation.](#) Every now and then we encounter a story that creates far more questions than it answers. Last week was one of those moments when we came across a press release on the Booking.com website claiming that for the majority of American women (56%), a partner planning and booking a trip **is just as arousing, if not more, than foreplay**. What? Let the questions begin. I cannot wait to raise this nugget in my next Booking.com negotiation.

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Authored by

[Greg Duff](#)

[Principal|Seattle](#)

[206.816.1470](tel:206.816.1470) greg.duff@foster.com