

# Online Travel Update: Airbnb Eyes Hotels (Again), Booking Beats Expectations, and Kayak Embraces AI

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Good Sunday morning from Seattle . . . Our weekly Online Travel Update for the week ending May 2, 2025, is below. This week's Update features stories on many of the large online players, including first quarter earnings reports (and transcripts) for both Booking Holdings and Airbnb. I hope you enjoy.

- **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.
- **Booking Holdings Benefits from Global Portfolio.** While travel to the U.S. moderated during the first quarter, Booking Holdings' global portfolio allowed it to benefit from increased travel to other destinations. For the first quarter, Booking Holdings posted results beating most analysts' expectations – room nights up 7% YOY, gross bookings up 7% YOY, revenue up 8% YOY and Adjusted EBITDA up 21% YOY. The first quarter marked the first time that room nights exceeded 300 million. Like his last quarterly earnings call, CEO Glenn Fogel again dedicated a portion of the first quarter call to the company's AI initiatives. In particular, Glenn noted the recent launch of Kayak.ai and the ongoing work on agentic AI developments with several leading generative AI platforms - OpenAI (Operator Agent), Microsoft (Copilot Actions) and Amazon (Alexa+).
- **Kayak Becoming an AI Facilitator?** For some time now, we've featured stories identifying and explaining the many AI challenges ahead for the hotel industry. Hoteliers seeking to capture the attention (and bookings) of users of these new platforms must now learn how to educate, train and influence these platforms in the face of growing competition from their online competitors. Kayak CEO Steve Hafner's recent interview with *Travel Weekly* provides an interesting glimpse into how these online competitors view these AI platforms and how they are hoping to capitalize on the many

opportunities presented.

- **FTC Suit Against Uber Provides Helpful Reminders to Subscription and Loyalty Programs.** At the end of last month, the Federal Trade Commission (FTC) filed suit against Uber alleging that the ride sharing company's subscription program (Uber One) charged users without their consent, failed to deliver on promised savings and maintained deceptive billing and cancellation practices. According to the FTC, the practices violated both the Restore Online Shoppers' Confidence Act and the FTC Act. In the complaint filed in the U.S. District Court for the Northern District of California, the FTC specifically called out Uber's false claim that subscribers to the program could achieve specified savings, Uber's failure to make information about the subscription program readily accessible, Uber's charging of members before prescribed dates and Uber's maze of screens (23) and actions (32) necessary to cancel the subscription.

### **Airbnb Reports 'Softness,' Looks to International and Hotels to Get Growth Mojo Back**

*May 1, 2025 via Skift Travel News*

Airbnb also plans to invest into its relaunched Experiences business as a growth driver. "On May 13, Airbnb will go beyond places to stay," it stated. Summarize Story Share Select a question above or ask something else Airbnb's core business - guests staying in short-term rentals - grew ...

### **Booking Holdings sees "stable growth," surpasses expectations**

*April 30, 2025 via Phocus Wire*

The company said that it wasn't affected by the general economic environment in the first quarter of 2025.

### **Priceline launches AI neighborhood feature, Turo partnership**

*April 30, 2025 via Phocus Wire*

"Trip Intelligence: The Neighborhood Edition" includes AI features that help users find locations that match their "vibe."

### **AHLA Statement on the House Passage of the Hotel Fees Transparency Act**

*April 29, 2025 via Hospitality Net*

The American Hotel and Lodging Association (AHLA) today issued the following statement applauding the U.S. House of Representatives' passage of the bipartisan Hotel Fees Transparency Act of 2025, introduced by Representatives Young Kim (R-CA-40) and Kathy Castor (D-FL-14). We applaud the House for passing this important legislation and ...

### **Expedia Group to restructure parts of organization**

*April 28, 2025 via Phocus Wire*

On the heels of March layoffs, Expedia Group is restructuring certain parts of its organization, making "difficult but necessary" decisions.

### **YouTube Is Adding AI Summaries for Things to Do**

*April 25, 2025 via Skift Travel News*

YouTube is obviously a major marketing channel for travel brands. Adding AI Overview in 'things to do' first, with other travel verticals to come, may keep users engaged within the Google ecosystem. -Dennis Schaal

### **Kayak's Steve Hafner on synergies between metasearch and AI engines**

*April 21, 2025 via Travel Weekly*

Metasearch giant Kayak, a Bookings Holdings subsidiary, launched its conversational AI-powered query engine Kayak.ai on April 10. The site, which Kayak is calling its "test lab for AI first features," is a first step toward deeper AI integrations. Just before the launch, aviation editor Robert Silk spoke with Kayak CEO Steve Hafner at the ATPCO Elevate conference about AI and other topics.

### **FTC sues Uber citing "deceptive" billing, cancellation policies**

*April 21, 2025 via Phocus Wire*

The complaint alleges that Uber charged users for its Uber One subscription without their consent and made it difficult to cancel.

### **FHRAI Raises Unfair Practices, GST Compliance Concerns Against Agoda**

*April 19, 2025 via MENAFN*

The Federation of Hotel and Restaurant Associations of India (FHRAI) on Saturday expressed serious concerns over unilateral changes made by global online travel agency Agoda to its commission structure and terms of engagement with Indian hospitality partners. The FHRAI, the apex body representing ...

### **Google Ad Monopoly Ruling: A Win For Travel ... or 'Inefficient'?**

*April 18, 2025 via Skift Travel News*

The latest court ruling citing Google's monopoly power came at a time when Google is facing more competition than ever. Share Travel executives expressed wide-ranging opinions on the significance - or lack thereof - of this week's court ruling that Google illegally wielded monopoly power in online advertising.

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