

Duff on Hospitality Law

Online Travel Update: Is Booking Holdings Poised for a Rebound?

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With the Fourth of July holiday falling on Monday, last week was a relatively slow week in the online travel industry. Enjoy.

Booking Holdings Poised for a Rebound?

("Booking Holdings Stock Down 25 Percent in 2022, What's Next?," July 8, 2022 via Forbes)
(subscription may be required)

Forbes thinks so. At \$1,788 per share (off its last high of \$2,461) and with 2022 booking trends continuing to look positive, Booking's stock may be ready for a significant rebound (as high as \$2,328 according to Forbes). Forbes is estimating total revenue for the current fiscal year to top \$16.3 billion, which would be a 49 percent year-over-year improvement.

IHG Ready to Roll Out Attribute-Based Pricing

("Hotels Test Custom Room Rates That Appeal to Guest Tastes," July 7, 2022 via Skift *(subscription may be required)*)

For some time now, we've been featuring articles about attribute-based pricing and the many challenges associated with it. Despite these operational challenges, some hoteliers are continuing to press ahead with the customized pricing, particularly given traveler's views of current hotel pricing methods. In a recent survey conducted by NYU's Tisch Center of Hospitality, 85 percent of respondents indicated that the traditional method of booking rooms (e.g., "standard," "deluxe," or "premium") created "uncertainty" about the rooms (and the attributes of the rooms) being booked. Intercontinental Hotel Group (IHG) appears to be the first major hotel company ready to offer the new room pricing methodology. Earlier this year, approximately 95 percent of IHG's hotels completed detailed room inventory assessments, providing IHG the content needed to support the planned roll out of the pricing methodology. While this methodology may appeal to traveler needs, it won't be without its challenges as systems (e.g., PMS, CRS, connectivity and third-party distribution) will need important updates to support the customizable room offerings and rates.

Marriott and Expedia Make Progress on Rogue Wholesaler Rates

("Expedia and Marriott Claim Progress on Proliferation of Rogue Hotel Rates," July 6, 2022 via Yahoo Finance)

Note that the title reads "make progress," and not, "solve." As more hoteliers join the OTA's wholesale platform (Marriott, IHG and recently, the UK's Village Hotels), it is clear that the program provides hoteliers important benefits. As the linked story reveals, however, the platform and its efforts to stop all unauthorized ("rogue") distribution of discounted wholesale rates remain a work in progress.

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