

[Duff on Hospitality Law](#)

Online Travel Update: JetBlue seeks to diversify its online offerings; Hopper announces latest \$170 million funding round; next-gen middleware companies may change hotel room distribution forever

04.02.21 03.25.26

Last week was a relatively quiet one for the online travel industry. Hopper garnered most of the headlines with its recent funding round (and accompanying \$1 billion valuation). Enjoy.

JetBlue Seeks To Diversify Its Online Offerings

[\("JetBlue's Travel Tech Ambitions Take Step Forward With New Broader Booking Site,"](#)

March 25, 2021 via Skift Travel News) (subscription may be required)

Meet [Paisly](#), the new travel website recently developed by JetBlue, which allows holders of JetBlue airline reservations to search and book rental cars, accommodations and theme park tickets. The new website is in addition to JetBlue's existing [JetBlue Vacations](#), which offers comparable products and services, but exclusively on a package basis. The new website is further evidence of the airline's announced ambitions of becoming a travel technology company. By the end of the year, JetBlue hopes to offer more accommodation and activity options on the new site.

Hopper Announces Latest Funding Round

[\("Hopper's New \\$170 Million Financing Led by Capital One Will Expand Online Travel Loyalty Biz,"](#) March 24, 2021 via Skift Travel News) (subscription may be required)

[\("Hopper closes \\$170M funding round, creates new B2B offering with Capital One as first partner,"](#) March 24, 2021 via Phocus Wire)

For several years now, our Update has followed Hopper (the Canadian mobile booking platform) and its

evolution and growth - [the introduction of Hopper's predictive technologies to hotel rooms](#), [its \\$100 million Series D investment round](#), [Hopper's partnership with Lufthansa](#), and most recently, [Hopper's focus on hotel bookings](#). Last week, Hopper again made headlines with its Series F \$170 million investment round, a round that was led by banks and credit card company, Capital One. The company has now raised more than \$400 million since its launch in 2007. Funds from this latest investment will be used to launch several new products and services, including Hopper's new B2B initiative, Hopper Cloud, which will power Capital One's (and other Hopper Cloud customers') travel booking platforms and Hopper's consumer-facing web-based travel marketplace (think Expedia and Booking.com). Unlike many of its online booking competitors, Hopper has flourished during the pandemic (enjoying triple digit revenue growth in 2020) due largely to the success of its ancillary travel products - price freeze, flight delay protection and fully refundable airline and hotel bookings, which account for nearly two-thirds of Hopper's revenue. Will Hopper's predictive analytics, and ancillary products and services allow it to successfully compete against the online behemoths? It will be interesting to watch.

[New Middleware Companies May Change Hotel Room Distribution Forever](#)

("Hotels Switch to Next-Gen Tech to Sell Rooms Via Online Partners," March 24, 2021 via Skift Travel News) (subscription may be required)

What once took months to complete, may now take hours or a few days at most. Most everyone in the travel industry appreciates the challenges associated with the myriad of systems used in distributing hotel room inventory. Suppliers, intermediaries and distributors all bring to the table their own proprietary (read, legacy) or preferred systems. A few startups are trying to change that. By relying on these startups' "middleware" technologies (which allow many of the proprietary or preferred systems to share common booking data), new distributors (e.g. Amazon, Walmart or others) will be able to connect quickly with their hotel supplier partners without needless delay, costly connectivity challenges and perhaps most importantly, the need to rely on the costly affiliate programs of the largest online travel platforms.

Other news:

[China's Trip.com Group Mimics Partner Tripadvisor With New Content Offerings](#)

March 21, 2021 via Skift Travel News (subscription may be required)

Many travel businesses, whether it is Trip.com Group in China, [Traveloka in Indonesia](#) or [Despegar in Argentina](#), are refashioning themselves during the pandemic. For China's Trip.com, formerly known globally as Ctrip, it is trying to diversify away from its over-reliance on transactions, particularly because the hotel discounting frenzy in China, and its dependence on airline ticket sales, lead to sub-par commission levels.

Posted in [Online Travel Update](#)

Authored by

[Greg Duff](#)

[Principal|Seattle](#)

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