

Duff on Hospitality Law

Online Travel Update: Kayak and Cruise Critic Partner on Cruises; Hopper Reaches \$5 Billion Valuation; Travel Management Companies Are in Transition

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This week's Update features stories on Kayak, Hopper (again) and Shiji, and includes an important privacy update from California on loyalty programs.

Kayak and Cruise Critic Partner on Cruises

("In new partnership, Kayak cruise searches will feed Cruise Critic," February 4, 2022 via Travel Weekly)

Last week, Kayak (Booking Holdings) announced that it was expanding its cruise offering by partnering with Cruise Critic (TripAdvisor). Once implemented, the partnership will redirect users searching for cruises on Kayak to Cruise Critic where they can then review and book cruises through travel agencies or cruise suppliers.

Hopper Reaches \$5 Billion Valuation

("Hopper Plans to Stay Private for Now With \$5 Billion Valuation," February 3, 2022 via Yahoo Finance)

With last Thursday's (February 3) announcement that it had completed a \$35 million secondary sale of shares, Hopper reached a new private valuation of \$5 billion (\$1.5 billion more than just 6 months ago). By comparison, as of last Friday's close, Sabre's market capitalization totaled \$2.7 billion, Tripadvisor's totaled \$3.75 billion, Expedia Group's totaled \$28.08 billion and Booking Holdings totaled \$100.3 billion.

Travel Management Companies in Transition

("Platform Wars and the Battle for the Online Transaction," January 24, 2022 via Business Travel News)

This past year has seen a sea change (largely through mergers and acquisitions) among the traditional management companies, booking platforms, expense management tools and payment cards serving the corporate travel industry - all during the second year of a pandemic that has brought the corporate travel world to its knees. So, what does this change mean for the buyers that these platforms serve?

Improvements in the online booking experience (offering a more traditional consumer user experience - think Amazon), growth in mobile applications and the use of other emerging technologies. While these "improvements" may be championed as helping drive corporate bookings for suppliers, we've seen firsthand how these changes are complicating the once staid world of corporate distribution. As these

platforms get larger, so do their financial demands - transaction fees (fka commissions), marketing commitments, etc. Traditional travel management companies that once catered exclusively to corporate travelers via traditional offline channels are now venturing into other segments, mixing products and services (and rates) and redistributing them through the myriad of channels and distribution points available online. We've seen this evolution before with the leisure segment (think post 9/11 and the rise of the online leisure platforms), and now it has arrived with business and corporate segment. Group isn't far behind.

Details about the recent privacy update from the California Attorney General on loyalty programs and its likely effects on the travel industry will be posted this upcoming week on our hospitality [blog](#) and featured in next week's Update.

Have a great week everyone.

Other news:

Shiji Aims to Fill an Overlooked Hole in Hotel Distribution

February 3, 2022 via Skift Travel News (subscription may be required)

No one has cornered the market in enterprise software for hotels. This fractured sector creates opportunities for vendors. One notable pitch is Shiji's call for "total distribution."

Google Sees Travel Searches Jump Sixfold Over Covid Rules Confusion

February 2, 2022 via Yahoo Finance – Top Stories

Reflecting ongoing traveler confusion over ever-changing Covid restrictions and destination entry requirements, Google saw searches about travel rules jump sixfold year over year from August to October. That was one of the biggest search trends that Google saw in travel, as parent company Alphabet reported its fourth quarter and full-year results Tuesday, February 1st.

TripActions Develops Platform for Office Information

February 1, 2022 via Business Travel News

TripActions has launched a new Office Guides platform to help companies facilitate travel to company offices by hybrid and remote workers. The platform gives users a place within the TripActions app to access information about company offices.

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