

# Online Travel Update: Unveiling the AI Era in Travel – Priceline’s Future, Expedia Calls Out Agoda, Hotel Distribution Trends, and Resort Fee Controversies

06.05.23 01.07.26

For the first time, our weekly Update delves into the world of artificial intelligence (AI). We've tried for several months now to avoid joining the chorus of voices proselytizing about the likely effects of AI, but as the reality of AI starts to set in and its potential uses become more apparent, it is impossible to avoid. Expect to see more stories in the future on AI (and its likely legal implications) as curated by my colleague and contributor Erin Snodgrass. I hope you enjoy.

- **Priceline's New Head of Accommodations Outlines Her Plans for the Future.** Priceline's new Senior Vice President and Head of Accommodations, Traci Mercer, shared her thoughts about the future of the Booking.com little sibling in a recent interview with *PhocusWire*. Highlights from the recent interview include:
  - 2023 marks Priceline's 25th year anniversary
  - North America, particularly, the United States is Priceline's current top priority for growth
  - From a supplier perspective, both Priceline and Agoda will continue to work together - at least in North America
  - Priceline Partner Solutions (Priceline's B2B offering) will remain a growth opportunity as Priceline seeks to leverage its recent acquisition of Getaroom
- **Expedia Calls Out Agoda's Abusive Discounting Practices.** While we've grown accustomed to suppliers' complaints over the years about the business practices of online distributors, it has been unusual to see online distributors questioning the practices of their competitors. In a recent interview, Expedia's CEO, Peter Kern, openly questioned Agoda's discounting practices and characterized Agoda as "one of the worst when it comes to this sort of rate abuse." Historically, Agoda has acknowledged and even embraced these practices (in the name of the consumer) making clear that it will do everything it can to source any available discounted rates - including via wholesalers, whose practices, Agoda

maintains, could always be better managed by their supplier partners.

- **Hotel Distribution Trends to Watch.** We've included in this week's Update a recent report from IHG's Andrea Daniels summarizing the recent thoughts and predictions of HSMAI's Global Distribution Advisory Board regarding the future of hotel distribution.
- **Add Hilton to the List of Hoteliers Targeted in Texas for Their Resort Fee Practices.** Just weeks ago, we detailed Texas Attorney General, Ken Paxton's newest resort fee disclosure claims against Hyatt (following quickly on the heels of his announced settlement with Marriott). Now, we can add Hilton to the list of hoteliers targeted by the Attorney General. Many questioned whether the Attorney General's own political and legal troubles (including a possible impeachment) might slow his solitary campaign, but, at least for now, those troubles do not appear to have any real effect on his approach to resort fees.

### [Former Sabre exec Traci Mercer on her new role at Priceline](#)

*May 31, 2023 via Phocus Wire*

In her new role as senior vice president and head of accommodations for Priceline, Traci Mercer discusses her priorities for growing the brand, opportunities in the B2B space and the importance of the “ecosystem impact” for the industry.

### [Unleashing AI: The Potential for Hospitality Brands](#)

*May 31, 2023 via Skift Travel News*

We've seen the flood of LinkedIn posts and professionals making confident proclamations about the future of AI. Truth is, this is a stage of learning, observing, and asking a lot of questions. There is not a lot of certainty, which means it is a fruitful time for travel brands to experiment and see what sticks...

### [Expedia CEO Calls Out Rival Agoda: How They Get Those Cheap Prices](#)

*May 31, 2023 via Skift Travel News*

Apple doesn't let Best Buy discount iPhones, and hoteliers don't want online travel agencies like Agoda to undercut their rates. A win for the hotel industry would be a loss for travelers.

### [Trends to Watch in Global Hotel Distribution: Fintech, Artificial Intelligence, and Regulatory Changes](#)

*May 29, 2023 via HSMAI*

The hotel distribution landscape is facing potential transformation, driven in part by the entry of fintech and big banks. As the industry looks ahead, several other key factors such as Artificial Intelligence (AI), data privacy, regulatory changes, and evolving distribution channels could shape the strategies of global hotel distribution.

**[Oneworld and Elemental Cognition's AI Travel Agent transforms the online booking experience](#)**

*May 26, 2023 via Travel and Tour World*

Oneworld challenged EC to build a solution that combines the power and flexibility of the best human agents with the convenience and efficiency of a self-serve technology solution.

**[Marriott, Hyatt and now Hilton face legal pressure over resort fees](#)**

*May 25, 2023 via The Points Guy*

Texas Attorney General Ken Paxton sued Hilton this week over resort fees and what he claims the company "misleadingly charge consumers higher rates than initially advertised" and that "the services purportedly funded by the fees are often complimentary or included in the room rate at other non-resort locations."

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