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OTA & Travel Distribution Update: Japanese distributor Rakuten eliminates all parity requirements; analyst questions Booking Holdings' financial prospects; Booking.com introduces quality rating system for short-term rentals

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Japanese distributor Rakuten leads off this week's Update with a story detailing the circumstances leading to the distributor's recent commitment to abandon all contractual parity requirements. Enjoy.

It's Official: Rakuten Eliminates All Parity Requirements

("Travel platform Rakuten becomes first firm in Japan to commit to remedies by eliminating parity clauses," MLex Insight on Oct 25, 2019)

Japan's Fair Trade Commission (JFTC) announced this past Friday that Rakuten (Japan's largest domestic online travel platform) has officially committed to remove all rate and availability parity obligations in its contracts with the nearly 33,000 hotels listed on its site. The commitment will run for three years, at which point Rakuten's industry position will be re-examined. It's unclear what effect Rakuten's commitment might have on Booking.com or Expedia, both of which were part of the JFTC's investigation that began in April with raids on each distributor's Japanese offices.

[Analyst Questions Booking Holdings' Financial Prospects](#)

("Booking Stock Is Down as Analyst Raises Doubts on Travel Site," Barron's News on Oct 25, 2019)

It is always interesting to read analysts' evaluations of the online travel industry and particular industry members. This past week, a Raymond James analyst weighed in on Booking Holdings cutting its rating from Outperform to Market Perform. The analyst cited challenges associated with implementing Booking's new

payment platform, growing alternative accommodations supply and the competitive pressures of Airbnb's user-friendly website. Interestingly, Raymond James made no mention of the recent turnover among Booking.com's senior leadership or Expedia's recently announced landmark wholesale distribution agreement with Marriott and what effect they might have on Booking's prospects. Hoteliers should likely expect growing pressure by Booking.com to adopt its payment platform if analysts are now identifying implementation of the platform as a sign of potential financial weakness.

Booking.com Announces Initiative for Short-Term Rental Owners and Managers

("Booking.com pledges semi-neutral role in private accommodation distribution," Phocus Wire on Oct 22, 2019)

This past week, Booking.com announced a series of new initiatives to assist owners and managers of short-term rentals. One of the most interesting initiatives is the introduction of a quality rating system, which will score rentals on a 5-star scale. Knowing the challenges associated with any review or rating system, I will be interested to see whether this new system actually motivates rental owners and managers. More to come on this story...

Other news:

Despegar.com Announces API Connectivity Agreement With Ctrip

Business Wire Technology News on Oct 24, 2019

Despegar.com today announced it has signed an API Connectivity Agreement with Ctrip.com, a leading provider of online travel and related services.

Amadeus and Sabre Sign Up for New Approach to Flight Selling

Skift Travel News on Oct 23, 2019

New deals mean that offline and online travel agencies will more quickly and commonly see richly descriptive details about what any given airfare includes, such as facts about legroom and photos of premium-class seats. But don't hold your breath in anticipation. Travel sellers have to wait another five years before next-gen selling will become the norm for agents.

Vacasa Completes Wyndham Vacation Rentals Buy

Portland Business Journal on Oct 23, 2019

Vacation rental management platform Vacasa has completed its \$162 million acquisition of competitor Wyndham Vacation Rentals. Portland-based Vacasa now has 23,000 homes in its portfolio across North America, Europe, Central and South America, and Africa. The deal, which was financed through cash and equity, was first announced in July.

A Japanese Case Study: Can Loyalty Points Transform Travel Metasearch?

Hospitality Net - Latest Industry News on Oct 21, 2019

Industry observers have said it for years: Eventually, travel metasearch will evolve beyond being price comparison and click-through sites. The change is already nipping at the heels of the old metasearch model

with Google tightening its grip.

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