



October 11, 2018

Joseph J. Simons, Chairman  
Noah Joshua Phillips, Commissioner  
Rohit Chopra, Commissioner  
Rebecca Kelly Slaughter, Commissioner  
Christine S. Wilson, Commissioner  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580

**Re: Hearings on Competition and Consumer Protection in the 21st Century and Request for Comments**

Dear Chairman Simons, Mr. Phillips, Mr. Chopra, Ms. Slaughter, and Ms. Wilson:

The Travel Technology Association (Travel Tech) submits these comments in response to the Federal Trade Commission's (Commission) series of hearings on whether broad-based changes in the economy, evolving business practices, new technologies, or international developments might require adjustments to competition and consumer protection law, enforcement priorities, and policy.

Travel Tech commends the Commission for its commitment to promoting competition and protecting consumers from unfair and deceptive practices and for initiating this comprehensive internal review. Travel Tech looks forward to several of the announced hearings and would like to take this opportunity to illustrate to the Commission the vast consumer benefit that our industry affords both the traveling public and the many suppliers in the marketplace.

**Travel Tech Introduction**

Travel Tech is the voice of the travel technology industry, advocating for public policy that promotes transparency and competition in the marketplace, encourages innovation, and preserves consumer choice. Travel Tech represents the leading innovators in travel technology, including global distribution systems, online travel agencies, metasearch engines, short-term rental platforms, and travel management companies.

Our members are independent, multi-supplier companies whose technology has transformed the travel marketplace from end to end – from the way individuals plan, search, and book travel, to the way suppliers market and sell to their customers – creating new efficiencies, promoting competition, and ensuring consumers and travel agents see the full picture.

As of 2018, Travel Tech members combined:

- Operate in more than 195 countries
- Facilitate over \$130b in gross travel bookings

- Engage in 2 million hotel partnerships
- Publish 5 million short-term rental listings
- Partner with 500 airlines, countless car rental companies, tour operators and cruise lines.
- Board 1.3+ billion passengers through IT solutions
- Draw over one billion average monthly visitors to their websites
- Host more than 475 million customer reviews

Today's travel and tourism economy is thriving because of the competitive environment our members facilitate, and because their technologies, innovations, and marketing expertise continue to drive efficiencies and provide consumers with the competitive shopping experience they deserve.

### Global Distribution Systems

Global distribution systems (GDSs) are the travel industry data networks that connect service providers (airlines, hotels, cruises, car rental companies, tour companies) with travel agents. Through real-time, automated transactions, these companies help book more than 60 million hotel rooms, half of all flights worldwide, and countless cruises, car rentals, and tours.

More than ever, American travelers are navigating a multifaceted and ever-expanding travel marketplace. Travel Tech's GDS members are making it possible for consumers of travel, from business trips to personal vacations, to have access to a transparent and growing catalogue of travel options. Amenities, prices, ratings, reviews, package deals, and other information is at the consumer's fingertips with just a few mouse clicks, all thanks to the heavy lifting done by these companies.

Using their unmatched insight into the travel industry, GDSs also provide IT solutions that power the entire backend technology components of major airlines, travel agencies, and hotels, helping grow their businesses, create jobs, and transform the travel experience for millions. They also provide IT solutions for the hospitality industry, providing all-encompassing desk management systems and IT infrastructure and security systems, along with many others.

### Online Travel Agencies

The internet has changed the way we live, work, and explore the world around us. Online travel agencies (OTAs) have been there every step of the way to provide business and leisure travelers with empowering and innovative ways to shop, compare, and book flights, hotels, rental cars, and other travel services. OTAs partner with travel suppliers large and small to market their products – rooms, flights, car rentals, cruises – to consumers. OTAs are powerful marketers, boasting over one billion monthly visitors to their websites.

Through millions of customer reviews, star ratings, photos and detailed maps, and sort tools that allow efficient and thorough comparisons, travel shoppers can feel confident they are getting the best value that meets their needs. OTAs also comprise an important segment of major hotel

chains' and airlines' marketing and distribution strategies. Finally, by offering unique marketing services to boutique hotels, bed and breakfasts, small airlines, and other burgeoning businesses, these companies help millions of American small businesses compete on an even footing with the biggest names in travel and allow consumers access to unique offerings they may not have found otherwise.

### Metasearch Engines

Metasearch engines empower consumers by displaying travel options and directing them to supplier and OTA websites and apps to book their travel. Recent studies suggest that about 50 percent of all consumers start their search on metasearch platforms. These dynamic search engines provide consumers with all travel options at the best cost in the most expeditious manner. Consumers benefit from this competitive marketplace in the form of more choice and lower cost options.

Metasearch sites are unique from OTAs in that they display information and provide consumers with a variety of venues where consumers can choose to book their travel, including to hotels' and airlines' own sites. In some cases, metasearch platforms have developed unique booking tools where consumers can book on a supplier's platform without leaving the metasearch environment. They are the ultimate lead generators for suppliers and OTAs and all stakeholders, especially consumers, are the beneficiaries of the great technology and service offered by today's metasearch engines.

As a result of consolidation in the U.S. air travel marketplace, consumers' ability to comparison shop for flights is more critical than ever. Consumers benefit from third-party platforms that allow them to view all relevant flight options that meet their itinerary needs. Unfortunately, U.S. airlines and in many cases their foreign-based code share partners are now emboldened to place restrictions on the dissemination of public fare and schedule data through third-party data disseminators (such as ATPCO, OAG, and Innovata). The U.S. Department of Transportation is exploring the need to take action that would prevent airlines from imposing these anti-consumer restrictions on certain OTA and metasearch sites in order to prevent further harm. In the recently enacted FAA Reauthorization Act of 2018, a provision related to customer service requirements acknowledged that access to airline information is not always made available to ticket agents and the provision clarified that ticket agents should not be found in noncompliance of any standard due to the lack of information from a covered air carrier.

### Short-Term Rental Platforms

Short-term rental innovators are transforming travel for millions through their platforms that connect travelers with affordable and accessible accommodations in big cities and small towns around the world. Short-term rentals have been part of America's tourism economy for decades, but these platforms dramatically increased the ease of use and range of options available to consumers.

Today, Travel Tech short-term rental platforms host over 9 million listings around the globe – everything from beach houses, city apartments, and bed and breakfasts in the mountains to less traditional accommodations like treehouses or house boats. Not only do short-term rentals provide travelers with authentic experiences, but owners, operators, and hosts act as ambassadors to the community – sending new foot traffic to local small businesses and attractions that may not have traditionally benefited from the tourist trade. Multiple studies have shown that short-term rental guests stay longer and spend more than those staying in hotels and that their spending spreads throughout the community.

In addition to diversifying available travel experiences, short-term rental platforms provide owners and hosts with a new source of valuable extra income that they use to pay the rent/mortgage, save for retirement, fund household improvements, or pay for college. Because short-term rentals are important to both hosts and travelers, it is critical for governments to create reasonable, efficient frameworks that ensure short-term rentals continue to fuel the travel economy.

### Travel Management Companies

Travel management companies (TMC) are travel agents that fully manage the business travel requirements for individuals, companies, and organizations. As the leading experts in travel management, TMCs use innovative technology to help companies save time and money. Whether it is finding the best flight and hotel options, sharing local information and discounts, or simply keeping employees informed and safe when they are on the road, these business travel agents go the extra mile to provide trusted traveler care.

TMCs provide valuable expertise and support to ensure that the companies and organizations they serve are getting the most out of every dollar they spend on corporate travel. From beginning to end, TMCs are there to help guide company executives around the globe through the entire process when booking, executing, and completing a trip.

### **Competition and Consumer Protection in the 21<sup>st</sup> Century**

As the Hearings on Competition and Consumer Protection in the 21<sup>st</sup> Century continue, we hope that the Commission recognizes the substantial consumer benefit that our industry affords the traveling public. Travel Tech's members have literally created the marketplaces where consumers can shop across brands for all aspects of travel including air, accommodations, car rental, rail, tours, attractions, and many other offerings. By creating these marketplaces, our members have incentivized suppliers to compete for customers, which in turn fosters a favorable environment for consumer protection and often leads to lower prices and better service offerings.

## Competition within the Online Travel Community

Consumers understand they have a range of options through which they may book travel. They can: use an online travel agency; comparison shop on a metasearch site before booking on a supplier's website; book directly on a supplier's website; use a brick-and-mortar travel agent; use an app on a mobile device; pick up the phone and call; or simply walk in the front door of a hotel and request a room. And if that were not enough, they can utilize any number of sharing economy platforms to fulfill their travel needs.

In 2015, the U.S. Department of Justice was asked to review the acquisition of Orbitz by Expedia. In doing so, they reviewed the competitive marketplace and landscape and came to the following [conclusion](#)<sup>1</sup>:

“We know online travel booking is important to U.S. consumers and to the airlines, car rental companies and hotels that serve those consumers. Over the course of a six-month investigation, lawyers and economists from the Antitrust Division reviewed tens of thousands of business documents, analyzed transactional data from the merging companies and from other industry players and interviewed over 60 industry participants of various types and sizes.

“The Antitrust Division investigated the concerns that have been expressed about this transaction. We took those concerns seriously and factored into our analysis all of the information provided by third parties. At the end of this process, however, we concluded that the acquisition is unlikely to harm competition and consumers.”

The Department of Justice also noted:

“In addition, beyond Expedia and Orbitz, travel service providers have alternative ways to attract customers and obtain bookings, including Expedia's largest online travel agent rival, Priceline.

“Third, the evidence suggests that the online travel business is rapidly evolving. In the past 18 months, for example, the industry has seen the introduction of TripAdvisor's Instant Booking service and Google's Hotel and Flight Finder with related booking functionality.”

Even with the tremendous rise of online travel bookings marketplaces, it is important to note that OTAs account for just 21 percent of all hotel bookings in the U.S., with 12 percent of hotel bookings made through other channels, including brick-and-mortar travel agents, credit card companies, and corporate management companies, and the remaining two-thirds of bookings

---

<sup>1</sup> Department of Justice press release: “Justice Department Will Not Challenge Expedia's Acquisition of Orbitz” (<https://www.justice.gov/opa/pr/justice-department-will-not-challenge-expedias-acquisition-orbitz>)

– September 16, 2015

made directly through the hotels. According to the travel research publication [Skift](#)<sup>2</sup>, these percentages have remained steady over the past several years. (See chart below.)<sup>3</sup>



On an April 27, 2016, earnings [call](#)<sup>4</sup> President and CEO of Hilton Worldwide Chis Nassetta said, “The OTAs are plus or minus 10 percent of our business. So our direct channels are significantly larger than those channels.” And on April 15, 2018, Arne Sorenson, CEO of Marriott, revealed that OTAs account for an estimated 12 percent of the company’s overall bookings, according to Travel Industry publication [Travel Pulse](#)<sup>5</sup>. This demonstrates that two of the largest hotel chains in the world do not view OTAs as having an overly dominant influence on the accommodations bookings marketplace.

As DOJ correctly noted in 2015, the online travel industry is rapidly evolving and consumer choice for accommodations is only expanding, offering consumers more places to shop for and book accommodations. Google’s metasearch platform for hotel accommodations and the growth in popularity of short-term rental platforms afford consumers even more choice in booking. Consumers have many options at their disposal to shop for travel. This dynamic marketplace is ever-evolving and with almost no barriers for new entrants the competitive landscape for shopping for travel has never been more diverse and competitive.

Simply put, competition is alive and well in the online travel marketplace *because* of today’s OTAs, metasearch platforms, TMCs, GDSs, and short-term rental platforms.

---

<sup>2</sup> Skift: “Hotel Direct Bookings Remain Flat Despite Big Marketing Push” (<https://skift.com/2018/07/25/hotel-direct-bookings-remain-flat-despite-big-marketing-push/>) – July 25, 2018

<sup>3</sup> Chart from Skift article – July 25, 2018

<sup>4</sup> Skift: “Hotel CEOs Won’t Back Down When It Comes to Pushing Direct Bookings” referencing Hilton Worldwide Quarterly Earnings Call (<https://skift.com/2016/05/16/hotel-ceos-wont-back-down-when-it-comes-to-pushing-direct-bookings/>)

<sup>5</sup> <https://www.travelpulse.com/news/hotels-and-resorts/marriott-plans-to-lower-commissions-for-online-travel-agencies.html>

## Visibility for Suppliers

OTAs provide immense benefits to suppliers by marketing hotel properties and airlines to a global audience of travelers. This is especially true for independent hotels that do not have the marketing budgets of the major hotel chains. A study by [Cornell University](#)<sup>6</sup> found that just by being listed on an OTA website or app, the hotel sees an increase in direct bookings on their own websites. In 2009, the study found that hotels saw up to a 26 percent increase in direct bookings by being listed on an OTA:

“Changes in the online travel market are causing hotels to rethink their relationships with online travel agencies (OTAs) and to take a closer look at the impact on bookings from listing their properties with OTAs. One outcome of being listed on an OTA is additional bookings on the brand’s own website, a phenomenon that co-author Chris Anderson labeled the billboard effect. In a 2009 study, Anderson presented an experiment in which a group of hotels was listed and then removed from Expedia.com in alternate weeks. This test found that, compared to being hidden, being listed on the site increased reservations 9 percent to 26 percent (above transactions that occurred at Expedia). That was followed by a 2011 study examining consumers’ online pre-purchase research that found about 75 percent of consumers who made reservations with a major hotel brand had visited an OTA in advance of booking directly with the brand. In this report we show that the ability of a second-party channel to influence an eventual reservation may be lower now, but the billboard effect still occurs, since many consumers visit an OTA prior to booking.”

The authors updated the study in 2017 and found that the billboard effect is still benefitting hotels’ direct bookings. The authors state in their conclusion:

“While research suggests that the ability of a non-direct channel to influence an eventual reservation at a hotel may be low (between 5.5 and 35 percent), there is still a billboard effect on customers as they visit one of these non-direct sites prior to booking. Hoteliers who ensure that their online presence is easy to find, attractive, and competitive will capture more of these customers.”

OTAs are among the world’s leaders in marketing and advertising. That is why hotels continue to choose to partner with OTAs. In short, OTAs market hotel properties to the world, and they do so effectively, seamlessly, and conveniently for consumers to be able to shop across brands, see all options in one place, and book hotel rooms and packages if they choose.

It is clear OTAs provide enormous value to hotels by attracting and driving millions of customers to their front desks every single day.

---

<sup>6</sup> Cornell University School of Hotel Administration study: “The Billboard Effect: Still Alive and Well” (<https://scholarship.sha.cornell.edu/chrpubs/245/>) – April 6, 2017

## OTAs and the Consumer Experience

Leisure and business travelers benefit greatly from the ability to search, compare, and book travel through the advanced technological solutions created and deployed by today's innovative and popular OTAs. Without OTAs, consumers would have to visit dozens or even hundreds of websites and waste valuable time in order to make an informed booking decision. It is clear the American public not only relies on the convenience of shopping across multiple travel brands in a single place, but they continue to trust OTAs with their vacation and business travel itineraries.

Some have touted anecdotal customer service-related matters in an attempt to undermine the reputation and record of OTAs, but the travelers who book hundreds of millions of hotel room nights each year through OTAs are testament that booking hotel rooms via third-party sites is safe, convenient, and effective. And they save consumers money and give them more choices by creating an open, transparent marketplace where hotel properties compete on location, price, and amenities. The reliability of independent booking sites is why hundreds of thousands of hotels, motels, inns, and bed and breakfasts in every corner of the U.S. and around the world willingly and enthusiastically partner with OTAs.

Further, OTAs invest enormous time, energy, and money into arming consumers with the most relevant and timely information available so that the potential traveler can make the best choice. This means price is not the only consideration. Travelers may make a purchasing decision based on location, amenities, size, brand, restaurants, or even style. The best combination of these considerations, filtered through our members' advanced technology and earned experience, leads to the first listings on a search page. If price is indeed the most important factor to a particular customer, he or she is always in control and listings can easily be resorted with a click.

Integrity in the hotel bookings marketplace is critical. Without it, companies that fail to deliver reliable service and seamless transactions with their hotel partners will not survive in the competitive travel market. And OTAs are on record as offering the highest level of customer service to their clients and have done so for well over two decades.

Travel Tech reviewed top reports of major consumer groups on fraud incidence, and the Commission's [own](#),<sup>7</sup> and despite the insistence of competing interests in the marketplace that countless Americans are falling victim to bad hotel bookings, not a single source backs this up. See a sampling below:

### **Comprehensive Review of Consumer-Reported Scams**

#### **Federal Trade Commission (FTC) – “Consumer Complaints for 2017”**

1. Debt Collection – 608,535 Complaints (22.74%)
2. Identity Theft – 371,061 Complaints (13.87%)
3. Imposter Scams – 347,829 Complaints (13%)
4. Telephone and Mobile Services – 149,578 (5.59%)
5. Banks and Lenders – 149,316 (5.58%)
6. Prizes, Sweepstakes, and Lotteries – 142,870 (5.34%)

---

<sup>7</sup> FTC: “Consumer Sentinel Network Data Book 2017” (<https://www.ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/report-categories>)

7. Shop-at-Home and Catalog Sales – 126,387 (4.72%)
8. Credit Bureaus, Information Furnishers and Report Users – 107,473 (4.02%)
9. Auto-Related Complaints – 86,289 (3.23%)
10. Television and Electronic Media – 47,456 (1.77%)
- [...]
15. Travel, Vacations, and Timeshare Plans (including “*Deceptive offers for “free” or low-cost vacations; cut-rate student travel packages; misleading timeshare offers*”) account for **0.83%** (22,264) of all complaints filed in 2016.

➤ **NOTE: no mention of “hotel booking scams”**

**National Consumers League – “Top 10 Scams of 2017”** <sup>8</sup>

1. Internet: General Merchandise Sales
2. Fake Check Scams
3. Prizes/Sweepstakes/Free Gifts
4. Recovery/Refund Companies
5. Advance Fee Loans, Credit Arrangers
6. Phishing/Spoofing
7. Computers: Equipment/Software
8. Scholarships/Grants
9. Friendship & Sweetheart Swindles
10. Charitable Solicitations

➤ **NOTE: no mention of “hotel booking scams”**

**Forbes - “Top Ten Consumer Complaints for 2017”** <sup>9</sup>

1. Auto Complaints
2. Credit/Debt
3. Home Improvement/Construction
4. Retail
5. Utilities
6. Services
7. Internet Sales and Landlord/Tenant Problems
8. Fraud (“Bogus sweepstakes and lotteries, work-at-home schemes, grant offers, fake check scams, the grandparent scam and other common frauds.”)
9. Real Estate
10. Household Good and Home Solicitations

➤ **NOTE: no mention of “hotel booking scams”**

---

<sup>8</sup> National Consumers League: “Top ten scams of 2017” ([http://www.fraud.org/2017\\_top\\_ten](http://www.fraud.org/2017_top_ten))

<sup>9</sup> Forbes: “Top 10 Consumer Complaints 2017” (<https://www.forbes.com/pictures/gidm45ilh/top-10-consumer-complain/#1a89d89a1630>)

**New York Attorney General - “List of Top Frauds for 2017”** <sup>10</sup>

1. Internet - internet services & service providers; data privacy & security; consumer frauds (5,153)
2. Automobile - buying, leasing, repair, service contracts, rentals (3,188)
3. Consumer-Related Services - security systems; restaurant/catering services; tech repairs (2,463)
4. Landlord/Tenant Disputes – security deposit releases, tenant-harassment (1,961)
5. Utilities – wireless and residential phones; energy servicers & suppliers; cable and satellite (1,827)
6. Credit – debt collection; credit card billing; debt settlement; payday loans; credit repair; credit reporting agencies; identity theft (1,436)
7. Retail Sales – any sale of goods: food, clothing, rent-to-own (1,285)
8. Home Repair/Construction – home improvement services not delivered or done poorly (982)
9. Mail Order – purchases made online from a catalog (850)
10. Mortgage – mortgage modifications; mortgage and loan broker fraud; foreclosures (799)

➤ **NOTE: no mention of “hotel booking scams”**

**How Short-Term Rentals Benefit Consumer Choice and Economic Growth**

Short-term rental platforms have numerous wide-ranging and positive impacts on competition, innovation, consumer choice, and entrepreneurs who earn income from listing their space. First and foremost, it is important to understand that short-term rentals as an accommodations option for travelers are not a new phenomenon. For centuries, Americans have opened their doors to travelers, sharing everything from a spare room in an underutilized home, to an empty beach house or a cabin at the lake. In many areas of the country, short-term rentals are a time-honored tradition and the only way for vacation destinations to accommodate an influx of peak-season travelers.

While short-term rental platforms did not create the market for peer-to-peer accommodations, they have developed innovative tools that empower both consumers and suppliers who choose to participate in the short-term rental marketplace. These tools – from background checks of hosts and guests and machine-learning techniques to help root out fraud to automated tax collection and insurance to protect travelers and short-term rental operators – have laid a foundation of trust and safety that has led to booming consumer demand for alternative accommodations. For example, a year after Airbnb launched in 2009 there were 21,000 guest arrivals using their platform. By 2018 it had grown to 300 million guest arrivals.

Short-term rental platforms play an integral role in creating an efficient market for travelers, as well as property owners, managers, and hosts. Homeowners, bed and breakfast owners, and others in the industry no longer have to rely on a paper newsletter from their local chamber of commerce to reach prospective guests. Instead, they have access to a global market of potential customers seeking an authentic experience. Similarly, travelers no longer have to rely on the

---

<sup>10</sup> New York A.G. Schneiderman Releases “Top Ten Frauds Of 2017, Warns NY Consumers To Beware Of Scammers” (<https://ag.ny.gov/press-release/ag-schneiderman-releases-top-ten-frauds-2017-warns-ny-consumers-beware-scammers>)

yellow pages to find a place to stay. Instead, they can browse any type of accommodation from their smartphone, filtering for the experience that suits their needs.

As short-term rental platforms have grown and developed over time, they have created a specialized market, allowing individuals to compete for travel and tourism dollars, while providing a unique and tailor-made experience to travelers. Additionally, short-term rental marketplaces help activate unused properties, in the form of empty rooms or homes. The availability of such accommodations, along with growing demand for short-term rentals, has fostered a competitive and consumer-centric market. The flexibility of short-term rentals helps cities and towns leverage the economic opportunity of major events and fulfill accommodation needs during special occasions, whether it's providing lodging to fans headed to a Big Ten football game in Ann Arbor, freelancers attending the SXSW festival in Austin, or witnesses to a once-in-a-lifetime event like Pope Francis' visit to Philadelphia. This added capacity can be especially helpful in rural areas where short-term rentals can add needed supply in regions with few hotels.

In turn, by activating properties that would otherwise lie fallow, short-term rental marketplaces generate economic opportunity for local small businesses, many of which are outside traditional tourist hotspots. According to an annual survey of Airbnb hosts and guests in the U.S., Airbnb guests spent 46 percent of their daytime in the neighborhoods where they stayed last year. The company estimates that Airbnb guests spent nearly \$2.7 billion visiting restaurants during their trips in 29 selected cities across the U.S., Canada, and Latin America last year.

As short-term rental platforms have grown their base of listings, competition among short-term rentals owners, managers, and hosts has also grown, leading to better pricing and higher quality offerings for travelers. This competition, coupled with the ability of travelers to provide feedback and reviews about their accommodations and travel experience, has empowered consumers by providing them access to information that allows them to make more informed decisions. And because short-term rental platforms are intermediaries connecting travelers and homeowners in an increasingly competitive marketplace, they work to maintain the continued trust of travelers and owners, managers, and short-term rental operators alike.

In 2016, a study published by leading global travel market research company, PhocusWright, titled "A Market Transformed: Private Accommodations in the U.S.," noted that leisure traveler use of private accommodations had risen significantly, from just one in ten travelers in 2011, to one in three by the end of 2016. Fortunately, because of competition among platforms and the low barrier to entry for short-term rentals, consumers should continue to reap the benefits of increased competition, in turn gaining greater pricing power and finding unique and authentic accommodations that allow them to experience travel destinations on their own terms.

As further evidence for increased demand for short-term rental accommodations by travelers, several leading online travel sites are now offering short-term rentals as options for travelers shopping for lodging. In addition, major hotel brands have invested in building out their own portfolio of short-term rentals and/or have purchased short-term rental companies.

The demand for short-term rentals by business travelers has increased as well. Airbnb has seen 300 percent growth in business travel on the platform each of the last two years, with nearly 300,000 companies actively engaged in using the service around the world.

Consumers are increasingly demanding individualized and authentic experiences when it comes to travel, and this, coupled with the ability to access unique and personalized accommodations through trusted intermediaries, have led to growth in both travelers and suppliers in the short-term rental market. Travelers who may have otherwise faced challenges such as affordability, accessibility, or specialized needs can now find accommodations that are right for them.

Like other internet-based businesses, short-term rental platforms must continue to address consumer protection issues surrounding privacy and data security. Any sensitive and personal data collected by short-term rental platforms is, and should remain, secured by the platforms. Both suppliers and consumers have a right to privacy when it comes to the personal data they provide to short-term rental platforms. And platforms operate under similar data privacy parameters as other businesses and they include detailed privacy policies for users to understand and acknowledge the data collected, used, processed, and disclosed.

Short-term rental platforms offer different tools to ease some of the common burdens and responsibilities that their platform users face. For example, some platforms have voluntarily agreed to collect and remit taxes on behalf of their short-term rental operators. Some have also facilitated creative solutions for their users such as third-party insurance products uniquely geared toward protecting travelers, owners, hosts, and operators. Such policies are being increasingly integrated into homeowners' policies or issued as separate policies designed specifically for those engaging in short-term rental activity.

Feedback and reviews of travel experiences are a major component to a traveler's decision making. Because online reputational feedback and reviews can occur unfiltered and almost instantaneously, travelers looking to assess short-term rental accommodations on a platform can do so more accurately and effectively than was ever possible before. Feedback on short-term rentals provides unique insights for travelers and allows them to make even more informed decisions than would be possible with other accommodations options. Positive reviews inspire travelers and ensure owners access to future guests, while negative reviews highlight potential issues for other would-be travelers and help the market to weed out bad actors.

Short-term rental platforms have taken measures over time to integrate comprehensive feedback mechanisms into their platforms. Doing so has brought a level of trust and comfort for travelers, often at a level that far exceeds that achieved by government regulation. In fact, in a 2015 consumer research study on the sharing economy by PricewaterhouseCoopers LLP, 64 percent of consumers said that in the sharing economy peer regulation is more important than government regulation.

## **Conclusion**

Travel Tech member companies are on the front lines of travel and tourism and recognize the great benefit that affordable travel brings to consumers, suppliers, and the travel and tourism

economy. The innovative technologies that GDSs, OTAs, metasearch engines, short-term rentals, and TMCs develop and deploy, along with the marketplace they facilitate, have resulted in a travel economy that is more efficient, more affordable, and more accessible for millions around the globe.

Travel Tech commends the Commission for initiating the hearings on competition and consumer protection and welcomes this opportunity to share our industry's perspective on these important topics. We look forward to the forthcoming hearings and may submit additional comments if we believe it would be helpful to the Commission.

Respectfully Submitted,



Stephen Shur  
President  
The Travel Technology Association  
3033 Wilson Boulevard, Suite 700  
Arlington, Virginia 22201  
(703) 842-3754  
[sshur@traveltech.org](mailto:sshur@traveltech.org)