

HOSPITALITYLAWYER.COM PRESENTS

2013 THE **HOSPITALITY LAW**
CONFERENCE
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS

FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

PERSPECTIVES ON NON-TRADITIONAL DISTRIBUTION CHANNELS

Greg Duff and Ruth Walters
Garvey Schubert Barer

Houston, Texas
February 12, 2013

BIOGRAPHIES



- **Greg Duff**
- Chair, GSB's National Hospitality Practice
- Operations-oriented practice – management contracts, sales, marketing, distributions and technology
- Former Assoc. GC, Westin Hotel Company and GC, Columbia Hospitality



- **Ruth Walters**
- Operations-oriented practice—marketing, sales, advertising
- Technology transactions—software, SaaS, ISP, online distribution
- Intellectual property—brands, copyrights, image releases

AGENDA

1. Scope
2. Non-Traditional Channels
3. Traditional OTA Distribution Channel Implications

HISTORY OF ONLINE DISTRIBUTION

- 1996 – Microsoft launches Expedia
 - Sabre launches Travelocity
- 1998 – Google founded
 - lastminute.com, Priceline launched
- 2000 – TripAdvisor launched
- 2001 – Orbitz launched
- 2004 – Expedia acquires TripAdvisor for \$210m
 - Facebook launched
 - Kayak launched

HISTORY OF ONLINE DISTRIBUTION

- 2005 – Priceline acquires booking.com for \$135m
 - YouTube launched
- 2006 – Twitter launched
- 2008 – Airbnb launched
 - Groupon launched
- 2009 – Room 77 launched
- 2010 – Google acquires ITA Software for \$700m
 - Pinterest launched
 - JetSetter launched

HISTORY OF ONLINE DISTRIBUTION

- 2012 – RoomKey launched
 - Priceline acquires Kayak \$1.8bn
- 2013 – Expedia invests \$30 million in Series C financing for Room 77

SCOPE

Not a discussion involving . . .

1. Primary ("Traditional") Distribution Channels
2. Employment Practices and Policies
3. Mobile

NON-TRADITIONAL CHANNELS

1. Daily Deals/Flash Sales and Private Sales
 - Groupon, LivingSocial
 - Jetsetter, Rue La La, Vacationist
2. Search
 - Google – Google Hotel Finder
3. Maps
 - Google Maps
 - Apple Maps

NON-TRADITIONAL CHANNELS – CONT.

4. MetaSearch / Aggregators

- Kayak
- Room 77
- RoomKey
- Hipmunk

5. Directories and Destination Sites

- Regatta

NON-TRADITIONAL CHANNELS – CONT.

6. Social Media (“Hybrids”)

- Travel Review Sites
- Facebook
- Pinterest
- BCKSTGR

NON-TRADITIONAL CHANNELS – FLASH SALE

Seattle ▾

Receive Getaway Deals +

Refer Friends. Get \$10*

Campbell's Resort on Lake Chelan – Chelan, WA

One-Night Stay for Two in a King Deluxe Lake-View Room. Combine Up to Two Nights.

Getaways | with Expedia

\$89

Buy!

Value	Discount	You Save
\$154	42%	\$65

Buy it for a friend!

Time left to buy
8 days 12:43:16

Over 120 bought
Limited quantity available

The deal is on!

Twitter Email Pin it Facebook Send

Facebook Like 90



NON-TRADITIONAL CHANNELS – PRIVATE SALES

JETSETTER

Flash Sales

Destinations

Travel Ideas



Invite Friends

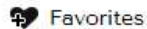
My Account

Type a Destination or Hotel



The Alex

New York City, New York



53



Flash sale
Ending soon



From **\$145** / night

Hotel website
\$209/night

Select check in date

January

Feb >

S	M	T	W	T	F	S
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

Available check in dates Standby

Select check out date


Deluxe King Room, 2 guests

NON-TRADITIONAL CHANNELS – PRIVATE SALES

HOSPITALITYLAWYER.COM PRESENTS
2013 THE HOSPITALITY LAW CONFERENCE
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS
FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

(Log Out)

EVEN MORE STYLE
LIKE US ON FACEBOOK
Like 331k



THE RUE 30 ▶
PAY \$9.95 ONCE.
SHIP FREE FOR 30 DAYS.

ALL WOMEN MEN LIVING TRAVEL KIDS TODAY'S FIX LOCAL COMING SOON

THE BIG GAME WEEKEND EXPERIENCE CLOSING IN 0 DAYS, 20:46:35 [Why We Love It ▶](#)

[Back to Boutique](#)


Big Game Ticket Package with Hotel Stay

Celebrate the biggest day in football in true VIP style with exclusive tickets, luxe accommodations, pregame parties, and more.

~~\$20,000.00~~ **\$18,500.00**

Quantity
1 ▼

ADD TO BAG QUICK! BUY IT ?



NON-TRADITIONAL CHANNELS FLASH SALES AND PRIVATE SALES

1. Vouchers = Gift Certificates?

- Groupon Litigation
- Living Social Litigation

2. Federal and State Gift Certificate Laws

- Credit Card Act of 2009
- State Gift Certificate Laws Vary Widely
- Notable Exceptions

3. State Escheat Laws

NON-TRADITIONAL CHANNELS - SEARCH



HOTEL IN HOUSTON TEXAS



Hotel Finder

Sun, Jan 27 – Mon, Jan 28

1 night

Price

Star rating

User rating

Amenities

642 hotels

Sort

than usual



Sleep Inn & Suites Intercontinental Airport

★★

\$90

22% more than usual



Homewood Suites by Hilton Houston Galleria

28 11 reviews

★★★

\$135

3% less than usual



Hampton Inn & Suites Houston-Medical Center

★★★

\$135

4% more than usual



Aloft Houston by the Galleria

23 10 reviews

★★★

\$114

17% less than usual



La Quinta Inn & Suites Houston-Normal

\$85

Aloft Houston by the Galleria

Add to shortlist

Book at getaroom **\$114**

More

\$133 incl of taxes & fees. Booking links sponsored.

Overview

Photos (15)

Reviews (10)

Location

Rooms

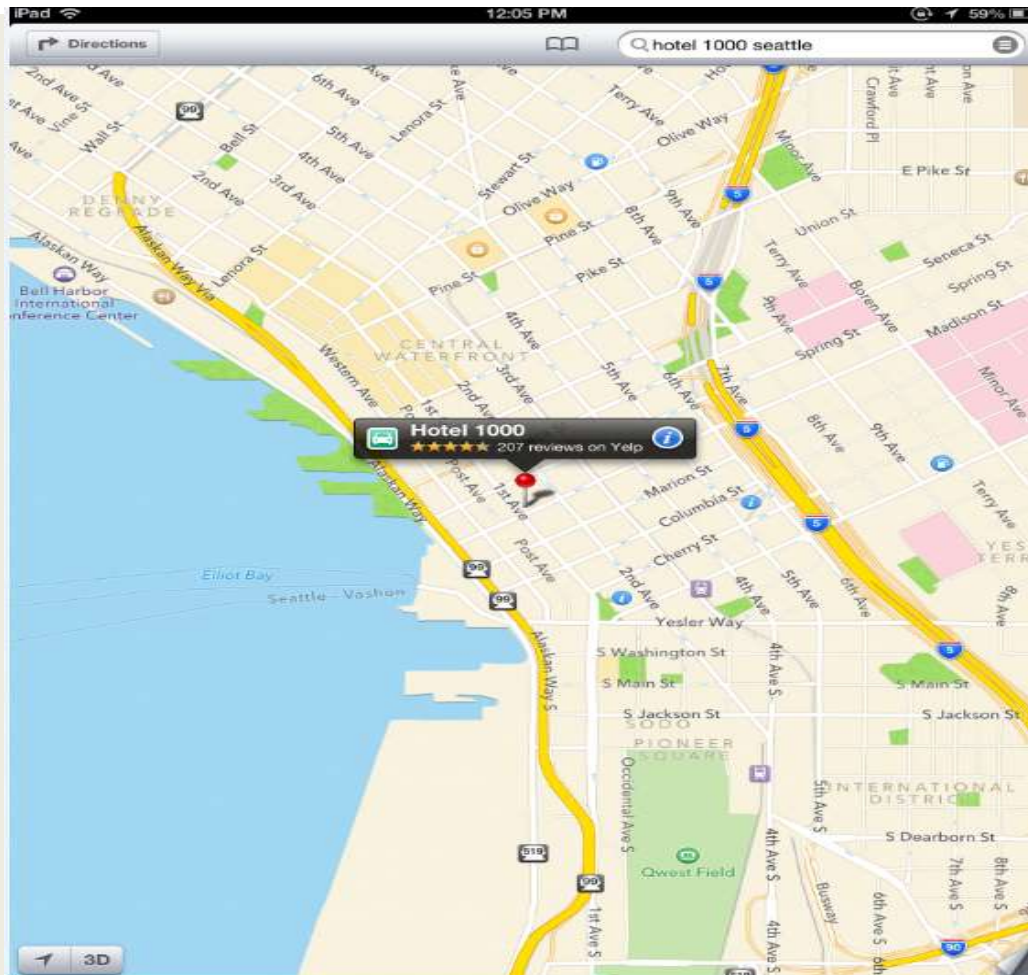


★★★ starwoodhotels.com

Accessible facilities · Air-conditioned · Free WiFi · Free parking · Gym

NON-TRADITIONAL CHANNELS - MAPPING

HOSPITALITYLAWYER.COM PRESENTS
**2013 THE HOSPITALITY LAW
CONFERENCE**
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS
FEBRUARY 11-13, 2013 • HOUSTON, TEXAS



NON-TRADITIONAL CHANNELS SEARCH & MAPPING

1. Source of Information
2. Channel Management
3. Keyword Bidding

NON-TRADITIONAL CHANNELS - METASEARCH / AGGREGATOR



Flights Hotels Cars Deals Vacations Cruises

Login My Trips Free App

[See all Seattle hotels](#)

The Edgewater

★★★★☆ 970 guest reviews

[Overview](#) | [Map](#) | [Photos](#) | [Reviews](#) | [Similar](#)



2411 Alaskan Way Pier 67, Seattle, WA 98121, United States +1 206 728 7000

www.edgewaterhotel.com

The Edgewater - A Noble House Hotel is located in Seattle's Seattle Waterfront neighborhood, close to Pacific Science Center, Pike Place Market, and Space Needle. Nearby points of interest also include Experience Music Project Museum and Seattle Center. The Edgewater - A Noble House Hotel features a restaurant and a bar/lounge. Room service is available during limited hours. Recreational amenities... [More from Expedia Affiliate Network](#)

- air-conditioned
- airport shuttle
- casino
- fitness
- golf
- internet
- kitchenette
- parking
- pool
- restaurant
- spa

DIRECTORIES AND DESTINATION SITES - REGATTA


Seattle

Seattle's Convention and Visitors Bureau

Special Offers Hotel Concierge Why book with us? visitors about us

Show prices in: USD

Search hotel by name Search



Book Online
Alexis Hotel- A Kimpton Hotel

Arrival Jan-23-13

Departure Jan-25-13

Occupancy 2 Adults


Children

Check in all Hotels

Search Availability

Return to list of hotels

Jan-23-13 → Jan-25-13



Alexis Hotel- A Kimpton Hotel

A work of art in itself, the award winning Alexis Hotel was recently named to *Conde Nast's* 2012 Reader's Choice "Best Hotels in the Pacific Northwest." Our Seattle boutique hotel is committed to the arts community and partners with the Seattle Art Museum by featuring local artists throughout... [More description](#)

- High-speed WiFi Internet access, complimentary to Kimpton InTouch Guest Loyalty members
 - Hosted evening wine reception
 - 100% smoke-free environment
 - Complimentary onsite fitness center
 - Complimentary onsite private steam room

NON-TRADITIONAL CHANNELS META SEARCH

1. Source of Information
2. Linking
3. Keyword Bidding

NON-TRADITIONAL CHANNELS – SOCIAL MEDIA (REVIEW SITES)

The screenshot shows the TripAdvisor page for The St. Regis Houston Hotel. At the top, there are navigation links for 'Sign in with Facebook', 'Sign in', 'Register Now!', and 'FREE Mobile App'. A search bar is present with the text 'City, hotel name, etc.' and a 'SEARCH' button. Below the navigation is a green bar with menu items: Home, Houston, Hotels, Flights, Vacation Rentals, Restaurants, Things to Do, Best of 2012, Your Friends, More, and Write a Review. The main content area shows the hotel's name 'The St. Regis Houston' with a 5-star rating and '231 Reviews'. It includes the address '1919 Briar Oaks Lane, Houston, TX 77027-3408' and a 'Special Offer Book Early and Save'. A large photo of the hotel is shown, along with 'Professional photos' and '49 traveler photos'. A 'Ranked #16 of 431 hotels in Houston' badge is visible. A booking section allows users to enter check-in, check-out, and number of adults, with a 'Show Prices' button. A dark overlay on the booking section says 'Book now! Prices for this hotel have gone down in the past 5 days.' To the right, a 'Travelers also viewed...' section lists 'Magnolia Hotel Houston', 'Four Seasons Hotel Houston', and 'The Houstonian'. At the bottom right, there is a 'Browse nearby' section with a map and a 'Write a Review' button.

NON-TRADITIONAL CHANNELS REVIEW SITES

1. Data Usage & Ownership
2. API Terms of Use

NON-TRADITIONAL CHANNELS – SOCIAL MEDIA (FACEBOOK)

HOSPITALITYLAWYER.COM PRESENTS
**2013 THE HOSPITALITY LAW
CONFERENCE**
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS
FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

facebook Search for people, places and things Ruby Apolline Find F

Omni Hotels Enter Now!

Like

We're giving away a Weekend Stay...every month!

Follow. Like. Enter. Win.

Connect with us
for your chance to win!

“Like” Omni Hotels & Resorts
on Facebook to be taken to
your Social Sweepstakes entry form!

NON-TRADITIONAL CHANNELS FACEBOOK

1. Contests and Sweepstakes
2. COPPA
 - Recent FTC Amendments

NON-TRADITIONAL CHANNELS – PINTEREST


Search


Pinterest English ▾ About ▾ Login


Pinterest is an online pinboard.
Organize and share things you love.


[Join Pinterest »](#) [Login](#)

HOTELS ON PINTEREST
5 pins


TRUMP
International
BEACH RESORT • MIAMI


THE NEW ORLEANS
HOTEL
Collection


DOUBLETREE
BY HILTON



THE Fairmont
COPLEY PLAZA
BOSTON

[Like](#) 0

[Tweet](#)

[Embed](#)

[Report Pin](#)

NON-TRADITIONAL CHANNELS – ON THE HORIZON

HOSPITALITYLAWYER.COM PRESENTS
**2013 THE HOSPITALITY LAW
CONFERENCE**
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS
FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

BETA
BCKSTGR

Sign-up | Log-in

EARN

REDEEM

LEARN

00000000

Award Miles

Earn BIG rewards for just being you.

0009350

Instantly earn United MileagePlus® award miles when you engage participating brands via social media – then use them for once-in-a-lifetime experience and lifestyle rewards.



SIGN UP TODAY!

Through 1/31/13 earn up to to 600 miles for registering and linking to Facebook, Twitter and Foursquare.

Register Now

Watch How It Works

BCKSTGR: Dream BIG!

Check out our latest exclusive experiences | [EXPLORE ALL](#)



NON-TRADITIONAL CHANNELS: ENDORSEMENTS

1. Convergence and integration of social media platforms
2. Liking, following, re-tweeting, re-pinning
3. FTC rules about endorsements

NON-TRADITIONAL CHANNELS - IP MANAGEMENT

1. Out-Licensing
2. In-Licensing
3. Rights of Publicity

TRADITIONAL DISTRIBUTION CHANNELS - IMPLICATIONS

1. Shifting business models
2. IP Concerns
3. Channel Management

RESOURCES

www.hotelmarketing.com

www.eyefortravel.com

www.hsmai.org

NON-TRADITIONAL DISTRIBUTION CHANNELS

HOSPITALITYLAWYER.COM PRESENTS
2013 THE HOSPITALITY LAW
CONFERENCE
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS
FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

Questions?

THANK YOU

GREG DUFF

206.816.1470 | gduff@gsblaw.com

RUTH WALTERS

206.816.1483 | rwalters@gsblaw.com

HOSPITALITY BLOG

www.duffonhospitalitylaw.com