

**Search Smarter. Book Direct.**  
**Campaign Executive Summary**

## **What's This All About?**

*Americans make 500 online hotel bookings every 60 seconds, but evidence from new, extensive polling data from the American Hotel & Lodging Association (AHLA) suggests they're not getting the deal they think they are.*

*The two culprits are (1) online booking scams and (2) misleading marketing messages perpetrated by online travel agencies and their third-party affiliates. Based on this data, AHLA has launched an education campaign aimed at helping travelers avoid lost reservations, additional fees, and ruined vacations.*

## **Who Are "Digital Middle Men"?**

Many consumers use online travel agencies, or "digital middle men," because they believe these sites present them with the best deals and allow them to compare all the options. In reality, these sites can mislead consumers, costing them a lot of time, money and aggravation.

### Booking Scams

Additional research reveals that online scams made through fraudulent sites are on the rise, resulting in **55 million "bad" bookings** of this type each year, costing consumers **\$3.9 billion**.

- In 2015, just **6%** of travelers reported booking on what they believed was a hotel's official website, only to find they had booked on a fraudulent site not affiliated with the hotel. Just two years later, the number of travelers who have experienced this has nearly quadrupled to **22%**.
- Seniors in particular have major concerns about the lack of transparency in online booking – many of which are due to bad experiences. **1 in 10** consumers 65 or older say they have accidentally booked with a fake site when intending to book directly with a hotel.

### Deceptive Marketing Practices

#### **False Choices**

- 95% of these "digital middle men" (e.g., Trivago, Kayak, Expedia, Orbitz, Hotels.com, Travelocity, etc.) are owned by just two companies: Expedia and Priceline.
- 74% of consumers are completely unaware that when they're taking the time to comparison shop among these sites, they're comparing between the same two companies.

#### **False Discounts**

- 79% of consumers use these "digital middle men" because they believe they will find better deals.
- That belief is fueled by misleading marketing practices like "slash" or deep discounted pricing, which is not based on an actual room rate set by the hotel. Booking directly with the hotel results in a better value for consumers.

#### **False Sense of Urgency**

- Almost half of consumers have reported being influenced by messages that say "Only 2 rooms left!"
- These messages aren't based on the full room inventory from the hotel. They're just marketing tactics used to make consumers book faster.