

# HOTEL REFUNDS: EXPEDIA AND BOOKING.COM CHANGED THE RULES



English hoteliers have accused online travel agents (OTA) and in particular Booking.com of "behaving appallingly" by changing the terms and conditions so that bookings, including those that were non-refundable, would be refunded, without cancellation fees!

Expedia and Booking.com decided to provide more flexibility to consumers with measures such as eliminating cancellation fees and refunding prepayments. All this seems to have been decided without consultation with the hoteliers. While many hotels in France and Italy have closed down, in the UK and other countries there are still travelers.

A spokesperson for the Expedia Group said: "We did not take this decision lightly. However, we believe it is the right thing to do for our industry, for travelers and, overall, for our partners, thousands of whom have already opted in the last few days, because they see the benefit of simplifying the cancellation process."

A Booking spokesperson said: "Ultimately, at Booking.com, our biggest concern is the safety and security of our customers, partners and colleagues. We all feel the impact of the current uncertainty on travel, and we believe that working with our partners to make it relatively easy for our mutual customers to change their plans is both the right thing to do and means that they will be quicker to return to travel when the situation improves, which in turn protects the future of our industry".

According to the hoteliers, it would have been a good idea to offer a voucher to clients who had to cancel. This would have been less detrimental. In Europe, the system is becoming more widespread in the face of the wave of cancellations which puts a strain on the cash flow of travel agencies and tour operators.

Measures of the booking platforms:

## **Booking.com**

1. com establishes a force majeure cancellation policy aimed at tourists who have been in an area affected by the coronavirus, who have been prohibited from entering the country they intended to travel to, or whose visas have been suspended upon arrival.
2. Additionally, Booking also refers to those accommodations that have closed their doors, either by their own decision or by legal requirement. Advising them that it is their responsibility to inform affected customers, in addition to ensuring that they receive a full refund for any canceled stay.
3. Similarly, Booking specifies that the force majeure conditions apply only to cancellations made after the introduction of the relevant travel restrictions.
4. Booking offers the possibility of requesting the cancellation of non-refundable reservations through its website, in which case the OTA cancels the reservation automatically.
5. The hotelier, as it is a force majeure reservation, must make the refund of any payment in advance and without charges.
6. In this sense, Booking is currently advising the establishments to call the client to offer them alternative travel dates, although, if the tourist does not agree, they insist that the money must be

reimbursed.

7. In case the hotelier does not refund the reservation, the OTA assumes the return. Subsequently, and although the billing period is not yet known, Booking has confirmed that the charge will be passed on to the hotelier.
8. For its part, the company offers a list of the countries and dates in which force majeure will be applied.

### **Expedia**

9. Expedia has created the Global Cancellation Waiver Program , immediately adding all its hotel partners to it.
10. Through this program Expedia will reimburse all tourists who have booked on its platform before March 19 and for the period between March 20 and April 30 non-refundable reservations.
11. The company will only reimburse the reservations that have been paid by the tourist to Expedia (Expedia Collect), in no case will it be responsible for the reservations that were paid at the hotel.
12. For its part, and in the event that the hotel decides not to accept membership in this program, when a client requests the cancellation of a non-refundable reservation, the OTA will cancel the reservation effectively and offer a one-year bonus for the same price of the reservation that you have canceled and for the same establishment. Expedia advises that it cannot guarantee that this voucher will be used again by the traveler within the established period.

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