

**DECISION** 

Ref. no. 15/04/2015 596/2013

1 (12)

TRANSLATION.
ONLY THE SWEDISH TEXT IS AUTHENTIC.

# **Party**

Bookingdotcom Sverige AB, corp. id. no. 556733-1706, Östermalmsgatan 87 c, 114 59 Stockholm, and

Booking.com B.V., Herengracht 597, 1017 CE, Amsterdam, The Netherlands

Represented by: Advokaterna Kent Karlsson and Christina Mailund, Kastell Advokatbyrå, Box 7169, 103 88 Stockholm

## Matter

Anticompetitive agreements; now approval of voluntary commitments subject to penalty of a fine according to Chapter 3, Section 4, first paragraph and Chapter 6, Section 1, third paragraph of the Swedish Competition Act (2008:579)

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# **Decision**

The Swedish Competition Authority accepts Bookingdotcom Sverige AB's and Booking.com BV's commitments (see Appendix). The commitments are associated with a fine of SEK five million (5,000,000) for Bookingdotcom Sverige AB and a fine of SEK thirty million (30,000,000) for Booking.com B.V.

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# The Swedish Competition Authority's reasoning

## Background

- Booking.com B.V. is a Dutch company which makes available the booking of hotel rooms through the online platform www.booking.com. Bookingdotcom Sverige AB is a Swedish associated company whose role is to support Booking.com B.V. with respect to activities in the Nordic market.
- 2. In 2013, the Swedish Competition Authority (hereinafter "the Competition Authority") launched an investigation relating to certain terms in Booking.com B.V.'s contracts with Swedish hotels. These terms imply that the room prices hotels offer via Booking.com B.V. must be the same or better than the prices hotels offer or apply in other sales channels. The Competition Authority's investigation has focused on the question of whether these terms constitute an infringement of the prohibition against anticompetitive agreements in Chapter 2, Section 1 of the Swedish Competition Act (2008:579), SCA.
- 3. Subsequent to Booking.com B.V. and Bookingdotcom Sverige AB being informed of the Competition Authority's preliminary assessment of whether such an infringement was at hand, the companies have, in accordance with Chapter 3, Section 4 paragraph 1 of the SCA, submitted a commitments proposal. When the Competition Authority adopts a decision to accept commitments, the Competition Authority does not take a final position on whether an infringement has taken place or is at hand.

# The companies

- 4. Booking.com B.V. is an online travel agent that operates the website www.booking.com, which is a platform on which consumers can search for, compare and book hotel rooms. The company operates in a large number of countries. The website www.booking.com is available in over 40 languages and offers about 445 000 accommodations in 200 countries.
- 5. In several countries where Booking.com B.V. operates there are local offices providing support functions to the company. In Sweden such support is provided by Bookingdotcom Sverige AB. The company's functions include marketing and communicating Booking.com B.V.'s business towards hotels in the Nordic market.
- 6. Booking.com B.V. and Bookingdotcom Sverige AB are part of a group of companies ultimately owned by the U.S. parent company, Priceline Group Inc. Priceline Group Inc. also owns and operates, directly or indirectly, other websites offering hotel booking and other travel services online, e.g. Priceline.com, Agoda.com and Kayak.com.

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7. In the following, Booking.com B.V. and Bookingdotcom Sverige AB are collectively referred to as "Booking.com".

#### Circumstances

- 8. The hotel market in Sweden is characterised by the fact that a number of larger hotel chains account for a significant share of hotel rooms sold. Hotels use various sales channels to reach customers. The customers are in part companies, in part leisure travellers. In addition to hotels' own sales channels, primarily sales via telephone or sales via the hotels' websites, hotel room sales take place via traditional travel agencies and online travel agencies. In Scandinavia, the hotels' own online channels account for approx. 10 percent of hotels' sales whereas online bookings in total account for just above 30 percent.¹ In order to achieve the highest possible occupancy rate, it is common for Swedish hotels to enlist on several online travel agencies.
- 9. Online travel agencies operate platforms on the internet through which consumers can search for and book rooms in hotels that have enlisted on the platform in question. Once the consumer has chosen the location and the relevant dates, the consumer can refine the search according to certain criteria such as price, the number of stars of the hotel, customer reviews, facilities, type of accommodation, etc. The search results are often presented as a list of hotels recommended by the online travel agency, but the consumer can also choose to have the search results presented according to number of stars, location, price or reviews by previous customers. The order in which the hotels are displayed or "ranked" in the search results is determined by various parameters decided by the online travel agency. The consumer then books the chosen hotel via the online platform without having any contact with the individual hotel.
- 10. The hotels that have enlisted on the platform by entering into contracts with the online travel agency, upload information about and images of the individual hotel to the platform. It is the hotel that decides on and uploads the room prices to be displayed to consumers on the platform. The remuneration received by the online travel agencies from the hotels consists of a commission payable upon booking. No remuneration is payable if a consumer uses the online travel agency's search and comparison services without completing a booking on the platform.
- 11. Apart from the hotels' own sales and online or traditional travel agencies, there are also so called meta search sites. Meta search sites offer a platform on which both hotels and online travel agencies can enlist and upload information about hotel rooms and room prices. The consumer is thus given the opportunity to search for hotel rooms and obtain a result displaying the

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<sup>&</sup>lt;sup>1</sup> PhocusWright's European Online Travel Overview Tenth Edition, p. 99.

room prices offered by various operators. However, the consumer cannot generally book directly on the meta search site operator but is instead transferred to the chosen online travel agency or, less frequently, to the chosen hotel, to complete the booking.

- 12. Booking.com is the largest online travel agency in terms of bookings of hotels located in Sweden. Booking.com's standard contracts with hotels, like other online travel agencies' contracts, contain clauses on so called parity. In substance the clauses mean that a hotel has to offer the same or a better price for a room via Booking.com compared to the price offered by the hotel via other channels. Accordingly, a hotel may not, for example, offer a lower price in its own sales channel or via another competing online travel agency than offered via Booking.com. The same applies to different conditions with respect to the room or the booking, for example cancellation rules or inclusion of breakfast in the room price. Consequently, the hotel may not offer better conditions via other sales channels than it does via Booking.com. Furthermore, the contracts contain terms stipulating that hotels must provide Booking.com with access to the same or a greater number of rooms as provided to Booking.com's competitors.
- 13. The Competition Authority has undertaken a range of investigative measures in order to assess the terms in Booking.com's contracts with hotels. The Competition Authority has, inter alia, met with hotels and online travel agencies, requested information and economic data from various market participants and carried out a market test of a commitments proposal offered by Booking.com. The Competition Authority has obtained extensive analyses from Booking.com the aim of which have been to substantiate that efficiencies result from the application of price parity clauses between Booking.com and hotels. Booking.com has inter alia carried out surveys targeting consumers and accommodations in nine European countries that were responded to by just below 14,000 consumers (around 2,000 of them Swedish) and just above 2,000 accommodations (around 200 of them Swedish).

# The Competition Authority's preliminary assessment

- 14. The Competition Authority's investigation has primarily concerned the question of whether the price parity clauses in Booking.com's contracts with hotels in Sweden constitute a violation of the prohibition against anticompetitive agreements in Chapter 2, Section 1 of the SCA. Since the contracts between Booking.com and the Swedish hotels can affect trade between EU Member States, Article 101 of the Treaty on the Functioning of the European Union (TFEU) is also applicable in this case.
- 15. According to the Competition Authority's preliminary assessment, the relevant market is the market for the provision of online travel agency

services with respect to hotels located in Sweden. According to the Competition Authority this covers only such online travel agency services that enable booking directly on the platform.

- 16. The Competition Authority's investigation has shown that hotels enlist on online travel agencies with the aim of reaching consumers which the hotels themselves have difficulty reaching. Online travel agencies thus make hotel rooms available to consumers on behalf of hotels, which in turn provide online travel agencies with the rooms consumers are able to book. In addition, online travel agencies offer consumers a search and comparison function that individual hotels are unable to offer. In view of this, the Competition Authority concludes that hotels and online travel agencies do not operate on the same relevant market.
- 17. Apart from the above, it is in the present case not necessary to reach a final conclusion on the definition of the relevant market.
- 18. According to the Competition Authority's investigation, Booking.com's market share in Sweden exceeds 30 percent by an appreciable margin, hence the block exemption concerning vertical agreements is not applicable to Booking.com's contracts with hotels located in Sweden.<sup>2</sup>
- 19. The price parity clause aims to guarantee that Booking.com obtains the same or a better price for the same room in relation to all of the hotels' other sales and distribution channels. Price parity thus applies in part to the relationship between Booking.com and its competitors ("horisontal price parity"), in part to that between Booking.com and the hotels ("vertical price parity"). The Competition Authority's preliminary assessment of the price parity clause in these different parts is summarised as follows.

Price parity between Booking.com and its competitors

20. The contracts between hotels and Booking.com constitute vertical agreements, i.e. agreements between companies that are not competitors. The provision that hotels may not offer better prices via Booking.com's competitors than they do via Booking.com, the horisontal price parity, does, however, have an impact on the competition between Booking.com and other online travel agencies, in other words the competition between companies in the same relevant market. Restrictions on competition between companies that are competitors, known as horisontal restrictions, are in general more problematic for competition than vertical restrictions.

 $<sup>^2</sup>$  Commission Regulation (EU) No 330/2010 of 20 April 2010 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to categories of vertical agreements and concerted practices and the Act (2008:581) on block exemptions for vertical anticompetitive agreements.

- 21. The price parity clauses in Booking.com's and other online travel agencies' contracts with hotels mean that the price of hotel rooms is the same on competing online travel agencies. Booking.com's price parity clause implies that increases in Booking.com's commission rate cannot lead to a higher room price on Booking.com than that available through its competitors, which means that Booking.com can raise its commission rate without losing customers to its competitors. The price parity clause, combined with the fact that hotels generally want to enlist on several competing platforms, thus implies that Booking.com has less incentive, than would otherwise be the case, to compete by offering hotels low commission rates. This risks leading to higher commission rates, which in turn risks leading to higher hotel room prices.
- 22. The Competition Authority has, in view of the above, found support for the conclusion that the clause stipulating price parity between Booking.com and its competitors restricts competition. The fact that Booking.com's competitors also apply horisontal price parity aggravates the situation and means that competition on prices and commissions between the online travel agencies is severely restricted.
- 23. Booking.com's price parity clause may also constitute a barrier to entry into the market as an online travel agency cannot enter or expand on the market by competing with low commission rates in exchange for hotels setting lower room prices on that operator's channels.

## Price parity between Booking.com and hotels

- 24. The price parity clause in Booking.com's contracts also implies that hotels may not offer better room prices in the hotels' own channels than they offer via Booking.com. The Competition Authority's investigation has not shown that this vertical price parity affects competition between Booking.com and other online travel agencies beyond the impact of the horisontal price parity established above.
- 25. Booking.com and the hotels are in a vertical relationship and, as established above, are not active in the same relevant market. Thus, according to the Competition Authority's assessment, the vertical price parity does not restrict any competition between Booking.com and the hotels.
- 26. Nor has the Competition Authority in its investigation found that the vertical price parity would give rise to restrictions on competition on any neighbouring market.
- 27. Booking.com and other operators in the online travel agency market provide consumers with the opportunity to easily search for, compare and book hotel rooms online and provide hotels with the opportunity to market themselves

and make hotel rooms bookable directly for consumers. The business model used on the online travel agency market means that consumers can use the services without having to pay for them. The business model also means that hotels only pay for the online travel agency's services when a booking is actually completed, which means that they do not need to invest in or bear any risk for marketing that does not lead to a reservation. The Competition Authority's investigation further supports the conclusion that the online travel agencies' services contribute to price transparency on the market and to increased competition between hotels, which is also to the benefit of consumers.

- 28. The business model used on the market therefore means that no remuneration is payable to Booking.com if a consumer uses Booking.com to search and choose a hotel, but then books directly with the hotel. The business model thus means that hotels have an incentive to persuade consumers who have found the hotel on Booking.com to book in the hotel's own channel instead, since the hotel then does not have to pay any remuneration to Booking.com. If the hotel was completely free to control the relationship between prices on the hotel's own channels and prices on Booking.com, the hotel would have the possibility to free-ride on Booking.com's investments. Booking.com would therefore face significant risk of not being compensated for the services it provides to the hotels.
- 29. Booking.com has claimed that the vertical price parity clause is necessary to realise the benefits for consumers and hotels that Booking.com's business gives rise to. To substantiate this, Booking.com has inter alia conducted surveys targeting accommodations and consumers in Sweden and other European countries. In the accommodation survey, 36 percent of Swedish hotels (46 percent of chain hotels) stated that they would be likely to offer lower prices or special offers in their own channels if there were no price parity clauses. In the consumer survey, a total of 65 percent of consumers booking Swedish hotels stated that they would be likely to book at the hotel's website instead of Booking.com if the price were 10 percent lower on the hotel's website.
- 30. The Competition Authority's assessment, which is supported by analyses and the above-mentioned surveys supplied by Booking.com, is in view of the above that the vertical price parity substantially reduces the risk that hotels free-ride on investments made by Booking.com. This in turn allows Booking.com to receive remuneration for its search and compare services so that the services can continue to be offered on the market to the benefit of consumers.

# Conclusion

- 31. With reference to the above, it is the Competition Authority's preliminary assessment that the clause requiring that Booking.com must be offered prices that are the same or better than those offered to its competitors, constitutes a restriction of competition contrary to Chapter 2, Section 1 of the SCA and Article 101(1) of the TEUF.
- 32. The preliminary assessment is also that there is no basis for an individual exemption in accordance with Chapter 2, Section 2 of the SCA and Article 101(3) of the TEUF with respect to the price parity between Booking.com and its competitors.

# Commitments in accordance with Chapter 3, Section 4 of the SCA

- 33. In accordance with Chapter 3, Section 4, first paragraph of the SCA, in a case where the question has arisen as to whether a company infringes the prohibition in Chapter 2, Section 1 of the SCA, commitments from the company concerned may give the Competition Authority reasons not to intervene. As long as the Competition Authority's decision to approve commitments is in effect, the Competition Authority may not issue any decisions pursuant to Chapter 3, Sections 1 or 3 of the SCA with respect to the practices covered by the commitments.
- 34. Subsequent to Booking.com being informed of the Competition Authority's preliminary assessment, Booking.com has offered voluntary commitments in order to address the competition problems indicated by the Competition Authority's investigation.

#### The market test

- 35. On 15 December 2014, the Competition Authority published proposed commitments submitted to the Competition Authority by Booking.com, together with an invitation to hotel market participants to provide their opinions on the commitments.
- 36. The Competition Authority received around 145 responses from market participants, 120 of which referred to the opinion provided by the trade organisation Visita. The respondents include the majority of the larger Swedish hotels and hotel chains as well as some online travel agencies and meta search operators.
- 37. In sum, the opinions provided to the Competition Authority maintained that the proposed commitments offered by Booking.com were not sufficient to solve the competition problems in the market.
- 38. The most important objection was that the commitments would not have any impact on the market since Booking.com did not commit to refraining from

applying price parity clauses in relation to the hotels' own sales channels. The reasons stated for the commitments not having any effects were that if a hotel were to offer different prices via online travel agencies, while at the same time the hotel's own prices could not undercut those of any online travel agency, it would mean that the prices on the hotel's own sales channel would necessarily be higher than the prices on at least one online travel agency. The hotels maintained that it is commercially irrational not to offer the lowest available room prices themselves. The respondents therefore argued that the commitments would not have any impact on the market but would lead to the continued application in practise of price parity also between competing online travel agencies.

# The final commitments

- 39. On 10 April 2015, Booking.com submitted a final, revised version of its commitments (see Appendix).
- 40. In summary, the final commitments mean that Booking.com undertakes to not apply the parity terms regarding price and other conditions in relation to Booking.com's competitors. Booking.com also undertakes to not apply parity terms with respect to the number and type of available rooms. With respect to hotels' own sales, Booking.com undertakes to not require parity with respect to room prices or other conditions as regards offline sales. Further, Booking.com undertakes to not require parity regarding such room prices or other conditions that are not available online to the general public, but that are offered by the hotels only to certain customers or groups of customers. Finally, Booking.com has undertaken to not apply equivalent measures, i.e. measures which would mean the enforcement of such price, conditions or availability parity that is forbidden in accordance with the commitments.
- 41. The commitments are without prejudice to Booking.com's possibility to request parity in relation to hotels' own publicly available online room prices. However, the commitments do not prevent hotels from agreeing on other terms with Booking.com.

# The Competition Authority's assessment of the final commitments

- 42. Commitments should solve the competition problems identified by the Competition Authority's investigation. Accordingly, Booking.com's commitments should solve the competition problems caused by the price parity clause according to the Competition Authority's preliminary assessment.
- 43. The commitments mean that Booking.com undertakes to no longer apply terms concerning price parity in relation to its competitors. Hereby, the incentives for Booking.com and its competitors to compete with each other by inducing hotels to offer lower prices in their channels will be reintroduced.

- 44. In order to assess the opinions from the market test that the original commitments would not lead to any actual changes in the market, the Competition Authority has analysed the incentives of hotels to offer lower room prices in exchange for lower commissions from the online travel agencies. This analysis has been undertaken on the basis of economic submissions provided by various market operators and by taking into consideration the conditions in the market.
- 45. The analysis carried out by the Competition Authority has shown that hotels' incentives to offer lower room prices in exchange for lower commissions depend on how a price decrease affects the hotels' total sales of hotel rooms as well as on how sales are reallocated across different sales channels. A hotel offering lower room prices on a single online travel agency will increase its sales following customer gains from other sales channels, from other hotels on the same online travel agency and through a general increase in consumer demand in response to the lower price. Insofar as a hotel's customer gains derive from less profitable sales channels or constitute new sales, this is to the advantage of the hotel. At the same time the hotel is deprived of revenue insofar as existing consumers switch from a sales channel that is more profitable for the hotel. The incentives of the hotels to offer lower prices in exchange for lower commission rates depend on whether the aggregate customer gains are profitable.
- 46. The results of the analyses carried out by the Competition Authority support the conclusion that hotels will have incentives to offer lower room prices in exchange for lower commission rates. An important motivation for the hotels in this context will be the competition between hotels for room bookings.
- 47. The investigation has also shown that hotels' incentives to offer a lower price via an online travel agency than in the hotel's own channel increase if the share of sales not covered by price parity decreases. In view of this, Booking.com has revised its commitments so that Booking.com will not apply price parity in relation to hotels' offline sales.
- 48. The Competition Authority's investigation shows that the commitments reintroduce room prices as a competition parameter in the relationship between Booking.com and other online travel agencies. Thereby, the commitments remove the risk that price parity between online travel agencies will continue to apply in practise.
- 49. In its final commitments, Booking.com has further undertaken to not apply terms concerning parity with respect to availability regarding the number and type of rooms as well as parity concerning other conditions, e.g. cancellation rules and breakfast. This will increase hotels' ability to reward an online travel agency offering better terms than its competitors, which will

contribute to the reintroduction of competition between online travel agencies to the benefit of consumers.

#### Conclusion

50. With reference to the above, the Competition Authority concludes that the commitments are capable of solving the competition problems which according to the Competition Authority's investigation result from the price parity clauses in Booking.com's contracts with Swedish hotels.

## **Timeframe**

51. Booking.com shall have implemented the commitments by 1 July 2015 at the latest. The commitments will apply for a period of five years thereafter. The commitments will therefore apply until 1 July 2020.

#### Conclusion

- 52. In consideration of the commitments submitted by Booking.com, the Competition Authority finds that there are no longer reasons to intervene in this case. The Competition Authority therefore accepts Booking.com's commitments.
- 53. The Competition Authority's decision to accept Booking.com's commitments does not mean that the Competition Authority has taken a position on whether the practice concerned constituted or constitutes an infringement of the competition rules.

# Penalty of a fine

- 54. The commitments should be subject to penalty of a fine (cf. Chapter 6, Section 1, paragraph 3 of the SCA).
- 55. Pursuant to Section 3 of the Swedish Act on Penalties of Fines (Sw: *viteslagen* (1985:206)), penalties of a fine shall be set at an amount which in consideration of the known financial circumstances of the addressee and other circumstances can be presumed to induce the addressee to adhere to the decision subject to the penalty of a fine. Furthermore, the preliminary works on this provision make it clear that the fine should be set at an amount that ensures that non-compliance with the decision concerned will not be profitable for the addressee.
- 56. Following an overall assessment, the Competition Authority finds that the amount of the fine will be set at SEK 5 million for Bookingdotcom Sverige AB and SEK 30 million for Booking.com B.V.

## Separate action

57. The decision of the Competition Authority to accept commitments cannot be appealed. This is pursuant to Chapter 7, Section 1 of the SCA.

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58. A company affected by the decision may according to Chapter 3, Section 2 of the SCA bring an action before the Market Court requesting an injunction in accordance with Chapter 3, Section 1 of the SCA.

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This decision has been taken by the Director-General. The case was reported by senior case officer Sophie Ducaté.

Dan Sjöblom

Sophie Ducaté

# **Appendices**

Booking.com's commitments

Swedish translation of Booking.com's commitments

This decision is published on the Competition Authority's website

# KONKURRENSVERKET 2015 -04- 1 7

# Likalydande handling Inkom elektroniskt

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KSnr 3 2.1.1

Dnr 596/2013

KONKURRENSVERKET

a with Chapter 3 Article 4 Swedish Compa

In accordance with Chapter 3, Article 4, Swedish Competition Act (2008:579)

Booking.com B.V. and Bookingdotcom Sverige AB (together "Booking.com") hereby

Aktbli 630 offer the following Commitments to the SCA.

Nothing in these Commitments may be construed as implying that Booking.com has infringed competition law. The Commitments are given on the understanding that the SCA will close its investigation without reaching a finding of infringement of competition law. These Commitments are without prejudice to Booking.com's position in any other judicial or administrative proceedings in any jurisdiction.

## 1. Price and conditions parity

- 1.1 Booking.com will not enter into or enforce obligations that:
  - (i) require accommodations to propose room rates on Booking.com that are equal to or lower than those offered on any other OTA;
  - (ii) prohibit accommodations from offering room rates on Offline Channels that are equal to or lower than those offered on Booking.com, provided that these room rates are not Published Online or Marketed Online; and /or
  - (iii) restrict the Unpublished room rates that accommodations are able to offer, provided that these are not Marketed Online.

# ("Price Parity")

- 1.2 Booking.com will not enter into or enforce obligations that:
  - (i) require accommodations to propose the same or more favourable terms and conditions to consumers on Booking.com as those offered on any other OTA;
  - (ii) prohibit accommodations from offering on Offline Channels the same or more favourable terms and conditions to consumers as those offered on Booking.com, provided that these terms and conditions are not Published Online or Marketed Online; and /or
  - (iii) restrict the Unpublished terms and conditions to consumers that accommodations are able to offer, provided that these are not Marketed Online.

## ("Conditions Parity")

#### Availability parity

2.1 Booking.com will not enter into or enforce obligations that require accommodations to offer the same or a greater number of rooms, of any type, on Booking.com as those offered on any other OTA, or as is reserved for the accommodation itself.

#### ("Availability Parity")

2.2 If Booking.com specifies on its site information relating to the availability or to the number of rooms available to book at an accommodation, Booking.com will also display the words "on this/our site".

#### 3. Communication

3.1 Booking.com will ensure that its communication policy complies with the Commitments.

#### 4. Equivalent measures

- 4.1 Booking.com will not offer lower commission rates or other incentives to accommodations that are conditional on accommodations observing Price Parity, Conditions Parity and/or Availability Parity, which Booking.com has abandoned as indicated above at Clauses 1.1, 1.2 and 2.1, including but not limited to:
  - (i) Booking.com will not de-list or threaten to de-list any accommodation for refusing to enter into or for non-compliance with Price Parity, Conditions Parity and/or Availability Parity.
  - (ii) Booking.com will not increase commissions (or impose any other charges) for refusing to enter into or for non-compliance with Price Parity, Conditions Parity and/or Availability Parity.
  - (iii) Booking.com's ranking algorithm will not take into account directly whether an accommodation refuses to enter into or does not comply with Price Parity, Conditions Parity and/or Availability Parity.

#### 5. Contact with Prior Customers

5.1 Booking.com will not enter into or enforce any obligations that prohibit an accommodation from contacting Prior Customers, provided that any contact with Prior Customers by the accommodation shall at all times be compliant with applicable privacy and data protection laws.

# 6. Scope

6.1 The Commitments apply to all bookings made by consumers worldwide in respect of hotels and other accommodations located in Sweden.

# 7. <u>Timeframe</u>

- 7.1 Booking.com will implement the Commitments by 1 July 2015.
- 7.2 The Commitments will remain in force for a period of five years thereafter.

## 8. Anti-avoidance

8.1 In the event that Booking.com transfers any of its contracts with accommodations to another company in the Priceline Group, Booking.com will ensure these Commitments are respected as regards those contracts.

## 9. <u>Definitions</u>

"Commitments" means the commitments set out in this document.

"Marketed Online" means marketed to the general public online by any means, including on mobile applications. This definition does not include online marketing that is not aimed at the general public: it excludes in particular email, SMS and instant messaging communications.

"Offline Channel" means a channel that does not involve the use of the internet, such as bookings made in person at an accommodation's reception, by telephoning an accommodation, or at a bricks and mortar travel agency.

"OTA" or "online travel agent" means any online reservation service that is not controlled, directly or indirectly by the accommodation or the chain (whether integrated or not) to which this accommodation belongs. A rate published by an OTA on a meta search site means a rate offered on an OTA.

"Priceline Group" means all companies that are directly or indirectly controlled by the Priceline Group, Inc from time to time.

"Prior Customer" means a customer that has stayed with the accommodation on at least one prior occasion regardless of how the customer booked their previous stay with the accommodation. A customer that has stayed at one property that is part of a hotel chain or a community of hotels that have a common reservation service is deemed to be a Prior Customer of all accommodations in that chain or community.

"Published Online" means made available to the general public online by any means, including on mobile applications. In the case of rates, publication includes the display of the actual rates or sufficient detail for the consumer to calculate rates.

"Unpublished" means not Published Online.

10 April 2015

# **EXECUTED BY:**

For and on behalf of Booking.com B.V.

Kent Karlsson

Advokat (Member of the

Swedish Bar Association)

Kastell Advokatbyrå

10 April 2015

Pamela Hansson

Advokat (Member of the

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ſ	KONKURRENSVERKET 2015-04-17		
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I	Dnr 596/2013		
	KSnr 32.1.1Aktbll 632		

I enlighet med 3 kap. 4 § konkurrenslagen (2008:579) erbjuder Booking.com B.V. och Bookingdotcom Sverige AB (gemensamt "**Booking.com**") härmed följande åtaganden till Konkurrensverket.

Inget i dessa åtaganden ska tolkas som att det innebär att Booking.com har överträtt konkurrensreglerna. Åtagandena lämnas under förutsättning att Konkurrensverket avslutar sin utredning i ärendet utan att fastslå att det har skett en överträdelse konkurrensreglerna. Dessa åtaganden påverkar inte Booking.coms ställning i några andra rättsliga eller administrativa förfaranden, oavsett jurisdiktion.

## 1. Pris- och villkorsparitet

- 1.1 Booking.com kommer inte att ingå eller tillämpa förpliktelser som:
  - (i) kräver att hotell föreslår rumspriser på Booking.com som är lika med eller lägre än de priser som erbjuds på någon annan OTA;
  - (ii) förbjuder hotell att erbjuda rumspriser i Offline-kanaler som är lika med eller lägre än de priser som erbjuds på Booking.com, under förutsättning att dessa rumspriser inte Publiceras Online eller Marknadsförs Online; och/eller
  - (iii) begränsar de Opublicerade rumspriser som hotell har möjlighet att erbjuda, under förutsättning att dessa inte Marknadsförs Online.

## ("Prisparitet")

- 1.2 Booking.com kommer inte att ingå eller tillämpa förpliktelser som:
  - (i) kräver att hotell föreslår samma eller mer förmånliga villkor till konsumenter på Booking.com som de som erbjuds på någon annan OTA;
  - (ii) förbjuder hotell att erbjuda samma eller mer förmånliga villkor till konsumenter i Offline-kanaler än de som erbjuds på Booking.com, under förutsättning att dessa villkor inte Publiceras Online eller Marknadsförs Online; och/eller
  - (iii) begr\u00e4nsar de Opublicerade villkoren till konsumenter som hotell har m\u00f6jlighet att erbjuda, under f\u00f6ruts\u00e4ttning att dessa inte Marknadsf\u00f6rs online.

# ("Villkorsparitet")

## 2. <u>Tillgänglighetsparitet</u>

- 2.1 Booking.com kommer inte att ingå eller tillämpa förpliktelser som kräver att hotell erbjuder samma eller ett större antal rum, av någon typ, på Booking.com som de som erbjuds någon annan OTA eller har reserverats för hotellet självt. ("Tillgänglighetsparitet")
- 2.2 Om Booking.com på sin hemsida anger information som avser tillgängligheten eller antalet rum som är tillgängliga att boka för ett visst hotell kommer Booking.com även att ange orden "på denna/vår sida".

#### 3. Kommunikation

3.1 Booking.coms kommer att tillse att dess kommunikationspolicy är förenlig med Åtagandena.

## 4. Motsvarande åtgärder

- 4.1 Booking.com kommer inte att erbjuda hotell lägre provisionssatser eller andra incitament som är villkorade av att hotellen iakttar Prisparitet, Villkorsparitet och/eller Tillgänglighetsparitet, vilka Booking.com avstått från att tillämpa i enlighet med vad som angivits i paragraferna 1.1, 1.2 och 2.1 ovan, inklusive men inte begränsat till:
  - (i) Booking.com kommer inte att avlista eller hota att avlista något hotell som vägrar att ingå förpliktelse om eller som inte iakttar Prisparitet, Villkorsparitet och/eller Tillgänglighetsparitet.
  - (ii) Booking.com kommer inte att öka provisionen (eller kräva andra avgifter) för vägran att ingå förpliktelse om eller att iaktta Prisparitet, Villkorsparitet och/eller Tillgänglighetsparitet.
  - (iii) Booking.coms rankningsberäkning kommer inte att ta direkt hänsyn till om ett hotell vägrar att ingå eller inte iakttar Prisparitet, Villkorsparitet och/eller Tillgänglighetsparitet.

## 5. Kontakt med Tidigare Kunder

5.1 Booking.com kommer inte att ingå eller tillämpa förpliktelser som förbjuder ett hotell från att kontakta Tidigare Kunder, under förutsättning att all kontakt med Tidigare Kunder vid varje tidpunkt är i enlighet med gällande bestämmelser om skydd för integritet och personuppgifter.

# 6. <u>Tillämpningsområde</u>

6.1 Åtagandena är tillämpliga på alla bokningar som utförs av konsumenter över hela världen och som avser hotell och andra boenden i Sverige.

## 7. Tidsram

- 7.1 Booking.com kommer att implementera dessa åtaganden den 1 juli 2015.
- 7.2 Åtagandena kommer att fortsätta gälla under en period om fem år därefter.

## 8. Kringgåendeförbud

8.1 Om Booking.com överlåter något av sina avtal med hotell till andra företag inom Pricelinegruppen kommer Booking.com se till att dessa Åtaganden respekteras avseende dessa avtal.

### 9. Definitioner

"Ataganden" avser de åtaganden som anges i detta dokument

"Marknadsförs Online" avser marknadsföring till allmänheten på något sätt, inklusive genom mobila applikationer. Denna definition inkluderar inte marknadsföring online som inte riktar sig till allmänheten: den exkluderar specifikt e-mail, SMS och snabbmeddelanden.

"Offline-kanal" avser en kanal som inte inbegriper användning av internet såsom bokningar gjorda personligen i ett hotells reception, via telefonsamtal med ett hotell, eller i en fysisk resebyrå.

"OTA" eller "onlineresebyrå" avser alla bokningstjänster online som inte, direkt eller indirekt, kontrolleras av boendet eller kedjan (oavsett om den är integrerad eller inte) som boendet hör till. Ett rumspris som publiceras av en OTA på en metasöktjänst avser ett rumspris erbjudet på en OTA.

"Pricelinegruppen" avser alla företag som vid varje tidpunkt direkt eller indirekt kontrolleras av Priceline Group, Inc.

"Tidigare Kund" avser en kund som har övernattat på hotellet vid åtminstone ett tidigare tillfälle oavsett hur kunden bokade sin tidigare vistelse på hotellet. En kund som har övernattat på ett hotell som är del av en hotellkedja eller en grupp av hotell med gemensamt bokningssystem anses vara Tidigare Kund för den kedjan eller gruppen.

"Publicerad Online" avser gjorts tillgänglig för allmänheten online på något sätt, inklusive genom mobila applikationer. Vad gäller rumspriser, inkluderas publicering av faktiska rumspriser eller tillräckliga detaljer för att konsumenterna ska kunna beräkna rumspriser.

"Opublicerad" avser inte Publicerad Online.

## 10 april 2015

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