

Admin, LACO

Subject: FW: Expedia (Stayz / HomeAway) Presentation - BNB sub 256

-----Original Message-----

From:

Sent: Friday, 22 February 2019 7:54 AM

To: Committee, Economics & Industry Standing <laeisc@parliament.wa.gov.au>

Subject: Re: Expedia (Stayz / HomeAway) Presentation

I am extremely concerned about the representation of STR owners (in particular Stayz property owners) by Mr Eacham Curry from Expedia.

Make no mistake, both Airbnb and Expedia are representing their own business interests. I found some of Mr Curry's answers somewhat evasive and slightly misleading.

Mr Curry avoided the question about data sharing with the ATO, he shifted focus on the question to sharing information with police when a crime is committed but did NOT answer directly about their willingness or if they are currently sharing data with the ATO.

Mr Curry completely avoided the question about their business model in relation to the fee's and charges applicable for listing a property. This was not answered in any form. Maybe because this includes an unpopular consumer 'Service Fee'. Owners pay a commission to list and advertise on the Stayz / HomeAway platform, but in addition Stayz (just like Airbnb) now charge a service fee of up to 12% to the consumer upon booking. Combined, these fees and charges can be as high as 20+%. Although the service fee is visible upon checkout, the calculation of the service fee is not transparent to the consumer. Stayz have been unable to completely explain to owners or travellers how the 'service fee' is calculated other than an explanation that the fee is a complicated algorithm based on demand, length of stay and other factors. Airbnb's service fees is now up to 20%. Many owners and consumers believe this is unacceptable as slight changes in booking information alters the service fee significantly between 3-12%

Mr Curry seems to make out Stayz is an Australian business employing quote 'a couple of hundred'. Make no mistakes, it maybe a registered business in Australia but it is owned and managed by the US multi national travel giant Expedia through the US HomeAway brand. In February 2018, HomeAway advised all Australian property owners that they would need to migrate their listing from the Australian Stayz platform to the US HomeAway platform. At Rezfest 2018, HomeAway confirmed that the Stayz brand will be slowly removed from the Australian market in favour of the US HomeAway branding.

I think Mr Curry exaggerates the number of Australian employees in the Stayz / HomeAway STR business and the phone and direct communication and assistance Stayz offers owners in listing properties. The statement about how they prefer to phone, talk and create a good relationship with owners is not accurate. Since HomeAway purchased Stayz from Fairfax, owners have been directed to a 24 hour international call centre in the Phillipines for any support with listings. It is common knowledge with owners that this call centre has been very much a reduction in the service available to owners and travellers. It is now almost impossible to be able to call for assistance in Australia for owners or travellers including for emergency contact when issues arise.

It would be in the interest of the committee if Mr Curry clarified the following for the public record as this goes to the very core of the platforms operations and is very relevant in the regulatory debate.

1. Does HomeAway share data with the ATO ?
2. Can Mr Curry explain in detail how the 'Service Fee' is calculated to charge consumers ?.
3. Can Mr Curry confirm the number of Australian based employees in the Short Term Rental side of the HomeAway / Stayz business ? (not the Expedia Hotel business)
4. Can HomeAway detail how much direct support is offered to owners and consumers from Australian employees as against the support offered from the international call centre

and; 5. When urgent issues arise, how is this handled in a timely manner for owners or consumers from an international call centre based in the Phillipines ?

There are a considerable number of owners that feel recent changes to the Stayz business model since the purchase by HomeAway, including the HomeAway terms and conditions are detrimental to the STR industry.

Regards,