

Tourism Law and Legislation

Assignment 9

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The hospitality industry operates on a foundation of countless daily transactions, each creating a web of legal relationships that govern the rights and responsibilities of everyone involved. When a traveller books a hotel room, whether for a single night or an extended stay, they are entering into a legally binding agreement that carries significant implications for all parties. This seemingly simple transaction involves complex legal principles that have evolved over centuries of common law and statutory regulation. For hospitality students, industry professionals, and even frequent travellers, understanding the nature of accommodation contracts and the distinct roles played by different booking channels is essential for navigating the industry effectively and protecting one's interests when disputes arise.

An accommodation contract represents a specialized form of agreement that falls within the broader category of service contracts. At its core, it is an agreement between a hotelier or accommodation provider and a guest for the hire of lodgings for a specified period. The legal definition of this contract has been shaped by case law over many years, with courts consistently holding that it is fundamentally a contract for the hire of lodgings that must specify the rooms to be let, the duration of the hire, and the rent to be paid (Court of Appeal of Braunschweig, 1975). This definition distinguishes accommodation contracts from other types of property-related agreements, such as leases or tenancies, which confer different rights and obligations upon the parties. Unlike a lease, which grants exclusive possession of premises for an extended period, an accommodation contract grants a mere license to use the premises for a short duration, with the hotelier retaining significant control and access rights throughout the guest's stay.

For an accommodation contract to be legally valid and enforceable, it must contain several essential elements that are common to all binding agreements under contract law. The first of these elements is offer and acceptance, which forms the foundation of any contractual relationship. The process typically begins when a potential guest makes an inquiry or request for a room, either by telephone, email, through a hotel's website, or via an online booking platform. This initial communication constitutes an offer, which may be accepted or rejected by the hotel. Importantly, the contract is formed at the precise moment when the hotel communicates its acceptance of the guest's offer, such as by issuing a confirmation number or sending a confirmation email. At that point, both parties become bound by the terms of the agreement, even if the actual stay is weeks or months in the future (Law Insider, n.d.). The second essential element is consideration, which refers to the exchange of value between the parties. In the context of an accommodation contract, the guest provides consideration in the form of a promise to pay the room rate and any applicable taxes or fees, while the hotel provides consideration through its promise to make the room available and provide the associated amenities and services. This mutual exchange of promises is what distinguishes a binding contract from a mere gift or unilateral undertaking.

The fourth essential element is legality of purpose, which requires that the contract's objective be lawful and not contrary to public policy. This means that a hotel room cannot be booked for illegal activities such as operating a brothel, conducting drug transactions, or hosting unauthorized commercial events. Additionally, the contract must comply with various statutory requirements, including laws governing hotelkeeper's liability for guests' property, discrimination prohibitions, and regulations specific to short-term rentals in certain jurisdictions (onefinestay, 2023). Finally, certainty of terms requires that the essential provisions of the agreement be sufficiently clear and definite to be enforceable. These essential terms, sometimes referred to as the *essentialia negotii* of the contract, include the identification of the parties, a description of the accommodation or room type, the check-in and check-out dates establishing the duration of hire, and the total price to be paid. Without these core terms being clearly established, a court may find that no enforceable contract exists, leaving the parties without legal recourse in the event of a dispute.

The parties involved in an accommodation contract vary significantly depending on whether the booking is made directly with the hotel or through an online platform, and understanding this distinction is critical for determining rights and responsibilities when problems arise. A direct hotel booking occurs when a guest reserves accommodation without involving any third-party intermediary, creating a straightforward bilateral contract between two primary parties (Canary Technologies, 2023). The guest in this arrangement is the individual making the reservation, and they bear primary responsibility for adhering to all terms and conditions imposed by the hotel, including payment obligations, occupancy limits, noise restrictions, and standards of conduct. If the guest is booking for others, such as family members or employees, they often assume liability for the actions of those accompanying them.

When a booking is made through an online platform, the legal relationships become significantly more complex, involving three distinct parties rather than two. This tripartite arrangement is characteristic of bookings made through Online Travel Agencies such as Booking.com, Expedia, or vacation rental platforms like Airbnb and Vrbo. The guest in this scenario still seeks to secure accommodation for their travel needs but now enters two separate contractual relationships simultaneously. The guest has a direct contract with the accommodation provider for the lodging itself, which includes all the essential terms regarding the room, dates, and on-site services. Simultaneously, the guest enters into a separate agreement with the online platform governing the use of its reservation services, which typically includes terms regarding payment processing, data privacy, and the platform's dispute resolution procedures (Hospitable.com, 2025). The accommodation provider remains in a contractual relationship with the guest for the provision of lodging and is responsible for all aspects of the on-site experience.

However, crucially, the platform is generally not a party to the accommodation contract itself. This means that if a problem arises with the room, such as it being unavailable upon arrival, significantly different from its description, or containing health and safety hazards, the guest's primary legal recourse is against the provider, not the platform, although many platforms help programs and guarantees as a customer service feature rather than a legal obligation.

References

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