What will Google Hotels mean for online booking sites?

Nearly a decade ago, Google bought travel software company ITA. ITA was the company behind the reservations systems for many major airlines and travel sites such as Kayak, Orbitz, Hotwire and many others. At the time of the acquisition, Google said it wanted to create new kinds of online travel experiences that “solve end user problems” and “look different” from existing tools, according to then Google CEO Eric Schmidt.

A decade of development. It has taken a very long time for those differentiated experiences to start showing up — and they’re arguably not all that differentiated (except by being a part of Google). About seven years ago the company launched Google Flights, which has received several UI and feature upgrades over time. Then there was Google Trips in 2016, a travel app integrated with Gmail. Now Google has launched a new Hotel search and booking site.

Google

Where to?

Check in | Check out

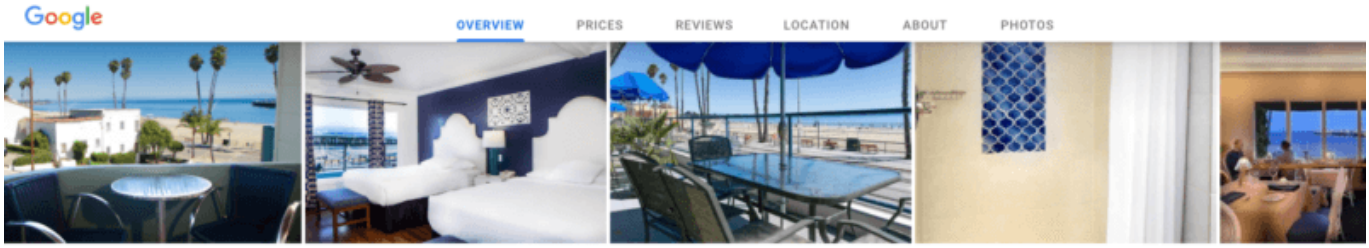
2

Guest rating | Amenities | More filters



Plan your stay

Enter a destination to see lodging options



← See all results in Santa Cruz

Casablanca Inn

4-star hotel

101 Main St, Santa Cruz, CA 95060 · (831) 423-1570

$247

Website | Directions | Book a room

3.8 ★★★★☆

Good | 233 reviews

Restaurant | Stylish vibe | Great location

Bright beachfront lodging offering casual rooms & suites, plus free breakfast & a Thai restaurant.

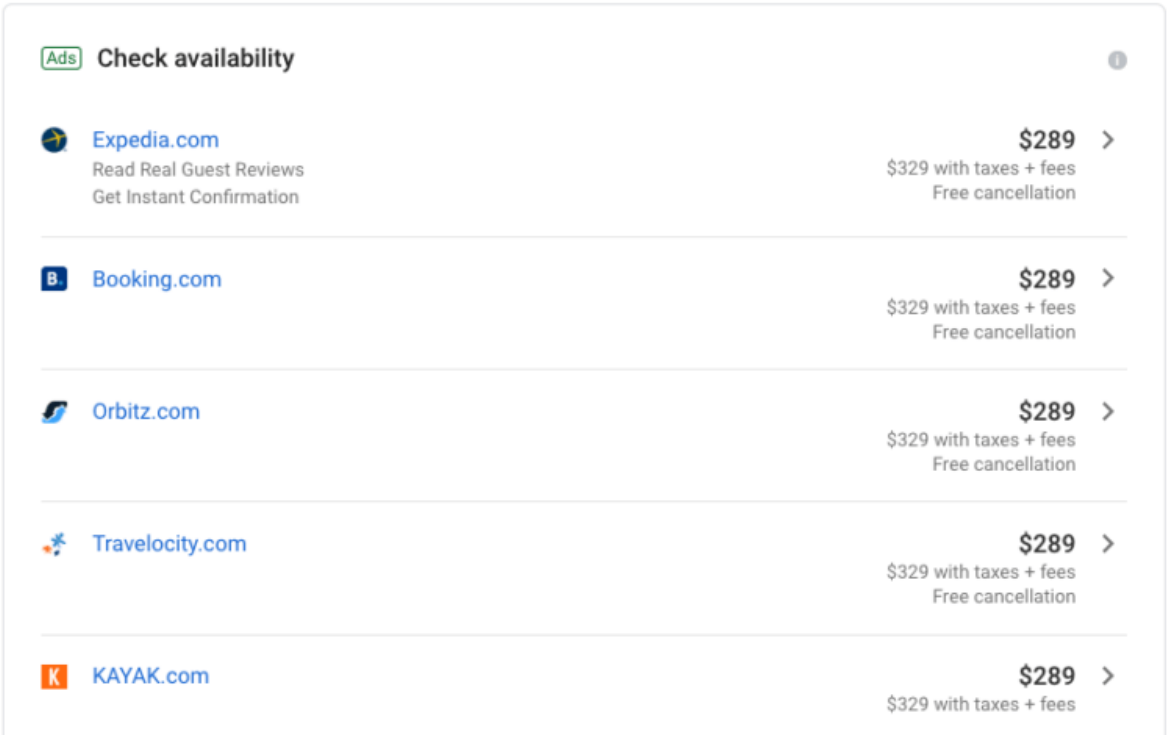
Stay 1 extra night for an avg nightly rate of $182

Location summary

3.8

Great for visitors

Set in a converted mansion, this Mediterranean-style inn overlooks the ocean. It's adjacent to Santa Cruz Beach Boardwalk, 0.4 miles from Santa Cruz Wharf, and 4.7 miles from Mystery Spot.



Google Hotels offers all the functionality and tools of its competitors such as Kayak, Expedia and Booking.com. It has the benefit of Google Maps and integration with Google search results (generally pretty high in results). The question thus arises: will Google Hotels create a giant black hole that sucks all the direct traffic away from online hotel booking sites?

There's some evidence that Google flights is having a significant impact on the market, suggesting that Google Hotels will be successful as well.

Why you should care. According to the U.S. Travel Association, more than $1 billion was spent on leisure travel and $317 billion on business travel in 2017. Digital ad spending by the travel industry is projected to exceed $9 billion this year, according to several industry estimates. It's a massive market.

Google Hotels is part of Google's larger play for an increasing share of that vertical advertising pie. Google also believes it's serving the consumer with a new and improved hotel finder.

Online paid-search competition is intensifying with many hotel brands bidding on rival’s names and trademarks. It’s getting much more challenging to be visible in organic results for hotel category searches (e.g., hotels Los Angeles). Accordingly, hospitality brands are now all but compelled to buy Hotel Ads to appear anywhere above the fold.

About The Author



Greg Sterling is a Contributing Editor at Search Engine Land. He writes a personal blog, Screenwerk, about connecting the dots between digital media and real-world consumer behavior. He is also VP of Strategy and Insights for the Local Search Association. Follow him on Twitter or find him at Google+.
http://feeds.searchengineland.com/~r/searchengineland/~3/52KWEEPbrj8/what-will-google-hotels-mean-for-online-booking-sites-313851