

Duff on Hospitality Law

Online Travel Update: Google once again embraces organic search and eliminates hotel listing fees; Kayak plans to open hotel in Miami Beach; Certares is on the road to become travel powerhouse

By Greg Duff on 3.19.21 | Posted in Online Travel Update

This week's Update features several stories on the big online travel newsmakers of last week – Google and Kayak. Enjoy.

Google Once Again Embraces Organic Search and Eliminates Hotel Listing Fees

(“Tripadvisor’s New Subscription Service Edges the Company Toward Online Travel Agency Status,” March 7, 2021 via Skift Travel News) (subscription may be required)

(“Google eliminates fees for hotel booking links”, March 8, 2021 via Phocus Wire)

(“Google Drops Costs for Hotels and Resellers to List Rates in Price-Comparison Search”, March 8, 2021 via Skift Travel News) (subscription may be required)

(“VIDEO: What Google's overhaul of hotel booking ads really means”, March 9, 2021 via Phocus Wire)

Was it a response to Tripadvisor's recently announced roll out of its “free” subscription program, Tripadvisor Plus? Perhaps it was a response to the many antitrust claims filed against Google late last year by the U.S. Department of Justice and state attorneys general. Or is it simply Google's next step toward total world domination (or at least domination of hotel metasearch)? Regardless of the reasons behind its change, Google's recent announcement came as a surprise to many. While the industry continues to analyze the significance of the change (see our multiple stories linked above), here's what we know: Google is adding two new organic slots/links (underneath four paid slots) to users' search results when they search for accommodations in a particular location. The two new slots will be available to participating hotels, online travel agents or other booking sites without charge. According to Google, the ranking of these free slots will be based on an algorithm that considers price, click-through rates and the landing page experience, but not on any existing commercial relationship with or payment to Google. The links themselves will continue to be provided via feeds from partners, including hotels, online travel agents and integration partners. Who said search engine optimization (SEO) was dead?

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Kayak Partners With Life House to Enter the Brick and Mortar Hotel Business

(“KAYAK to Open Its Own Hotel in Miami Beach,” *March 9, 2021 via Booking Holdings*)

For some time, industry analysts have debated whether an online travel platform would ever venture into brick and mortar ownership or operations. Airbnb toyed with the idea back in 2017 (anyone remember “Niddo powered by Airbnb”?), but ultimately abandoned it. Last week saw Booking Holdings’ metasearch brand Kayak announcing a partnership with management company newcomer, [Life House](#), to apply Kayak’s user base and technology to traditional lodging operations. The Kayak Miami Beach (www.kayakmb.com), the first hotel to come out of the partnership, is expected to open on April 11, 2021. While Life House will manage the hotel’s operations and on-property guest experience, Kayak is contributing the hotel’s back-of-house systems, including integrations with cloud-based property management systems, wireless locks and distribution channel management. According to Kayak, the hotel will serve as a “design lab” that allows Kayak to develop and refine its accommodation technology for independent hotels.

If You Don’t Know Certares Yet, You Should

(“Is Investor Certares on the Road to Becoming a Next-Gen Travel Powerhouse?” *March 9, 2021 via Skift Travel News*) (*subscription may be required*)

Why you may ask? Consider the following recent headlines involving the private equity firm:

Certares invests \$325 million in Tripadvisor’s parent company (March 2020).

Certares participates in the debut of a \$500 million travel-oriented blank check company (SPAC) (December 2020).

Certares co-sponsors pending \$4.2 billion re-organization of Hertz (March 2021).

Certares invests \$47.6 million in convertible bonds issued by the controlling shareholder of a French travel agency (last Wednesday, March 10, 2021).

This is on top of Certares’ existing investment in American Express Global Business Travel (joint venture partner) and ownership of Travel Leaders Group. More information about Certares’ many travel-related investments is available on the Certares [website](#). And for those of you who read our recent mid-week [Update](#) on Tripadvisor’s recently launched subscription model, TripAdvisor Plus, Certares-owned travel agencies and aggregators provide discounted wholesale inventory to power TripAdvisor Plus.

Other news:

VIDEO: Health Passports and Next Steps for COVID-19 Travel Solutions

March 10, 2021 via Phocus Wire

Daon Vice President Clive Bourke spoke with us during PhocusWire's Pulse: Safer & Seamless event to discuss the Verify health passport product and how the broader travel industry can

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create solutions to make it easy for consumers to travel again.

Hotels Want To Capitalize on the Direct Trend - but for How Long?

March 8, 2021 via Phocus Wire

Hotel giants are looking to push their loyalty schemes to continue any advantage in direct bookings built up over the pandemic.

Booking Holdings CEO's Complicated Messaging in Light of EU Scrutiny

March 12, 2021 via Skift Travel News (subscription may be required)

Consider the complicated message that Booking Holdings CEO Glenn Fogel has to deliver: He tells a hotel industry in crisis, come to us, "we are the largest platform for demand and travel," and he advises regulators, "we're still extremely small in Europe." A contradictory narrative? Depends on how you look at it.

One Year on From COVID, Italian Hoteliers Recognize Booking.com Is Not the Enemy

March 12, 2021 via Phocus Wire

Last year at this time, the COVID-19 pandemic was crushing Italy. Lockdown measures began in the northern municipalities in late February and extended nationwide by March 9 of 2020. Around that period PhocusWire spoke to Florence-based hotel manager Giancarlo Carniani, who is also President of Confindustria Alberghi Firenze, the region's hotel association, and Phocuswright's analyst for Italy. At the time, Carniani said he and other hoteliers in Italy were outraged with Booking.com for offering refunds for hotel reservations, even to guests that had already agreed to accept future stay credits in lieu of cash.

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