Is Google Flight Search a threat to the OTA and travel Meta search market in India?

Google and ITA Software have recently unveiled their long-awaited Flight Search product — with booking links to airline websites only. In a blog post, Google states: “Our booking links point to airline websites only. We’re working to create additional opportunities for our other partners in the travel industry to participate as well.”

Presently, the service is not live in India, but as this service goes live, will this affect the travel meta search and online travel agents (OTA) market in India? AlooTechie spoke to some of India’s leading OTAs and travel meta search engines and this is what they said:

Aloke Bajpai, Founder and CEO, Ixigo.com feels that Unless ITA integrates airline content from across the world, there will be limited impact of this launch on online travel players outside the US market as of now. “ITA Software’s QPX is a pricing and caching engine that majorly aggregates inventory from airlines in the US. Google has currently built a product on top of QPX that enables meta-search across ITA's content with booking links to the airline sites (as of now!). Unless ITA integrates airline content from across the world, there will be limited impact of this launch on online travel players outside the US market as of now. It will be interesting to see how airlines who aren't ITA partners (including LCCs), intermediaries (Expedia, Travelocity etc) and GDSs (Amadeus, Sabre, Travelport) react to this - a lot will depend on how this dynamic plays out in the US,” said Bajpai

Bajpai further said that he doesn't see an immediate threat and we'll wait, watch and see what happens in the US. If anything, this launch will strengthen the prospects of meta-search becoming a potentially dominant driver of traffic to travel sites in the
future.

The travel industry is one of the most complex, dynamic and fragmented industries in the world. Becoming the most authoritative global source of accurate and comprehensive travel-related information is easier said than done, given the complexities involved in terms of content (inventory, fare distribution rules), technologies and geographies. For one company to solve this challenge on its own, it will require massive execution focus and strong industry support and participation. Understanding our local consumers and developing innovative offerings to solve their pain areas in travel research & planning is keeping us busy for now.

Amit Somani, Chief Products Officer, MakeMyTrip, said, “Google Flights has presently been only launched for US and not for India or the rest of the world. This is being powered by Google’s ITA acquisition, which has been talked about for a while. There’s no perceivable impact for companies like us just yet. While Google is offering right now is what meta search providers have offered for years. Meta as a model has had modest success in India so far. It is not clear yet how this model with work for organic results from suppliers, intermediaries and advertisers.

Somani further added that Google is definitely a significant source of traffic and they will be watching this space carefully. “That said, OTAs like us provide much more than Search. We help the customer with the end to end experience including payment, post-sales support, avail of other options related to their travel like booking a taxi, hotel, etc. We will have to continue to provide higher value add services than pure search and comparison shopping,” said Somani.

Deepak Tuli, Head, GoIbibo.com feels that at present there is no impact in India and hence it will take some time to come to India. The biggest issue is backend who manage fulfilment."It is very early to say something, still this is a big step and can give difficult times to online travel agents. We depend on Google for our business as much as others, our dependency is not more then 15 to 20 per cent. Our business is based on social and we think this will help us in growth,” added Tuli.

Kayak had earlier issued a statement in response to Google’s travel portal, saying, “We’re confident in our ability to compete, and we believe our flight search technology is superior. We recognize Google is a formidable competitor but they haven’t been successful in every vertical they’ve entered. We use multiple data sources and proprietary technology, all of which helps us in our efforts to provide people with comprehensive, fast and accurate answers to their flight search needs.”