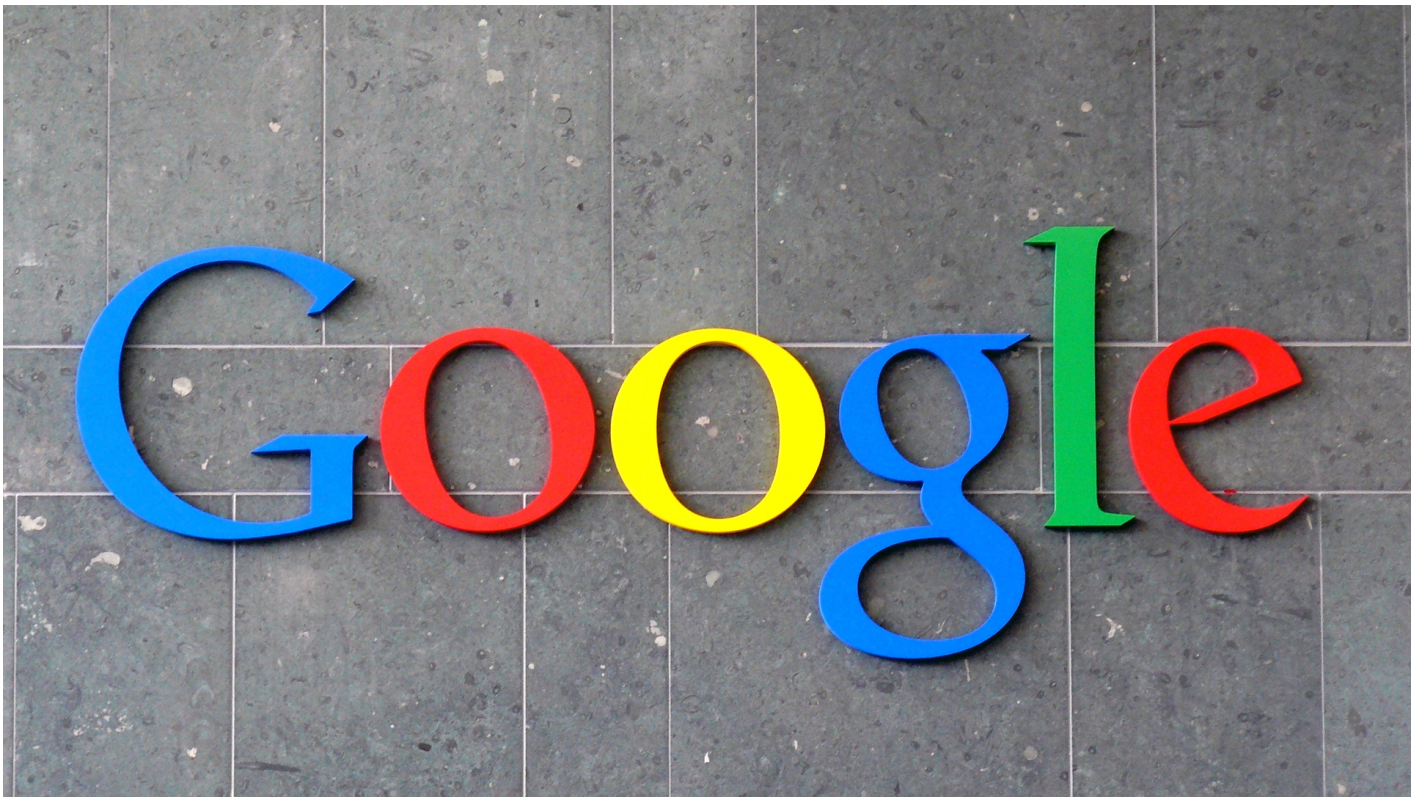
AIRLINES WARNED GIVING GOOGLE ANY DATA WILL ENSURE YOU'RE HOSTAGE TO IT FOR LIFE

News / Airlines



It's almost remarkable that over five years have now passed since Google made its first significant foray into the travel industry.

Google had, lest we forget, been working "within" travel for years - trousering billions of dollars in marketing spend from almost every brand in the industry through its keyword-buying programme (PPC advertising).

But when the search giant's splashed out US$700 million to buy ITA Software, the fare and pricing technology company in the U.S., many saw the move as a statement of intent.

That aspiration to do something meaningful, however, is arguably only being felt now - half a decade on.

Google Flight Search, the product which materialised around 15 months after the acquisition was made public (and five months on from the regulatory approval needed to close the deal), still polarises opinion.

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It's not a precise Skyscanner or Kayak clone, obviously - it's something else, something much deeper than simply offering a me-too metasearch product to consumers (here's a video ad for the product in 2014).

Putting its airfare search results at the top of the search, ahead of organic listings and advertisers, was an obvious move as it ensured it moved ahead of everyone else at that point in the ticket browsing funnel.

And this is where, despite the ITA Software deal being labelled a "disaster", aviation industry figures are beginning to have concerns.

Cartrawler chief technology officer, Bobby Healy (provider of the aforementioned one-word analysis on the ITA Software acquisition), says airlines must now seriously consider how they work with Google, and what type of relationship they want to have.

Speaking at the CAPA World Aviation Summit in Helsinki last week, argues that if airlines "give away their availability and pricing to Google, then they will have to be hostage to them" in the future.

Why?

Airlines are currently "uniquely positioned at the front of the purchase/trip planning timeline," Healy says, "ahead of Google".

This, he believes, is a position of strength that allows carriers to have an advantage that any retailer in the world "can only dream of".

"[Carriers] Giving Google their inventory and pricing in a live way allows Google to get in ahead of them - and with ITA [Software] they certainly have the tech to do this.

"Once that happens, an airline could not possibly pull out as all their compeitors would be there - bidding on micro segments of business in realtime."

Healy believes the whole airline landscape could be changed by Google as a result of a mass donation by airlines of their data and other search and shopping-related information.

And, he argues, "for certain the business of operating an airline would be won by the low cost operations".

But perhaps of equal importance, given the rise of ancillary service selling by carriers on their own sites, Healy warns of the damage to airlines here, too, if a wholesale sharing of data was to take place.

He says:

"Any further retailing opportunities such as car, hotel, insurance -- and everything non-air related -- would no longer be sold by the airline, but would rather be sold to the highest bidder on Google."

Such tales of peril are enough to send a room full of airline CEOs frantically dialing the mobile number of their strategy execs... maybe.

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