

Google occupies a unique position in the travel – and more specifically hotels – ecosystem. I’m writing to provide some insights into how they fit and to explain how treating them as identical other specialized/vertical search services can have unintended consequences. I’ve been providing detailed feedback to the European Commission Task Force on DMA 6(5) who are addressing similar concerns.

Google has a rich, compelling placement in response to search queries like “Hotels in Preston”:

The screenshot displays a Google search interface for "Hotels | Preston, UK". At the top, there are filter buttons: "Top-rated", "For tonight", "Budget", "Free cancellation", and "Luxury". Below the filters, the search parameters are shown: "Wed, Feb 5", "Thu, Feb 6", "2" guests, and "Top-rated" selected. The main content area features three hotel listings:

- No.10 Preston**: 4.8 stars (162 reviews), 4-star hotel, \$82. A green "DEAL" badge indicates "18% less than usual". Description: "Polished apartment hotel with fr..."
- Winckley Stays**: 4.4 stars (88 reviews), 5-star hotel, \$89. Description: "Chic hotel with a refined restaur...". Amenities: "Free parking", "Free Wi-Fi".
- Delta Hotels Preston**: 4.1 stars (1.4K reviews), 4-star hotel, \$120. Description: "Victorian manor house with fine ...".

A "See more" button is located below the listings. To the right of the listings is a map of Preston, UK, with red price markers overlaid on various locations. The markers show prices such as \$120, \$60, \$151, \$53, \$74, \$82, and \$62. Landmarks like the Lancashire Infantry Museum and Ribblesdale Railway & Museum are also visible on the map.

All interactions with this placement lead to Google’s rich [vertical search tool](#). This tool appears, at first glance, to be equivalent to similar tools provided by [Booking.com](#) or [Expedia](#). And, in fact, links to these tools are available in “the ten blue links” further down the page.

However, there is a critical difference between these tools: Booking.com and Expedia do not provide links directly to the hotels. Instead, Booking.com’s website exclusively guides consumers to reserve their stay through Booking.com; Expedia’s website only allows the purchase to happen with them. This is core to their business model. This class of company (Online Travel Agency) sells the hotels’ rooms and gets paid a hefty commission.

This commission starts at 15% of the cost of the stay and can range as high as 40%.

By contrast, Google’s vertical search tool provides many clear avenues to book directly with the hotel. The cost savings to the hotel from this direct booking is substantial because they avoid paying the commission. My team has done analysis and found that ~80% of the clicks from Google’s vertical search goes directly to hotels; it is further in this document.

What this means is that changes to Google’s UX which have an impact on the avenues which can be used for booking can have a profound impact on local hospitality businesses. This has

been seen, measured, and documented for the last year as DMA has been live and has resulted in ongoing efforts to compensate. This next

Google and DMA Compliance

Google was one of the first companies identified as a Gatekeeper as part of DMA. As part of coming into compliance they made a set of changes about how their Search Results Page looks for user queries like "[hotels in Dubrovnik](#)". These changes went into effect in late January 2023.

Unfortunately, a side effect of these changes was to reduce traffic that booked directly with hotels.

The best way to understand this shift in traffic is to compare the user experience before and after the changes made under DMA

Before DMA ([search results page](#)):

1. Prior to the changes, these searches featured a map and list of hotels ([details](#))
2. All clicks on this list or map led to the Google Hotel Search tool ([details](#))
3. The Google Hotel Search tool sent 80%+ of its traffic directly to the hotel ([details](#))

After the DMA changes ([search results page](#))

1. A new carousel of OTAs appeared at the top of the page ([details](#))
2. No traffic is sent to Google Hotel Search at all ([details](#))
3. Users are kept on the Search Results Page and shown a very limited tool ([details](#), [details](#), [details](#))

The overall outcome of these changes is to shift traffic away from direct bookings as documented:

- Mirai ([link](#))
- Google ([link](#), [link](#))
- D-Edge ([link](#))

The practical upshot of these changes is much less traffic to Google Hotel Search and therefore much less traffic directly to hotels.

The estimated impact on the EU is estimated to be €400M-€800M less revenue to hotels per year.

In this hotels ecosystem constructing a mechanism that serves to remove self-preferencing of Google's results and minimizes this side effect requires a careful examination and understanding of web-based UX design and the user dynamics in this ecosystem. If I can assist, I'm very happy to do so.

Search Results for City-level Query Prior to DMA

Below is what the pages look like (absent ads) prior to this change – and what they continue to look like in the rest of the world:

The screenshot displays a search results page for "hotels in Dubrovnik". At the top, there is a search bar with the text "hotels in Dubrovnik" and a "Tools" link. Below the search bar, there are navigation links: "All", "Maps", "Images", "News", "Forums", "Videos", "Shopping", and "More". The main heading is "Hotels | Dubrovnik, Croatia".

On the left side, there are three hotel listings:

- Hotel Adria**: 4.5 stars, (2,110) 4-star hotel. Price: \$68. Features: GREAT PRICE with a pool, Upscale hotel offering dining & a spa.
- Hotel Excelsior**: 4.8 stars, (1,200) 5-star hotel. Price: \$167. Features: Upmarket hotel with dining & a spa, Eco-certified, Pool.
- Hotel Lapad**: 4.5 stars, (1,200) 4-star hotel. Price: \$167. Features: Upscale hotel with a pool & sea views, Pool, Free Wi-Fi.

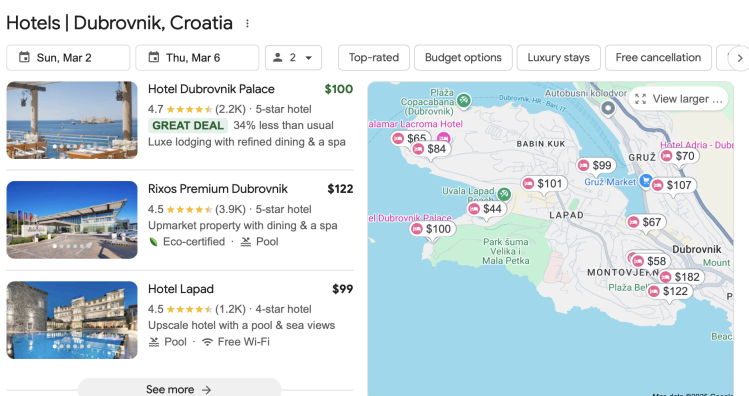
On the right side, there is a map of Dubrovnik showing the location of the hotels. The map includes labels for "Hotel Adria", "Hotel Excelsior", and "Hotel Lapad". Other landmarks on the map include "Uhrida Gradac: Mar", "Uhrida Strinjera", "GRUZ", "MONTOVJENJA", "Pile Kono", "Turdina Minceti", "Pila Dance Beach", "Old Town", and "Dubrovnik".

Below the hotel listings, there are two promotional cards:

- Hotels.com**: "Top Hotels in Dubrovnik from \$33". Description: Flexible booking options on most hotels. Compare 6590 hotels in Dubrovnik using 7461 real guest reviews. Unlock travel rewards with One Key.
- TripAdvisor**: "THE 10 BEST Hotels in Dubrovnik, Croatia 2024 (from \$49)". Description: Popular hotels in Dubrovnik right now: 1. Rixos Premium Dubrovnik - 2. Hilton Imperial Dubrovnik - 3. Sun Gardens Dubrovnik - 4. Hotel ...

Interaction with Hotels Lists and Maps Led to Google Hotel Search

What's noteworthy here is that there is a large Google placement at the very top of the page with information about each hotel, a mechanism to set dates, accurate prices, and an active map.

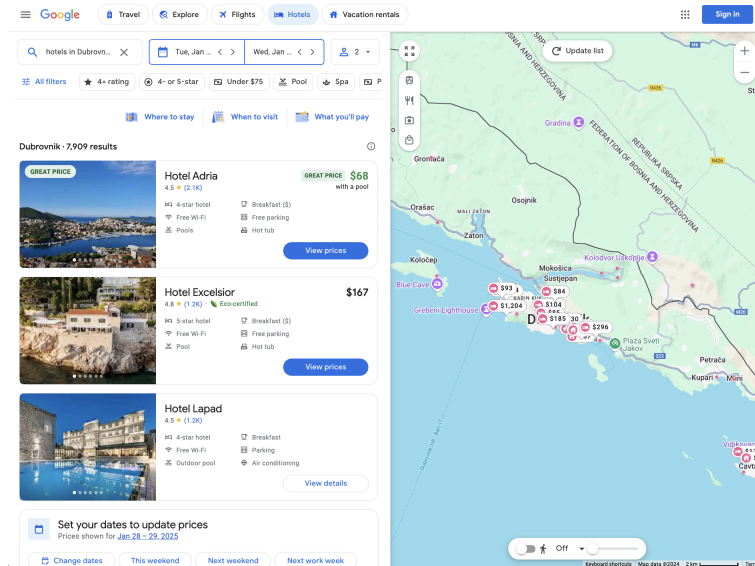


Almost all interactions lead to a rich Google's Hotel Search experience – what has been termed a “Vertical Search”:

- Clicking on a hotel
- Changing dates
- Clicking on the “see more” button
- Expanding the map

Google Hotel Search tool Prior to DMA

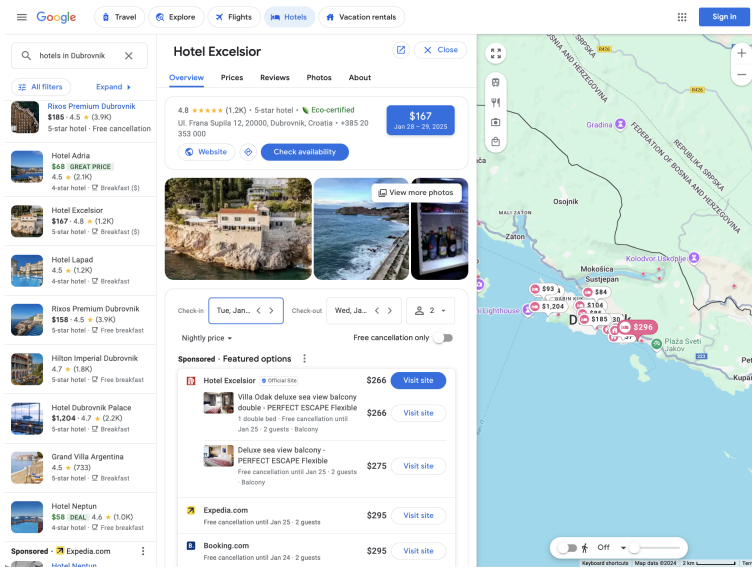
The Google Hotel Search experience shows even more information with a richer map and lists all of the hotels in the region. It has rich, organized filters showing amenities, star ratings, price ranges, etc.



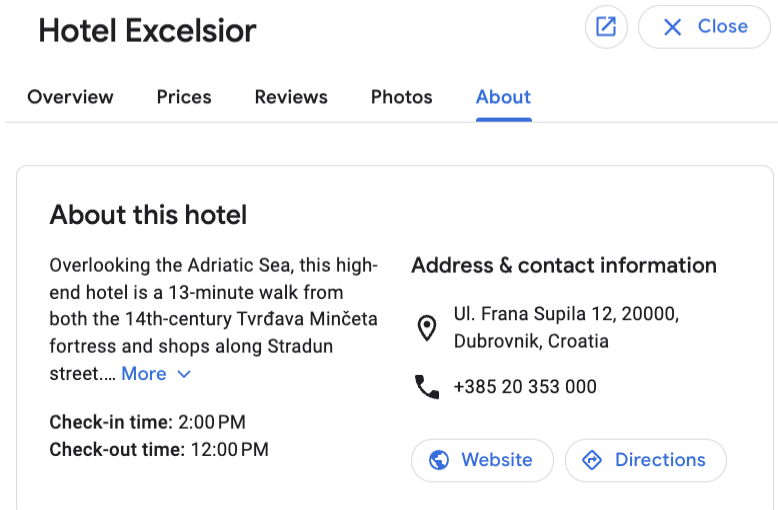
The range of filters is comprehensive and includes critical filters such as being Wheelchair accessible and sustainability mechanisms like EV Chargers.

<p>Sort by</p> <ul style="list-style-type: none"> <input checked="" type="radio"/> Relevance <input type="radio"/> Lowest price <input type="radio"/> Highest rating <input type="radio"/> Most reviewed 	<p>Price</p>	<p>Property type</p> <p><input checked="" type="radio"/> Hotels <input type="radio"/> Vacation rentals</p> <ul style="list-style-type: none"> <input type="checkbox"/> Beach hotels <input type="checkbox"/> Hostels <input type="checkbox"/> Bed and breakfasts <input type="checkbox"/> Spa hotels <input type="checkbox"/> Resorts <input type="checkbox"/> Boutique hotels <input type="checkbox"/> Motels <input type="checkbox"/> Apartment hotels <input type="checkbox"/> Other 	<p>Amenities</p> <table border="1"> <tr> <td><input type="checkbox"/> Free Wi-Fi</td> <td><input type="checkbox"/> Free breakfast</td> </tr> <tr> <td><input type="checkbox"/> Restaurant</td> <td><input type="checkbox"/> Bar</td> </tr> <tr> <td><input type="checkbox"/> Kid-friendly</td> <td><input type="checkbox"/> Pet-friendly</td> </tr> <tr> <td><input type="checkbox"/> Free parking</td> <td><input type="checkbox"/> Parking</td> </tr> <tr> <td><input type="checkbox"/> EV charger</td> <td><input type="checkbox"/> Room service</td> </tr> <tr> <td><input type="checkbox"/> Fitness center</td> <td><input type="checkbox"/> Spa</td> </tr> <tr> <td><input type="checkbox"/> Pool</td> <td><input type="checkbox"/> Indoor pool</td> </tr> <tr> <td><input type="checkbox"/> Outdoor pool</td> <td><input type="checkbox"/> Air-conditioned</td> </tr> <tr> <td><input type="checkbox"/> Wheelchair accessible</td> <td><input type="checkbox"/> Beach access</td> </tr> <tr> <td><input type="checkbox"/> All-inclusive available</td> <td></td> </tr> </table>	<input type="checkbox"/> Free Wi-Fi	<input type="checkbox"/> Free breakfast	<input type="checkbox"/> Restaurant	<input type="checkbox"/> Bar	<input type="checkbox"/> Kid-friendly	<input type="checkbox"/> Pet-friendly	<input type="checkbox"/> Free parking	<input type="checkbox"/> Parking	<input type="checkbox"/> EV charger	<input type="checkbox"/> Room service	<input type="checkbox"/> Fitness center	<input type="checkbox"/> Spa	<input type="checkbox"/> Pool	<input type="checkbox"/> Indoor pool	<input type="checkbox"/> Outdoor pool	<input type="checkbox"/> Air-conditioned	<input type="checkbox"/> Wheelchair accessible	<input type="checkbox"/> Beach access	<input type="checkbox"/> All-inclusive available	
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<p>Sustainability</p> <p><input type="checkbox"/> Eco-certified</p>	<p>Offers</p> <p><input type="checkbox"/> Free cancellation</p> <p><input type="checkbox"/> Special offers</p>																						
<p>Brands</p> <ul style="list-style-type: none"> <input type="checkbox"/> Accor Live Limitless ▼ <input type="checkbox"/> Hilton Honors ▼ <input type="checkbox"/> Marriott Bonvoy ▼ 																							

Clicking on an individual hotel leads to a wealth of information, including many links direct to the hotel's own website:



The “About” tab has additional links directly to the hotel including the website, exact address, and phone number.



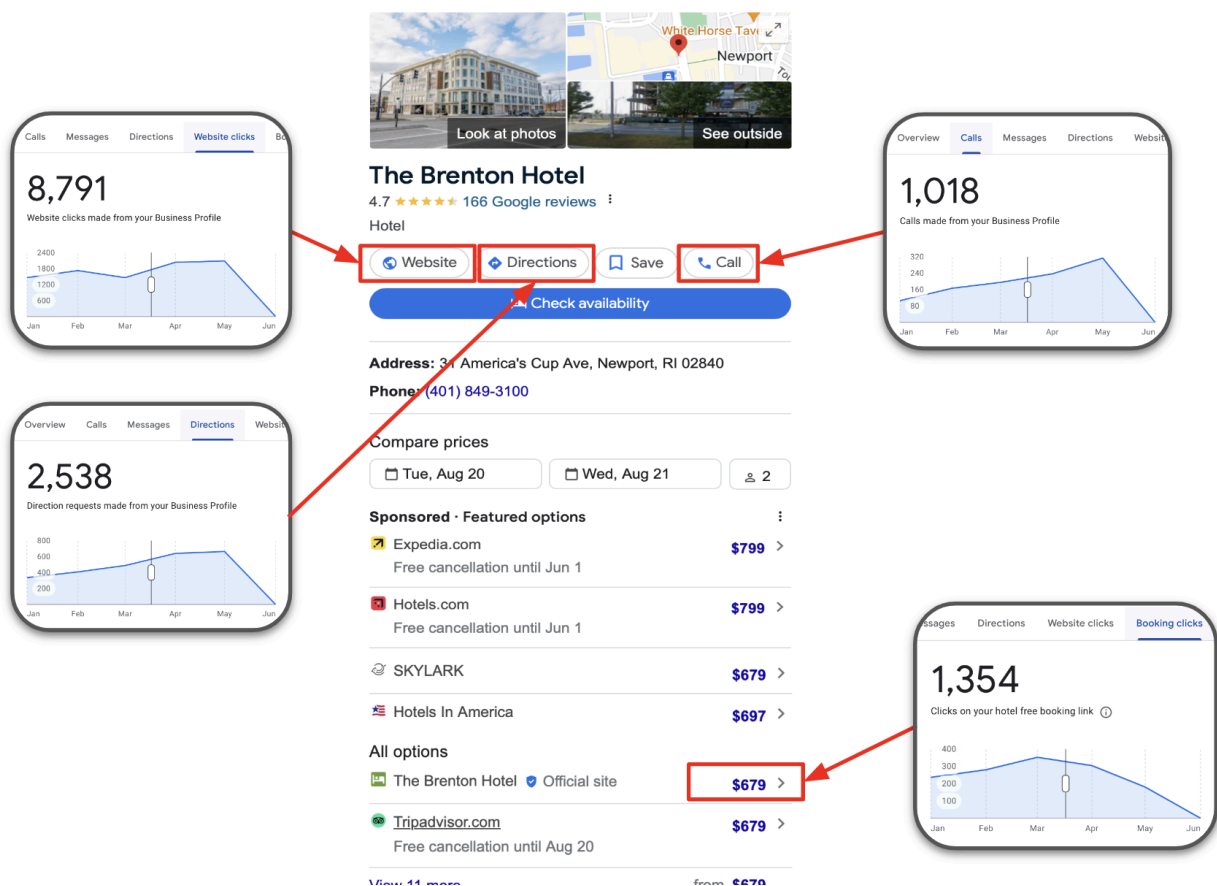
Google Hotel Search Sends Users Directly to the Hotel

What's important to understand is that there are clear pathways on this Google experience that allow consumers to book directly with the hotel:

- Address
- Website
- Directions
- Official Booking Site

A datapoint that isn't clear from visual inspection of the experience is that ~80% of the clicks from the Google Hotel Search experience **go directly to the hotel** and so have bookings without large commissions. The rest are shared among the intermediary ecosystem players: Online Travel Agencies (e.g. Booking.com and Expedia) and Meta Search engines (e.g. Trivago, Tripadvisor).

This 80% number can be roughly validated by using Google's tools. The owners of businesses can examine where users interact with the knowledge panel – a largely similar placement – and see that the vast majority of clicks go directly to Suppliers.

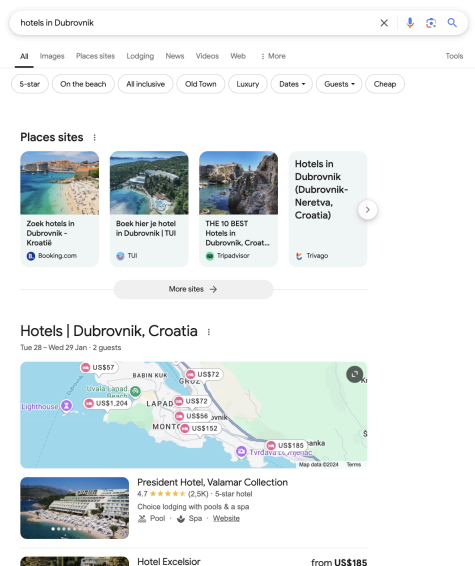


Looking at the data for a single hotel shows that a huge number of interactions are direct with the supplier. Using an estimate that a third of the clicks in the booking module are on the Official Site price, in this example, 80% of the clicks are direct to the supplier: $1 - (1354 \times 2) / (8791 + 2538 + 1018 + 1354 \times 3) \Rightarrow 83.4\%$

The important point here is that users that interact with Google's tools are largely sent to book directly with the hotel.

AFTER DMA: Search Results for City-level Query

By contrast, consider how the new DMA-compliant UX works – once again with Ads removed for clarity:

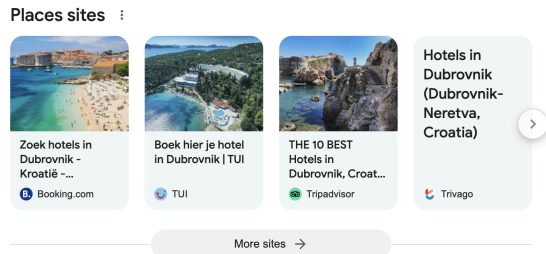


Repeating the important changes:

1. There is a carousel at the very top of the page consisting of OTAs and Metas
2. There is no longer a pathway to the Google Hotel Search tool at all
 - a. No clicks leads to the Google Hotel Search
 - b. Clicking on the map doesn't do anything at all
 - c. Clicking on a hotel opens a side bar (below) with much less information
3. Dates are much more difficult to identify and change and filters are limited
4. "See More" leads to a much less functional hotel list

AFTER DMA: OTA Carousel at Top of Page

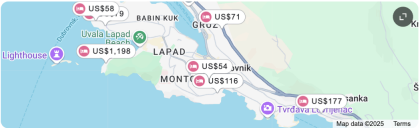
The very top of the pages has a “Place sites” carousel which consists entirely of OTAs and Metas: expensive sources of traffic. Currently, suppliers do not appear in this carousel



AFTER DMA: Hotel List No Longer Leads to Google Hotel Search

Below the “Place sites” carousel is a placement which looks similar to the hotel list and map.

Hotels | Dubrovnik, Croatia :
Mon 27 – Tue 28 Jan · 2 guests



President Hotel, Valamar Collection
4.7 ★★★★★ (2.5K) · 5-star hotel
Choice lodging with pools & a spa
Pool · Spa · Website

Hotel Excelsior from US\$177
4.8 ★★★★★ (1.2K) · 5-star hotel
Upmarket hotel with dining & a spa
Eco-certified · Pool · Website

Hilton Imperial Dubrovnik
4.7 ★★★★★ (1.8K) · 5-star hotel
Popular with guests from the United States
Polished hotel with a spa & dining · Website

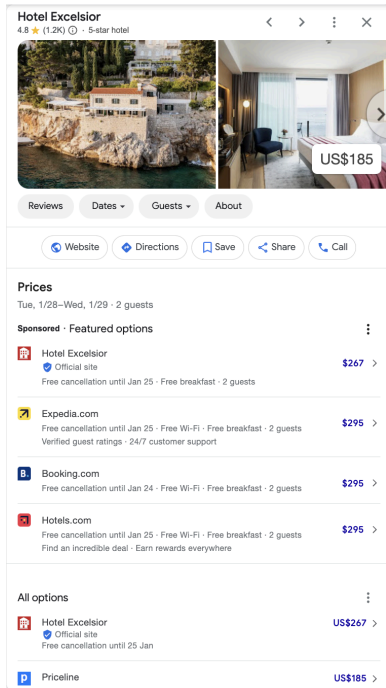
[See more →](#)

However, clicks on this placement do NOT lead to the Google Hotel Search tool. Instead:

1. Clicks on the map don't do anything
2. Clicks on individual hotels lead to a sidebar with limited information
3. Click on the “See More” leads to a list of hotels with a very limited set of tools

AFTER DMA: Clicks on Individual Hotels

Here's what is shown when an individual hotel is clicked. While there are some links to lead users to the hotel's website, the users can't select dates to see accurate pricing and don't have the tools to make a determination that this is the right hotel for them.



Hotel Excelsior
4.8 ★ (1.2K) · 5-star hotel

Reviews · Dates · Guests · About

Website · Directions · Save · Share · Call

Prices
Tue, 1/28-Wed, 1/29 - 2 guests

Sponsored - Featured options

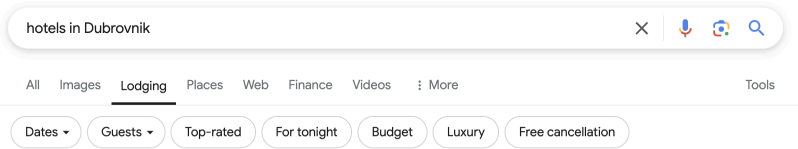
- Hotel Excelsior** (Official site) **\$267** >
Free cancellation until Jan 25 · Free breakfast · 2 guests
- Expedia.com** **\$295** >
Free cancellation until Jan 25 · Free Wi-Fi · Free breakfast · 2 guests
Verified guest ratings · 24/7 customer support
- Booking.com** **\$295** >
Free cancellation until Jan 24 · Free Wi-Fi · Free breakfast · 2 guests
- Hotels.com** **\$295** >
Free cancellation until Jan 25 · Free Wi-Fi · Free breakfast · 2 guests
Find an incredible deal · Earn rewards everywhere

All options

- Hotel Excelsior** (Official site) **US\$267** >
Free cancellation until 25 Jan
- Priceline** **US\$185** >

AFTER DMA: Limited Tools for Dates, Filtering, and Sorting

There are far fewer filters available, and users need to realize that they're at the very top of the screen. The dates filter no longer shows the current dates.



AFTER DMA: Clicks on See More to see all hotels

Clicks on “See More ->” shows a longer list of hotels but with very limited tools for sorting, filtering, researching, and choosing. It isn't even clear how to see the next 10 hotels in the list! Only a very few users will ever figure out to click on the chevrons at the bottom to see the next 10.

hotels in Dubrovnik

All Images Lodging Web Finance Videos Books More Tools

Dates Guests Top-rated For tonight Budget Luxury Free cancellation

President Hotel, Valamar Collection
4.7 ★★★★★ (2,3K) · 5-star hotel
Choice lodging with pools & a spa
Pool · Spa · Website

Hotel Excelsior from US\$168
4.8 ★★★★★ (1,2K) · 5-star hotel
Upmarket hotel with dining & a spa
Eco-certified · Pool · Website

Hilton Imperial Dubrovnik
4.7 ★★★★★ (1,8K) · 5-star hotel
Popular with guests from the United States
Polished hotel with a spa & dining · Website

Rixos Premium Dubrovnik from US\$116
4.5 ★★★★★ (3,9K) · 5-star hotel
Upmarket property with dining & a spa
Eco-certified · Pool · Website

Hotel Lero from US\$54
4.4 ★★★★★ (2,3K) · 4-star hotel
Relaxed lodging with free breakfast
Pool · Free Wi-Fi · Website

Royal Princess Hotel from US\$79
4.7 ★★★★★ (600) · 5-star hotel
Upscale hotel with a spa & sea views
Pool · Spa · Website

Hotel Adria from US\$71
4.5 ★★★★★ (2,1K) · 4-star hotel
Upscale hotel offering dining & a spa
Pool · Free Wi-Fi · Website

City Hotel Dubrovnik from US\$70
4.6 ★★★★★ (287) · 4-star hotel
Free Wi-Fi · Free parking · Website

La Vita e Bella VII from US\$48
3.7 ★★★★★ (8) · Apartment
1 bedroom · Sleeps 2

Opus One apartment Dubrovnik from US\$37
3.7 ★★★★★ (124) · Apartment
1 bedroom · Sleeps 2

Googoooooogole >