

Meta-Search

Is it Good for the Industry?

Meta-Search: Definition

Metasearchers are online search tools that allow the user to submit a search query to multiple search engines, websites or directories simultaneously. Metasearchers organize the outputs of these search engines into one integrated list.

Meta-Search: History

No single search tool indexes the entire web. In the late 90's, the web had between 6 & 8 billion web pages. At that time, Google indexed 2.4 billion, AllTheWeb - 2.1 billion and AltaVista about 1 billion. Meta-search engines were designed to fill in the gaps by searching many search engines simultaneously.

Traditional MetaSearch Engines

- Dogpile.com
- Mamma.com
- MonsterCrawler
- Ixquick.com
- Qksearch.com
- Clusty
- Kartoo
- Metasearch
- Myriad_Search

Launch of Metasearch within Travel

- The first metasearch sites focusing on travel launched in 2000.
- The earliest versions were not web based; users had to download special software on to their desktop
- These sites moved to the web and became more mainstream in late 2003 and throughout 2004
- Several sites now play in this space.

Major Players

- Kayak (*affiliated with AOL*)
- Sidestep
- Mobissimo
- Farechase (*which was acquired by Yahoo!*)
- Travelzoo

Consumer Value Proposition

- Time Savings
 - No need to search numerous sites separately
- Site Agnostic
 - The tools simply look for the best value for travel products across a vast network of sites

Business Models

- Some sites charge travel suppliers
 - A commission on realized business
 - A set fee for each referral to their site, i.e. cost-per-click
- Some also sell ad space or offer preferred placement for a fee
- Some charge a transaction fee to the user

Kayak: Bio

- Established in January 2004 by former Expedia, Travelocity & Orbitz execs
- The Kayak spider uses its Rich Internet Application (RIA) architecture to search over 100 “brand.com”, online travel agent and consolidator sites.
- Can query 551 airlines, 91000 hotels and all major car rental companies

Kayak: Unique Features

- Announced its “Every Hotel on Earth” program in Oct 2005.
- Mapping capabilities from Google and Mapquest
- Links to Restaurants, Shopping, etc
- Numerous user defined filters

Kayak: Distribution

- 3 million site visits within first 3 months of 2005
- Exclusive agreement with AOL; powers PinPoint Travel product
- Signed multi-year Private Level agreement with About.com
- Partnership with USAToday.com

FareChase: Bio

- Founded in 1999
- Bought by Yahoo! In August 2004
- Integration with Yahoo's other travel products was phased in slowly due to their partnership with Travelocity
- Search over 150 travel related sites

FareChase: Features

- Searches can be qualified by location, amenities and price
- Displays also include rating information and mapping capabilities
- User Reviews also integrated

Sidestep: Bio

- Founded in 1999
- \$250 million in travel booked by Sidestep users in 2003; which increased to \$500 million in 2004
- Awards from TIME, CIO Magazine, Forbes, PC Magazine, Travel & Leisure

Sidestep: Features

- Includes products that their competitors don't – Expedia, Travelocity, JetBlue, Marriott, Hilton, Holiday Inn
- Special Deals section and **TravelFinds** newsletters

Mobissimo: Bio

- Founded in 2004
- Users can book air, hotel or car reservations from one of 134 different sites
- More European presence than its competitors

Other Players / Niche Sites

Shopping Sites

- PriceGrabber
- BizRate / Shopzilla
- NexTag
- Kelkoo
- SmarterLiving.com's Booking Buddy
- TripAdvisor.com's QuickCheck
- Travelzoo.com's SuperSearch
- Overstock.com
- ITAsoftware.com

Supplier Reluctance

- Add Cost through Commission or Referral Fees
- Not convinced that these sites drive incremental sales
- Focus on price could dilute brand
- High volume of availability queries increase stress on processors/servers

Conclusions

- Still too early to tell whether Metasearch sites will achieve significant market share
- Suppliers should carefully weight the pros and cons of participation
- Participants should keep a close watch on ROI; while those waiting on the sidelines should keep an eye on consumer usage