

The AI Divide: Google and OpenAI Bet on Different Futures

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Good Sunday afternoon from Seattle . . . Our weekly Online Travel Update for the week ending Friday, March 27, 2026, is below. This week's Update highlights the different approaches currently being taken by the two AI heavyweights, Google and OpenAI, over AI commerce. Enjoy.

OpenAI Builds Out Advertising Team with Key Meta Hire. Over the past several weeks, we've featured several [stories](#) detailing OpenAI's plans for advertising within the ChatGPT ecosystem. Those plans took a significant step forward this past week with its hiring of Dave Dugan, the former Vice President of Global Clients and Agencies at Meta, to run global ad solutions at OpenAI. According to his recent LinkedIn post, Dave's first order of business will be turning ChatGPT ads into a commercial reality, while at the same time maintaining the organic nature of ChatGPT's chats. For OpenAI, this type of hire seems inevitable, particularly if you consider OpenAI's recently announced re-focus on user discovery (as opposed to commerce), and the desire to generate revenue outside of transactions. For hoteliers, this means that (a) some form of AI advertising will soon become a mainstay for every hotel marketer and (b) intermediaries with their billion-dollar marketing budgets will inevitably become big players in this space, potentially on the backs of hoteliers and their valuable IP (remember paid search?). If you've not started thinking about how this new "top of funnel" customer acquisition opportunity will affect your current marketing strategy (or the strategies of your competitors and intermediaries), I encourage you to do so. Now is the time to pay attention.

Think Google Search Is a Late 90's Phenomenon Whose Best Times Are Behind It? Think Again. For some time now, I've been of the opinion that Google will be the inevitable winner of the AI arms race. Mario Gavira's opinion piece published this past week on *PhocusWire* provides a compelling argument in support of Google's inevitable dominance.

What Matters Most in this New AI World - Discovery or Transacting? We know OpenAI's answer - at least for now. What about Google? For now, it appears that Google values both as it continues to develop and improve its LLM user experience (discovery) while at the same time improving its commercial back end with [recent improvements to its Uniform Commerce Protocol](#) (transacting). How far Google might take its commercial efforts, particularly in travel, is unknown. We've already seen how quickly Google backtracked reports that it was poised to become the next major OTA. What about suppliers? Suppliers find themselves in the position of needing to focus on both - either directly or through trusted partner proxies. The very nature of hotel bookings (i.e., legally enforceable contracts between travelers and suppliers) often puts the supplier squarely in the transaction bucket. As for discovery? To the extent direct bookings (and their

generally lower booking costs) remain of value, **suppliers have no choice**. For now, this is the key AI battleground as intermediaries will assuredly do everything they can to cement their supremacy.

Have a great week everyone.

AI Booking Push Continues, Despite OpenAI's Strategic Shift

March 24, 2026 via PhocusWire

OpenAI recently made headlines with its move to deprioritize Instant Checkout in ChatGPT, but efforts to advance AI-powered travel booking show no signs of slowing. The AI company's pivot boosted OTA stock prices and led to broad speculation about the viability of agentic commerce. But the explanation may be simpler.

OpenAI Gets Serious About ChatGPT Ads, Hires Former Meta Exec

March 23, 2026 via Skift

David Dugan, previously a Meta exec in charge of its largest client and agency relationships, is now tasked with taking ChatGPT from an AI tool with ad experiments to an ad-supported media channel.

Why Google Will Win the Agentic E-Commerce Race and What it Means for Travel

March 23, 2026 via PhocusWire

Remember that old joke about the two men being chased by a bear, where one of them stops to put on his running shoes? He didn't have to outrun the bear-he only had to outrun his friend. Welcome to the 2026 agentic AI landscape, where Google is calmly tying its laces while OpenAI, with its leading consumer chat interface, sprints headfirst into the woods.

What OTA Investors Got Wrong About the ChatGPT Checkout Walkback

March 20, 2026 via Skift

OTA investors celebrated OpenAI's checkout retreat. They missed how AI is already reshaping trip discovery.

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