

DOMINANCE OF OTA IN THE INDIAN HOSPITALITY INDUSTRY

Ms.Bavesetty Sushmitha¹, M.Keerthana², A.Manojna³, V.Rhea⁴ and Likitha Shree H.P⁵

¹Assistant Professor, Koneru Lakshmaiah Education Foundation

^{2,3,4,5}BBA 3rd year, Koneru Lakshmaiah Education Foundation

ABSTRACT

The way Indian consumers find, evaluate, and reserve lodging has been completely transformed by online travel agencies (OTAs). Hotel competitiveness, customer expectations, and pricing transparency have all been greatly impacted by their increasing dominance. This study looks at how customers view OTA services and how much service quality, accessibility, and trust are impacted by OTA-hotel partnerships. The study examines booking behaviour, reliance on reviews, customer expectations from OTA-hotel partnerships, and satisfaction levels using a dataset of more than 150 respondents from various backgrounds. The findings show that customers rely heavily on OTAs for convenience and transparency, but they occasionally express dissatisfaction with listing accuracy and customer service responsiveness. The results highlight the necessity of increased cooperation between OTAs and hotels in order to guarantee dependable information, accessible facilities, and consistent service delivery. The study comes to the conclusion that although OTAs are appreciated for their convenience and affordability, hotels and platform operators must take joint responsibility for long-term improvements.

Keywords: Online Travel Agencies (OTA), Customer Satisfaction, Hospitality Sector, OTA–Hotel Collaboration, Digital Booking Behaviour.

INTRODUCTION

The digitalization of India's travel and hospitality sector has transformed how people plan and experience travel. Online Travel Agencies (OTAs) have emerged as influential intermediaries offering instant access to hotel listings, reviews, and pricing options. These platforms make booking decisions quicker, more transparent, and highly customer-centric.

For customers, OTAs provide convenience and the opportunity to compare multiple accommodation options at once. Hotels benefit from increased visibility and access to a broader customer base. Despite these advantages, hotel operators often express concerns about high commissions, limited control over guest relationships, and the pressure to maintain rate parity across booking platforms.

From the customer perspective, expectations continue to evolve. They rely heavily on user-generated reviews, detailed photos, and safety-related information. Increasingly, customers are also looking for assurances of accessibility features and medical support availability for elderly family members or those with special needs.

Previous research has mainly focused on pricing strategies and hotel-side challenges. Limited studies combine customer satisfaction with perceptions of OTA–hotel collaboration, accessibility, and safety — especially in the Indian context. The present study focuses on understanding customer perceptions of OTAs, examining booking trends, trust levels, satisfaction, and expectations from OTA–hotel relationships. This work contributes fresh insights to literature by combining customer experience with collaboration effectiveness between OTAs and hotels.

2. LITERATURE REVIEW

Online Travel Agencies (OTAs) are powerful digital middlemen that have completely changed how travellers in nations like India find, evaluate, and reserve lodging. This has had a significant impact on the global travel and hospitality sector. The strong presence of major players in the Indian market is indicative of OTAs' considerable dominance. The platforms that provide instant access to hotel listings, reviews, and pricing options are the driving force behind this expansion, which has changed customer expectations and increased pricing transparency. OTAs give hotels vital visibility and access to a larger clientele.

The digital ecosystem, where trust and User-Generated Content (UGC) are crucial, has a significant impact on customer booking behaviour. Consumers appreciate OTAs for their ease of use, variety of searches, adaptability, and perceived value for money because of discounts and package offers. Social proof from peer reviews, transparent information, and safe transactions all contribute to the development of trust in these platforms. Because users view reviews as more authentic than official hotel descriptions, user-generated content (UGC) has a big impact. Digital-savvy young adults are the most active users, especially in India, suggesting that this group heavily depends on OTAs for a seamless, organised, and comparable experience.

The OTA-hotel relationship is characterised by ongoing difficulties despite the benefits to both parties, such as hotel concerns about high commission rates and pressure to maintain rate parity. OTAs increase visibility, but they can also lower hotel profit margins. Although platform dependability is generally high, customers may occasionally become dissatisfied due to inconsistent customer service response times and problems with listing accuracy which includes differences between OTA descriptions and the real hotel experience. Customers consider strong OTA-hotel cooperation to be crucial because it guarantees accurate information, helps prevent booking errors, and can result in lower prices. According to studies, trust and long-lasting relationships depend on cooperative efforts and mutual justice.

Lastly, OTAs must act as responsible middlemen by giving accessibility and safety information top priority in order to satisfy changing customer demands. In order to ensure that lodgings are safe for senior visitors and able to meet their medical support needs, travellers are increasingly demanding clear listings of amenities like lifts, ramps, and hygienic restrooms. By combining customer satisfaction with their opinions of OTA–hotel cooperation, accessibility, and safety, especially in the Indian context, this study fills a significant research gap and offers new insights into the significance of shared accountability between platform operators and service providers for long-term service delivery.

3. METHODOLOGY

A quantitative descriptive research design was used to examine consumer perceptions of online travel agencies (OTAs) and their impact on the hospitality industry. Data was collected from Hyderabad residents using a structured questionnaire that was distributed and made accessible through Google Forms. Respondents who were able and willing to participate were selected through convenience sampling. The questionnaire contained sections on demographics, travel frequency, OTA usage trends, and the influence of online reviews on reservations. Convenience, pricing transparency, customer service, safety, accessibility, dependability, and trust were among the other aspects of OTA services that participants assessed. Additionally, opinions about the relationship between OTAs and hotels were gathered through the survey, especially with regard to control over the booking process and its impact on service.

In order to systematically gauge participants' attitudes and perceptions, the questionnaire included both closed-ended and Likert-scale questions, enabling quantitative analysis of the answers. Before collecting data on a large scale, a pilot study was carried out to make sure the questions were reliable, relevant, and clear. To investigate their impact on OTA usage patterns and preferences, a number of demographic categories were taken into consideration, including age, gender, occupation, and income. Travel intentions, trust in online travel agencies, general satisfaction, app usability, and preferences for loyalty programs or special offers were all recorded in the survey. In order to gain insight into how OTAs affect customer expectations and experiences, participants evaluated the perceived impact of these platforms on hotel pricing strategies and service quality.

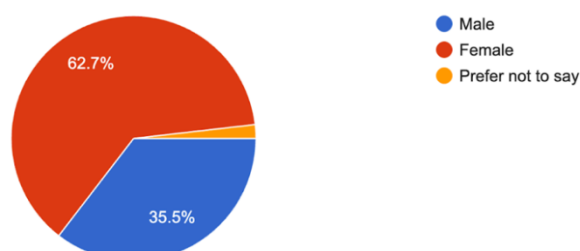
Descriptive statistics were applied. Graphs are represented narratively through textual explanation rather than visual figures.

4. DATA ANALYSIS AND INTERPRETATION

4.1 Demographic Characteristics

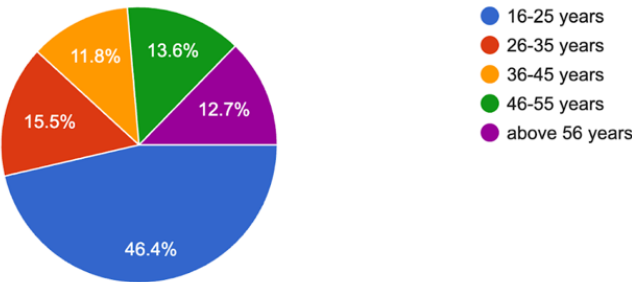
The demographic profile revealed that a significant number of respondents were women, primarily aged between 16 and 25, with most being undergraduate students. This group represents the most active users of Online Travel Agencies (OTAs), making it crucial to understand their travel habits, which leads us to explore their booking behaviors.

GENDER
110 responses



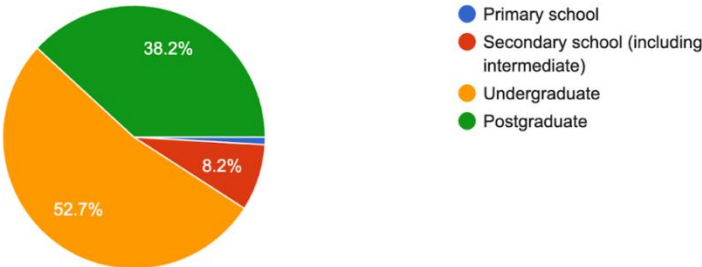
AGE

110 responses



EDUCATION

110 responses

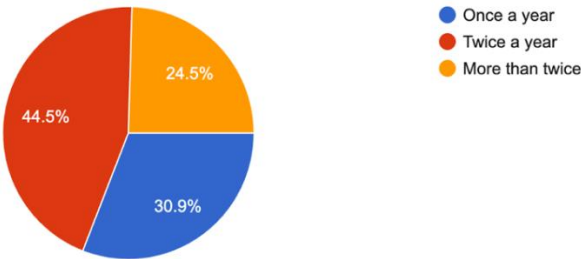


4.2 Travel and OTA Usage Behaviour

Building on the demographic insights, the respondents exhibited a range of travel frequencies, with many taking trips once or twice a year, while a good number traveled more often. This explains their consistent use of OTAs, typically two to four times a year or even more. The majority of these travelers were on personal leisure trips, with business travel being less common. These trends underscore the importance of understanding the factors that influence their booking choices, particularly the impact of reviews and user-generated content.

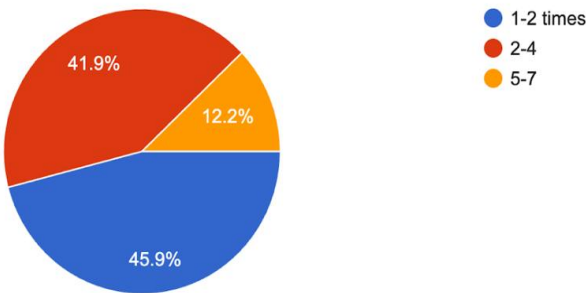
Travel booking frequency (with or without the usage of OTAs)

110 responses

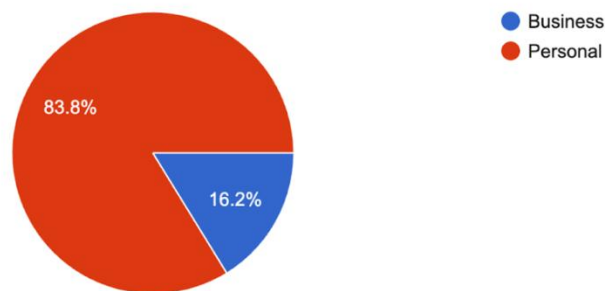


If yes, how often do you use OTAs per year?

74 responses



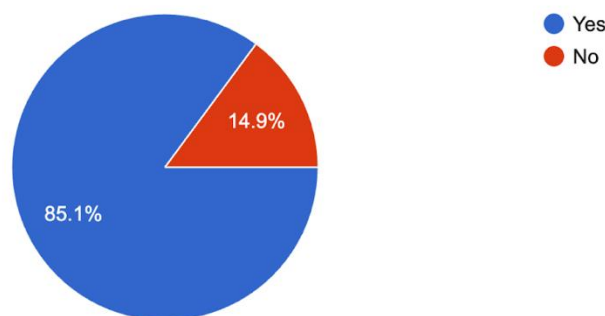
Type of travel mostly booked via OTAs:
74 responses



4.3 Influence of Reviews and User-Generated Content

A large portion of respondents indicated that they altered their booking decisions after reading reviews, highlighting the significant role that user-generated content plays in their choices. Reviews, along with photos and shared experiences, helped alleviate uncertainty and guided their final decisions. Given that these factors heavily influence how users select hotels, it's essential to evaluate their overall perception of OTA service quality.

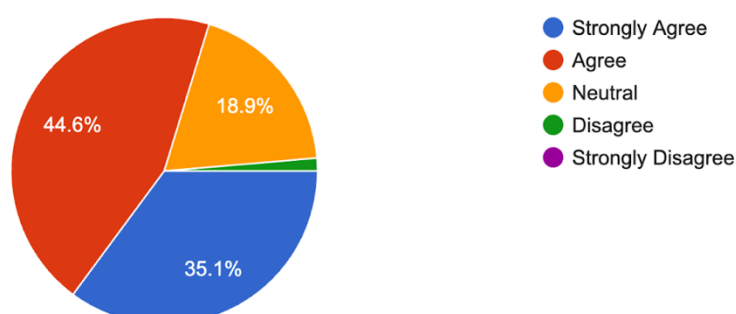
Have you ever changed your booking based on online reviews/UGC (User Generated Content)?
74 responses



4.4 Perception of OTA Service Quality

When it comes to how people perceive OTA service quality, most respondents found OTAs to be reliable and user-friendly. They appreciated features like clear information, helpful filters, and seamless payment processes. However, feedback on customer service was a mixed bag—some were happy, others felt indifferent, and a few were not satisfied at all. Despite these differences, many users believed that OTAs offered good value for their money, thanks to various discounts and deals. These perceptions play a significant role in how users assess the relationship between OTAs and hotels.

Overall, I am satisfied with my OTA experience.
74 responses



4.5 Customer Perception of OTA–Hotel Collaboration

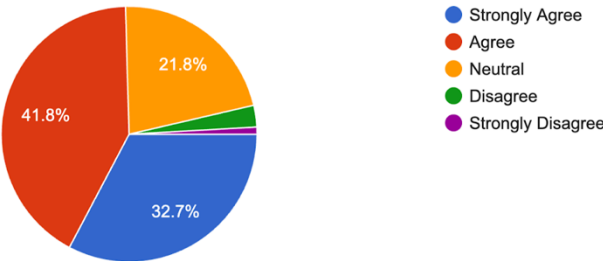
As for customer perception of the collaboration between OTAs and hotels, participants generally agreed that this partnership is beneficial. It helps ensure accurate information, reduces booking problems, and promotes hotel options that fit customers' needs. Since users can see the results of this collaboration, it naturally shapes their expectations about safety and accessibility information on OTA platforms.

Table 1: OTA–Hotel Collaboration Perception

Statement	% Agree/Strongly Agree
Collaboration benefits customers	74.5%
Accurate information improves service	70.9%
OTAs promote quality hotels	67.3%

These results suggest customers notice the outcomes of OTA–hotel coordination, even if they are not aware of the underlying processes.

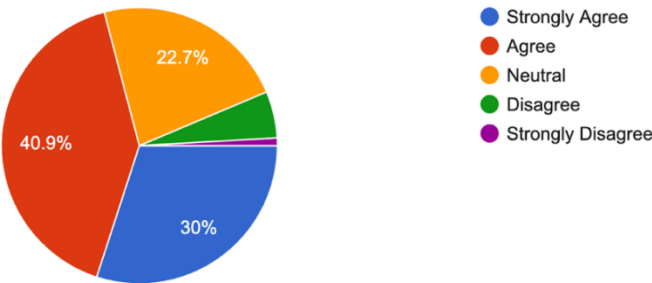
I believe the relationship between OTAs and hotels will continue to improve for customers in the future.
110 responses



4.6 Expectations Regarding Accessibility and Safety

When it comes to expectations regarding accessibility and safety, respondents were quite clear. They expect OTAs to feature hotels that are safe for elderly guests, to clearly outline accessibility features, to provide information about medical readiness, and to highlight essential amenities like lifts, ramps, and clean washrooms. This indicates that users want OTAs to deliver

Strong OTA–hotel partnerships ensure that facilities like elevators, beds, clean washrooms, ramps, and other accessibility features are available for those who need them.
110 responses



5. DISCUSSION

The study's findings lend support to the notion that OTAs are crucial to customers' travel behaviours. Younger respondents, who make up the majority of users, value digital convenience, clear information, and a variety of options. The importance of reviews emphasises how important it is for hotels to maintain positive online reputations. Furthermore, visitors expect truthful and accurate information from hotels and online travel agencies, underscoring the importance of coordinated communication. Consumers' expectations for safety and accessibility show that they are growing more aware of inclusive travel requirements. To locate and represent hotels that can meet these requirements, they rely on OTAs. Customers generally appreciate how convenient

online travel agencies (OTAs) are, but they also expect better customer service and more consistency between OTA listings and actual hotel experiences.

6. CONCLUSION

This review of the literature unequivocally shows that online travel agencies are a vital component of the modern Indian hospitality ecosystem, effectively propelling market expansion through greater customer access and unmatched transparency. However, this model's long-term viability depends on resolving issues that arise in the OTA-hotel dynamic. Consumers constantly expect both the platform and the service provider to share accountability, underscoring the urgent need to move from transactional, competitive agreements to genuinely cooperative partnerships.

It is important to acknowledge certain limitations that affect how the results are interpreted, even though this study offers insightful information about the digital travel market. Most significantly, because the study mostly focused on the experiences of young adults, the findings might not accurately reflect the perspectives of older travellers or those who rely less on technology. The results' broad applicability to all Indian travellers is limited by the sample's predominant demographic.

This partnership's shared commitment to ensuring accurate listing representation, prompt customer support, and crucial transparency regarding accessibility and safety features will secure future sustainability and customer loyalty in the Indian hospitality sector. This dedication is essential to fulfilling the comprehensive demands of contemporary travellers and converting the OTA platform's digital convenience into a dependable and fulfilling on-site service experience. By examining the dynamics of the OTA-hotel relationship from the viewpoint of the hotel operators themselves, future research should build on the groundwork established by this study. This would offer insights into managerial strategies regarding pricing control, commission negotiation, and direct booking efforts, providing a crucial counterpoint to the current customer-centric view.

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