

# The raging online battle between OTAs and hotels

 By [Josephine Wawira](#)

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As hotels consistently push for direct bookings, so are Online Travel Agents (OTAs) pushing to continue leading in the online hotel market. While this battle has been ongoing for some time now, the fact that the two are dependent for survival in the race for dominance is thought-provoking. So, what are the different approaches being employed by either entity to remain relevant in the hospitality industry?



Image: Monkey Business Images

## Hotels

In attracting direct bookings, one of the strategies mainly used by hotels is the application of loyalty programmes. These allow hotel guests to earn points every time they directly book accommodation, then redeem them for complimentary stays, room upgrades or discounted rates. Loyalty programmes work best for return customers and help convert one-time guests into frequent bookers, thus increasing revenue and trust.

However, most hotels fail to capitalise on their programmes, resulting in a lack of conversion and even revenue loss. This, for instance, is due to a very high level of points that are often set for a customer to redeem the rewards. For most others, it is the sophisticated bureaucracies involved in the booking process, such as the failure to store guest database and thus forcing them to repeat the same processes every time they make a direct booking. To overcome this impediment, hotels are increasingly embracing technology that enables them to capture and store customer data including preferred amenities, and the frequency of visits, among others. As a result, they are in a better place to provide personalised services.

## Online travel agents

On the other hand, the OTAs' buzz is not about to die, with numerous reports terming them as the winning players. These terms are based on the basis of, for instance, the convenience they offer as one-stop-shops. They provide guests with a platform to compare rates and amenities, thus giving them varieties and best price guarantees. Furthermore, OTAs' ability to provide multiple online products such as hotel bookings, flight tickets, packages, and tailored deals/offers, in most cases make them a desired choice for a majority of bookers.

Besides, they are quick in adopting innovative means of ensuring a seamless online booking process; such as updated apps that apprise guests of every stage of their booking and/or available discounts for their upcoming holidays. The availability of different payment options also ensures efficacy and inclusion of the various preferences from a myriad of guests across the board. It is, therefore, no doubt that the OTAs are more sought after especially by the busy business travelers who have not much time to make bookings on their own, as well as an astute generation of vacationers who are more interested in experiential travel.

In a highly demanding hospitality battlefield, both the hotels and OTAs can best be described as frenemies. Despite the rivalry, the two remain dependent on each other. Their success or failure, therefore, lies in the quality of services they both offer. Whether directly or through an OTA, guests will book accommodation online if they had a satisfying prior experience, or as recommended by previous guests - this goes beyond the secondary considerations of loyalties or discounts.

## ABOUT JOSEPHINE WAWIRA

Josephine Wawira is a consultant in communication and public relations with over six years of progressive writing and broadcast experience. She is currently a writer for Africa's online hotel booking portal, Jumia Travel, focusing in the areas of travel, tourism, and hospitality as it relates to Africa.

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