

2015

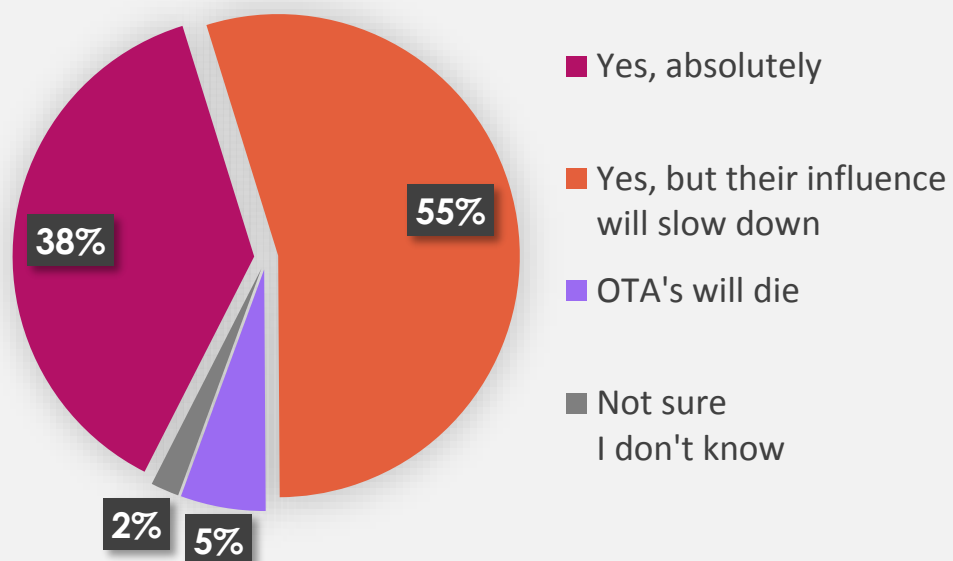
The Future of Hotel Online Distribution

1st Survey by Next-Gen-Opti for ITB 2015

supported by *hospitalityINSIDE*

The Results

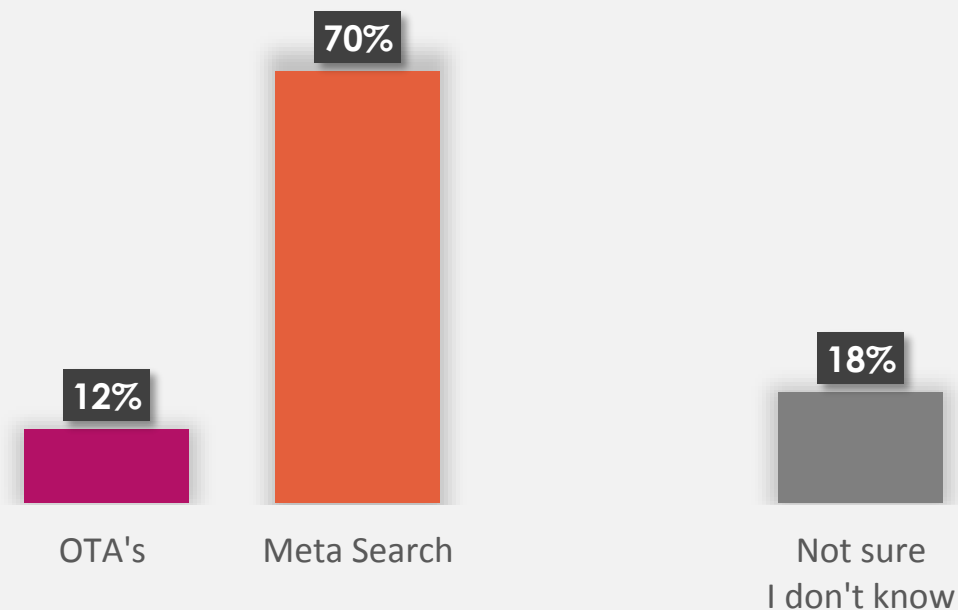
1. Will Online Travel Agents (OTAs) become even more powerful in the next 5-10 years?



Our interpretation of the result

The respondents show expectation that hotels will continue to rely on third parties for their marketing. Or have to.

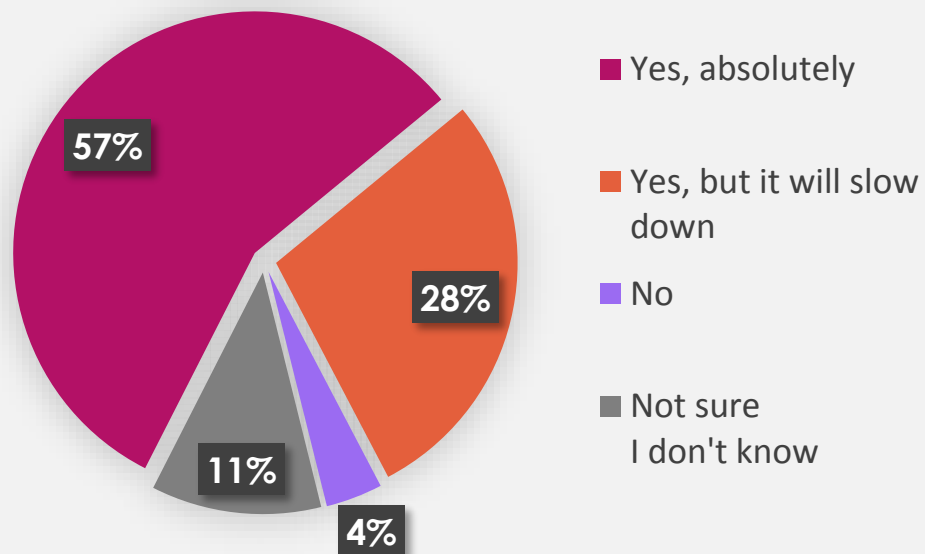
2. Will the OTAs or the Meta Search engines become more powerful in the next 5-10 years?



Our interpretation of the result

No surprise here, the respondents expect a rise for Meta-Search, which may be related to hope for hotel direct referrals, and a counterbalance to traditional OTAs. Also, Meta-Search offers an added benefit for bookers with their comparison options.

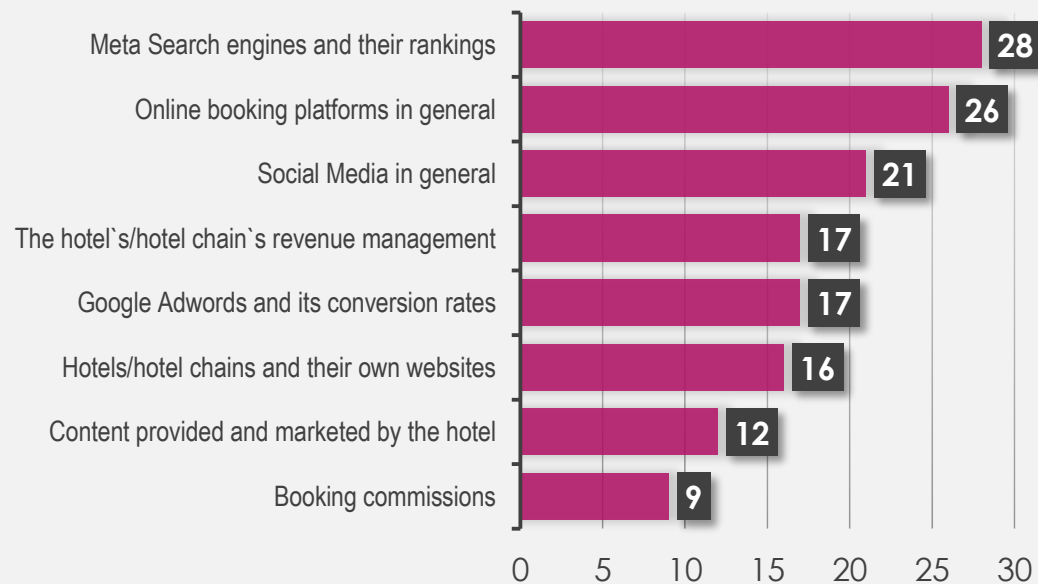
3. Will the influence of Google increase in the next 5-10 years?



Our interpretation of the result

The expectation that google will have an increased influence comes a bit of a surprise, since mobile importance continues to increase, and google has not yet resolved their mobile ads problem. Despite all the different products offered by google, bottom-line, for them it is all about paid ad display.

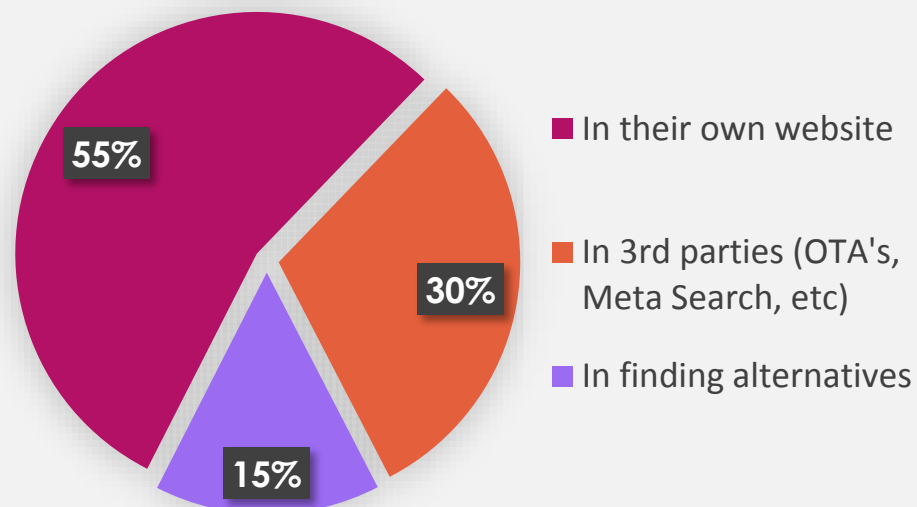
4. Who or what will drive massively the dynamics in future distribution?



Our interpretation of the result

We positively noticed that hoteliers consider Revenue Management is expected to drive future distribution. This is compliant with our expectation that we will see much more and deeper integration between distribution and intelligence solutions.

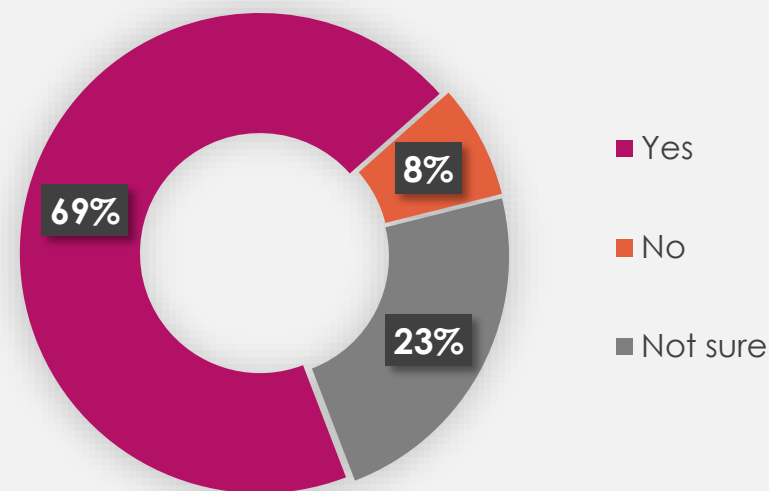
5. Where will hotels invest most for their distribution in future?



Our interpretation of the result

The majority of respondents expecting most of distribution investments to be related to their own web site shows how important the hotel direct channel is considered. But then again, it is not clear today how much commissions will be paid by then and if respondents considered commissions as part of such investment.

6. Will hotels be able to keep up their brand name and not to be absorbed by distribution channels?



Our interpretation of the result

Lastly, 2 thirds of respondents expecting to keep up their brand name reflects the intended outcome of expectations addressing the strengthening of hotel direct channel.

7. What are your main concerns about online distribution?

Consolidated interpretation of the open answers

- Hoteliers continue being overwhelmed by speed of change both in distribution offers and related technology
- Fragmentation of hotel industry and competence levels in individual hotels or hotel groups is considered a concern
- Cost of third party distribution is a big concern
- Some respondents also look at opportunity in strengthening hotel brand, hotel direct marketing and quality of product