

# BOOKING PORTALS GAIN POWER



A recent study by Hotrec, the European association of hotels, restaurants and cafes, revealed the increasing dependence of the European hotel industry on the online travel agents (OTAs). Almost every fourth night in a hotel was booked via these sites in 2015. Three booking portals dominate the market and the strongest one is Booking.com with a share of 60 per cent of all OTA bookings.

With the increasing success of OTAs in the hospitality market direct bookings declined by 55 percent last year, according to the study by Hotrec. **The data show that the booking portals are increasingly gaining control over the hotel booking market.**

Booking.com and Expedia were able to increase their shares in Europe and together generate 80 percent of hotel bookings realized via OTA. The third largest platform was HRS Group.

"The study clearly shows that online platforms constantly acquire larger stakes in the hotel bookings, while the hotel's own distribution channels are reversed and depending on OTAs. The situation is particularly critical in the view that the OTA market in Europe is dominated by a player who has mastered nearly two-thirds of the market," said Christian de Barrin, CEO of Hotrec.

**Only 8.5 percent of hoteliers in Europe paid lower commission rates on the booking portals last year, according to the study.** Larger hotels and chain establishments were the ones who were charged lower prices.

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