

# A Study on Consumer Behaviour Towards Online Travel Agency

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**Abstract:** **Purpose:** The purpose of this research paper is to understand factors influencing the Consumer Behaviour towards Online Travel Agency. **Research Methodology:** This paper only provides a Data that has been collected through structured surveys and interviews with consumers who frequently use Online Travel Agencies (OTAs). This will focus on customer preferences, decision-making processes, and satisfaction with OTA services. **Research Findings:** The research show that most OTA users are young, aged 15-25 years, and highly educated, with 65.4% having completed post-graduation. Reviews and ratings emerged as the most influential factors for OTA usage, followed by convenience and variety of options. Satisfaction levels across critical areas such as booking processes, services, customer care, usability, and accuracy of information remain moderate, with significant portions of respondents only partially satisfied. Notably, 56% of users are willing to change their OTAs for even better deals and services-again, a very competitive market. There is moderately high probability that users will be continuing to use OTAs and recommending them to their friends and family, leaving considerable room for improvement in this area, particularly in making improvements to customer service in addition to providing better value for money and accurate information to users. The building of loyalty, satisfaction, and long-term competitiveness in the OTA market requires closing these gaps. **Originality/Value:** This paper aims to discuss on consumer behavior in the OTA market, examining factors influencing decision-making, such as trust, website usability, and price comparison features. Their study underscores the importance of user-friendly interfaces and transparent pricing in building customer loyalty. It also highlights the role of peer reviews and ratings in shaping consumer choices, suggesting that social proof is a significant driver in OTA success. **Research Question:** What factors influence your decision to book through an OTA?

**Keywords:** cost efficiency, convenience, Internet, online travel agency, online portals, price, ratings, satisfaction, traditional travel agents, tech-savvy.

## 1. Introduction

Advances in the digital world have, without a doubt, greatly affected the travel industry. However, one of the greatest contributing factors to these changes has indeed been the emergence of Online Travel Agencies, or OTAs. In essence, an OTA serves as a bridge between customers and other entities offering services related to traveling, which include car rental and booking hotel reservations, flight travel, or holiday packages. This fills the gap between service providers and

consumers, providing an unparalleled ease, competitive pricing, and diversity in choices, and this makes OTAs a basic requirement for modern travellers. Increased penetration of the Internet and usage of smartphones as well as technological advancements transformed traditional practices of booking services into one of the booming OTA markets. The ability to book travel services from any corner at any time increased reliance by consumers on OTAs. Moreover, OTAs empower consumers with transparent information such as user reviews, detailed descriptions, and pricing comparisons to make more informed decisions. Therefore, understanding consumer behaviour in the OTA sector is significant to identify the factors, preferences, and patterns that govern consumer choices. With increased competition in the OTA market, platforms need to understand these behaviours to provide tailored services to maintain their competitive edge. By critically analysing the various drivers of consumer attitudes and, hence, decision-making processes, businesses improve user satisfaction, build trust, and optimize for better engagement on their own platforms.

## 2. Review of Literature

*Gonzalez (2019): Online Travel Agencies and Their Role in the Tourism Industry*

Gonzalez discusses the transformative role that OTAs play in modern tourism, allowing access, convenience, and price competitiveness. The study highlights how OTAs make booking processes simpler and provide a global marketplace for travel products. However, the research also outlines challenges, such as the increasing competition for traditional travel agents and customer concerns over transparency and reliability. Gonzalez's findings therefore underline the dual impact of OTAs on the tourism industry: improving the experience for customers while undermining the old models.

*Garg and Nonlaw, 2022: Online Travel Portal's Impact on Traditional Travel Agencies: A Review*

Garg and Nonlaw analyze the paradigm shift from traditional travel agencies to OTAs. Key drivers of this trend are cost efficiency, technological developments, and changes in customer preference. The study reviews how traditional travel agencies are forced to use digital solutions to survive. It shows

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the market share of traditional travel agents is coming down, but at the same time, it emphasizes the dependency of tech-savvy tourists on online portals. The authors feel that the traditional agents can still occupy a niche by providing personal services that OTAs are lacking.

*Park (2019): The Role of Online Travel Agencies in the Tourism Industry*

Park's research explores the economic and operational impact of OTAs. The study discusses how OTAs influence tourism by democratizing access to travel information and offering tailored packages. It also addresses the technological integration OTAs bring, such as real-time inventory updates and dynamic pricing. Park identifies a gap in the personalization of services and stresses the importance of incorporating customer feedback into OTA platforms to improve their effectiveness.

*Tussyadiah & Pesonen (2018) – Impacts of Peer-to-Peer Accommodation on Travel Industry*

This research explores the influence of OTAs and peer-to-peer platforms like Airbnb on the hospitality sector. It highlights changing consumer preferences for digital booking and the shift from traditional hotel stays to alternative accommodations. The study further analyzes how OTAs utilize big data and AI to personalize travel experiences while addressing concerns over platform dominance and market regulation.

*Law, Leung, & Buhalis (2009) – The Impact of the Internet on Travel Agencies*

This paper investigates how online travel agencies have disrupted traditional business models in the tourism sector. It provides an overview of how OTAs leverage technology to offer dynamic pricing, customer reviews, and seamless booking experiences. The research also discusses the challenges faced by brick-and-mortar agencies, emphasizing the need for digital adaptation and hybrid business strategies.

### 3. Objectives of the Study

1. To identify key factors influencing consumer behavior in Online Travel Agency
2. To analyze the impact of demographics variable on satisfaction with OTA services.

### 4. Research Problems

Due to the time scope of the study, changes in long-term consumer behavior and technology usage cannot be ascertained. Consumer responses during the surveys or interviews might even be subjective and influenced with the experiences or bias by consumers.

### 5. Research Methodology

The researcher has utilized secondary methods of research in order to study the consumer behavior towards OTA where the Structured questionnaires are prepared to targeting OTA users has cover factors like pricing, ease of use, promotional offers,

and customer reviews.

## 6. Does Age any Impact on Consumer Behaviour Satisfaction in OTA Market

Table 1

Crosstab

Count		7. How satisfied are you with the customer service provided by the OTA?			Total
		Dissatisfied	netural	satisfied	
age	16-25	13	50	24	87
	26-30	4	4	5	13
	30-40	0	3	0	3
	above 40	0	0	1	1
Total		17	57	30	104

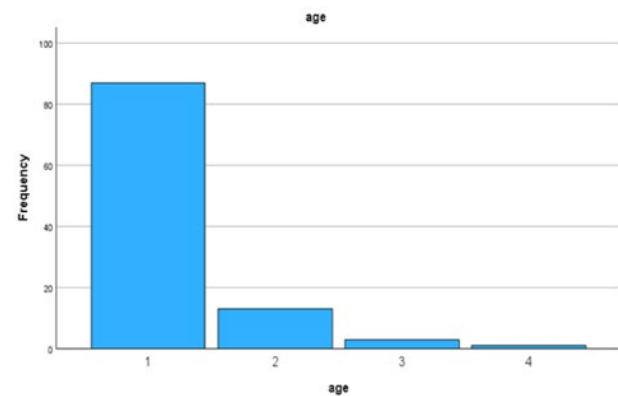


Fig. 1.

Table 2

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.647 <sup>a</sup>	6	.194
Likelihood Ratio	9.680	6	.139
Linear-by-Linear Association	.121	1	.728
N of Valid Cases	104		

a. 8 cells (66.7%) have expected count less than 5. The minimum expected count is .16.

*Interpretation:*

The Chi-Square test results indicate no significant relationship between age groups and satisfaction levels with OTA customer service, as the Pearson Chi-Square significance level is 0.194 (above 0.05). The Likelihood Ratio and Linear-by-Linear Association also show no significance. With 66.7% of cells having expected counts below 5, the reliability of this test is limited due to small sample sizes in some categories. Overall, satisfaction does not significantly differ by age group.

## 7. Does Gender any Impact on Consumer Behavior Satisfaction in OTA Market

Table 3

Crosstab

Count		7. How satisfied are you with the customer service provided by the OTA?			Total
		Dissatisfied	netural	satisfied	
gender	male	10	36	15	61
	female	7	21	15	43
Total		17	57	30	104

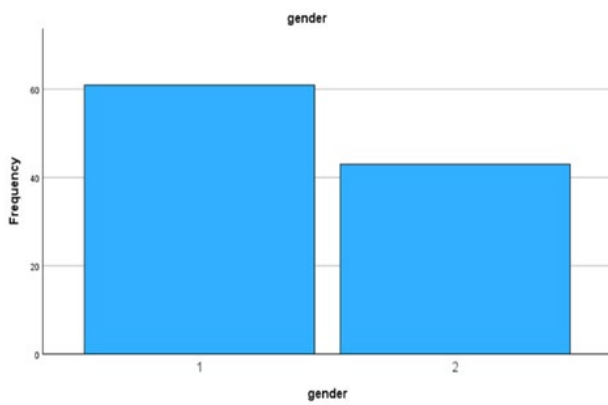


Fig. 2.

Table 4

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.403 <sup>a</sup>	2	.496
Likelihood Ratio	1.395	2	.498
Linear-by-Linear Association	.620	1	.431
N of Valid Cases	104		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.03.

#### Interpretation:

The Chi-Square test results indicate no significant relationship between gender groups and satisfaction levels with OTA customer service. The Pearson Chi-Square value is 1.403 with a significance level of 0.496 (above 0.05), suggesting no statistically significant association. The Likelihood Ratio (0.498) and Linear-by-Linear Association (0.431) also show no significant results. With 0 cells having expected counts below 5, this test is reliable. Overall, satisfaction levels do not significantly differ by gender.

## 8. Findings and Conclusion

The study reveals that age and gender do not significantly influence satisfaction levels with Online Travel Agencies (OTAs), as per Chi-Square analysis. A majority (83.7%) of respondents belong to the 15-25 age group, while females (58.7%) outnumber males (41.3%). In terms of education, most respondents (65.4%) have completed post-graduation, indicating a highly educated sample. Regarding occupation, 49.2% are supervisors, with other professions such as private employees, customer care representatives, and software engineers forming smaller groups. Income-wise, 73.1% earn between 0-25,000, suggesting a lower-income demographic. When it comes to OTA usage, 54.8% use OTAs occasionally, while only 12.5% use them frequently. TripAdvisor (41.3%) and MakeMyTrip (39.4%) are the most preferred platforms.

The primary factors influencing OTA use include reviews and ratings (41.3%), followed by convenience (22.1%) and a variety of options (19.2%). However, user satisfaction presents a mixed picture. Booking processes left 51% partially satisfied and 29% dissatisfied, while 42% were partially satisfied with services offered, and 39% expressed satisfaction. Customer service was an issue, with 57% only partially satisfied and 17% dissatisfied. Usability and navigation also received mixed feedback, with 44% rating it as partially good. Regarding continued use and loyalty, 47% of respondents were partially likely to continue using OTAs, whereas 19% were unlikely to do so, indicating moderate loyalty but room for improvement. Value for money was deemed partially good by 46%, and 59% showed partial satisfaction with information accuracy, particularly regarding hotel descriptions. Concern resolution also faced criticism, with 50% rating it as partially good and 27% as poor. Notably, 56% of users would switch to another OTA for better deals or services, signalling high switching tendencies. While 62% showed partial likelihood of recommending their preferred OTA to family or friends, overall loyalty and trust remain moderate, emphasizing the need for OTAs to improve user experience and service quality.

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