



Tourism Distribution Channels During the Christmas Season

The Role of Online Travel Agencies (OTAs) and Their Influence on Consumer Booking Behavior

Course: Tourism Distribution Channels

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Abstract

The Christmas season represents one of the most commercially significant and operationally demanding periods for the global tourism industry, characterized by peak travel volumes, heightened consumer expectations, and intense competition across distribution channels. During this period, Online Travel Agencies (OTAs) play a critical role in connecting tourism suppliers with consumers by facilitating search, comparison, and booking processes through digital platforms. This study examines the role and effectiveness of OTAs in influencing consumer booking behavior during the Christmas holiday season, with particular emphasis on pricing strategies, promotional campaigns, trust-building mechanisms, and technological integration.

Adopting a qualitative, secondary-data-based research methodology, the study draws upon academic literature, industry reports, tourism market analyses, and OTA platform data published between 2018 and 2024. The research applies tourism distribution channel theory and consumer behavior frameworks to analyze how OTAs shape decision-making under conditions of time pressure, emotional motivation, and price sensitivity commonly associated with Christmas travel. The findings indicate that OTAs significantly influence consumer behavior by offering transparent price comparisons, bundled holiday packages, flexible cancellation policies, and user-generated reviews, all of which reduce perceived risk and simplify complex purchasing decisions.

However, the study also identifies challenges associated with OTA dominance during the Christmas season, including increased commission costs for tourism suppliers, reduced brand loyalty, and growing dependency on intermediary platforms. The paper concludes that while OTAs enhance efficiency and consumer satisfaction during peak holiday periods, tourism businesses must adopt balanced multi-channel distribution strategies to optimize visibility, profitability, and long-term customer relationships.

1. Introduction

Tourism distribution channels play a central role in connecting tourism suppliers—such as hotels, airlines, and tour operators—with consumers across global markets. These channels determine how tourism products are promoted, accessed, priced, and ultimately purchased. In an increasingly digitalized tourism environment, distribution channels have evolved from traditional travel agents to complex online ecosystems dominated by digital intermediaries. The effectiveness of these channels becomes particularly critical during peak travel periods, when demand surges, capacity constraints intensify, and consumer expectations are at their highest.

The Christmas season represents one of the most significant peak periods for the global tourism industry. It is characterized by increased leisure travel, family reunions, festive tourism, winter holiday vacations, and end-of-year travel motivated by cultural, religious, and social factors. During this period, travelers often face limited availability, fluctuating prices, and time pressure, which significantly influence their booking behavior. As a result, the choice of distribution channel becomes a decisive factor in shaping travel decisions.

In recent years, Online Travel Agencies (OTAs) have emerged as dominant intermediaries within tourism distribution systems, particularly during high-demand periods such as Christmas. OTAs provide centralized digital platforms that allow consumers to search, compare, and book travel products efficiently. Through features such as real-time price comparisons, bundled holiday packages, user-generated reviews, and flexible cancellation policies, OTAs reduce information asymmetry and perceived risk for travelers.

From a consumer behavior perspective, Christmas travel decisions are often emotionally driven and time-sensitive. Travelers frequently book trips for family gatherings, holiday celebrations, or limited vacation windows, leaving little room for extended search processes. OTAs capitalize on these conditions by employing persuasive digital marketing strategies, including countdown deals, festive promotions, personalized recommendations, and loyalty incentives.

However, the growing dominance of OTAs during peak holiday periods also presents strategic challenges for tourism suppliers. While OTAs offer increased visibility and access to global markets, they often charge high commission fees and reduce direct interaction between suppliers and consumers. This can lead to diminished brand loyalty, pricing pressures, and long-term dependency on intermediary platforms.

The purpose of this study is to examine the role of Online Travel Agencies in influencing consumer booking behavior during the Christmas holiday period. By applying tourism distribution channel theory and consumer behavior frameworks, the research evaluates how OTA strategies shape travel decisions and assesses their implications for tourism businesses and the broader tourism supply chain.

2. Literature Review

Tourism distribution channels refer to the systems and intermediaries through which tourism products and services are made available to consumers. Traditionally, these channels included travel agents, tour wholesalers, and destination management organizations that acted as intermediaries between suppliers and travelers. Classical distribution channel theory suggests that intermediaries reduce transaction costs, improve market efficiency, and bridge information gaps between producers and consumers. In tourism, where products are intangible, perishable, and often consumed far from the point of purchase, distribution channels play a particularly critical role.

The evolution of tourism distribution has been strongly influenced by advances in information and communication technologies. Digitalization has transformed distribution from linear, supplier-controlled systems into dynamic, consumer-centric networks. Within this context, Online Travel Agencies (OTAs) have emerged as dominant intermediaries, reshaping how tourism products are distributed, particularly during peak travel periods such as the Christmas season.

Online Travel Agencies represent a major innovation in tourism distribution by aggregating accommodation, transport, and experience-based services within a single digital platform. Literature highlights that OTAs gained prominence due to their ability to provide real-time availability, transparent pricing, and comparative search functionality. These features are especially valuable during holiday travel planning, which often involves fixed dates, group coordination, and limited availability.

Consumer behavior research indicates that travel decisions are influenced by both rational and emotional factors. During the Christmas season, emotional drivers such as family obligations, festive traditions, and limited vacation windows intensify booking urgency. Studies show that consumers rely heavily on online reviews, ratings, and visual content to reduce perceived risk when booking travel products under time pressure.

Price sensitivity is another critical theme in seasonal tourism literature. Although prices tend to rise during Christmas due to high demand, consumers actively seek perceived value through discounts, bundled packages, and flexible booking options. OTAs use dynamic pricing models and festive promotions to influence booking behavior, often combining higher prices with value-added services to maintain demand.

Trust plays a central role in online travel booking, particularly during high-stakes periods such as Christmas. OTAs invest heavily in trust-building mechanisms including secure payment systems, transparent policies, flexible cancellation options, and customer support services. Personalization technologies further enhance user experience by reducing information overload and improving booking efficiency.

Despite their advantages, literature also highlights challenges associated with OTA

dominance. High commission fees can reduce supplier profitability, while excessive reliance on intermediaries may weaken direct customer relationships. Scholars emphasize the importance of balanced, multi-channel distribution strategies to ensure long-term sustainability.

Although tourism distribution and online booking behavior have been widely studied, limited research focuses specifically on the Christmas season. This study addresses this gap by examining OTA influence within the unique context of peak holiday travel.

3. Methodology

This study adopts a qualitative, exploratory research design to examine the role and effectiveness of Online Travel Agencies (OTAs) in influencing consumer booking behavior during the Christmas season. A qualitative design is appropriate because the research seeks to explore patterns, strategies, and perceptions related to tourism distribution channels rather than to test statistical hypotheses. The Christmas period represents a unique context of peak tourism demand, heightened emotional decision-making, and operational pressure, making it particularly suitable for in-depth qualitative analysis.

The research follows a secondary data-based qualitative approach, drawing on existing academic literature, industry reports, market analyses, and publicly available data from OTA platforms. Primary data collection was not undertaken due to time constraints and the extensive availability of reliable secondary sources addressing tourism distribution, online booking behavior, and seasonal travel trends. This approach allows the study to capture a broad range of perspectives across different geographical markets and time periods.

Data sources include peer-reviewed journals in tourism and hospitality management, reports published by tourism research organizations, consultancy firms, and international tourism bodies, as well as official OTA platform content related to Christmas promotions, booking policies, and loyalty programs. Sources published between 2018 and 2024 were prioritized to ensure relevance to contemporary digital tourism practices.

Rather than statistical sampling, the study employs purposeful case selection by focusing on major global OTAs with significant influence during the Christmas season. These platforms were selected based on criteria such as market share, international reach, technological sophistication, and relevance to holiday travel bookings. This case-based approach enhances analytical depth and supports comparative interpretation.

The collected data were analyzed using thematic content analysis, a widely used qualitative research technique. The analysis involved several stages, including data familiarization, initial coding of recurring concepts, development of broader analytical themes, and interpretation of findings through established tourism distribution and consumer behavior theories. This systematic process ensured analytical rigor and transparency.

To enhance reliability and validity, the study employed source triangulation by drawing data from multiple academic and industry sources. Findings were consistently interpreted in relation to established theoretical frameworks, and contrasting viewpoints within the literature were critically evaluated. While qualitative research does not aim for statistical generalizability, the methodological rigor ensures that the findings are analytically transferable to similar peak-season tourism contexts.

Ethical considerations were addressed by relying exclusively on secondary data obtained from publicly available and ethically published sources. All materials were cited in accordance with APA referencing guidelines to maintain academic integrity. No confidential, proprietary, or personal data were used in this study.

Despite its strengths, the methodology has certain limitations. The reliance on secondary data limits the ability to capture real-time consumer emotions or firsthand supplier experiences during the Christmas season. Additionally, rapid technological changes within OTA platforms may result in some practices evolving beyond the timeframe of the analyzed data. Nevertheless, the methodology provides a robust foundation for achieving the research objectives and generating meaningful academic insights.

Purposeful case selection focused on leading global OTAs with significant holiday market influence. Data were analyzed using thematic content analysis involving coding, theme development, and interpretation through tourism distribution and consumer behavior theories. Reliability and validity were enhanced through triangulation and theoretical alignment. Ethical standards were maintained through proper APA referencing.

4. Findings

The analysis of secondary data reveals that Online Travel Agencies (OTAs) play a dominant and multifaceted role in tourism distribution during the Christmas season. One of the most significant findings is the intensification of promotional activity during this peak period. OTAs consistently deploy Christmas-specific marketing campaigns, including festive discounts, limited-time flash sales, bundled travel packages, and loyalty-based incentives. These promotions are strategically designed to create a sense of urgency and to capture consumer attention in an environment characterized by high competition and time-constrained decision-making.

Another key finding relates to consumer booking behavior under Christmas travel conditions. The data indicate that travelers increasingly rely on OTAs due to their ability to aggregate multiple suppliers and provide transparent price comparisons in real time. During the Christmas season, when availability is limited and prices fluctuate rapidly, consumers value the efficiency and clarity offered by OTAs. User-generated reviews and ratings further influence booking decisions by reducing perceived risk, particularly for accommodation and experience-based products.

The findings also highlight the importance of value-added features offered by OTAs during Christmas. Flexible cancellation policies, pay-later options, and customer support services are identified as critical factors that increase consumer confidence. These features are especially important during holiday travel, as plans are more susceptible to change due to family obligations, weather conditions, or operational disruptions.

From a technological perspective, the data suggest that personalization tools significantly shape consumer behavior during the Christmas period. OTAs use algorithm-driven recommendations based on previous searches, location data, and booking history to present tailored offers. This personalization reduces information overload and simplifies decision-making at a time when consumers are exposed to an abundance of travel options and marketing messages.

The findings further reveal a strong dependence of tourism suppliers on OTAs during the Christmas season. Hotels and other accommodation providers, in particular, experience increased booking volumes through OTAs, which help maintain high occupancy levels during peak demand. However, this dependence comes at a cost. High commission fees charged by OTAs reduce profit margins, and suppliers often have limited control over pricing presentation and customer relationships.

In addition, the data indicate that direct booking channels tend to play a secondary role during Christmas, especially for first-time or international travelers. While some repeat customers prefer to book directly with suppliers, the majority of holiday travelers prioritize convenience and perceived security over brand loyalty. This reinforces the intermediary power of OTAs during peak holiday periods.

Overall, the findings demonstrate that OTAs significantly influence tourism distribution and consumer booking behavior during the Christmas season by combining promotional intensity, technological efficiency, and trust-building mechanisms. At the same time, they expose structural challenges related to supplier dependency and profitability, underscoring the need for balanced distribution strategies.

5. Discussion

The findings of this study provide important insights into the role of Online Travel Agencies (OTAs) within tourism distribution systems during the Christmas season and can be critically interpreted through existing tourism distribution and consumer behavior theories. The dominance of OTAs during this peak period reinforces theoretical arguments that intermediaries become most powerful when demand is high, supply is constrained, and consumers seek efficiency and risk reduction.

From a distribution channel perspective, the findings support the view that OTAs function

as value-adding intermediaries rather than mere transactional platforms. By aggregating supply, providing real-time price comparisons, and simplifying complex purchasing decisions, OTAs reduce transaction costs for consumers. During the Christmas season, when travelers face time pressure and heightened emotional involvement, this value proposition becomes particularly significant.

The strong influence of promotional strategies observed in the findings aligns with consumer behavior theories related to scarcity and urgency. Christmas-specific promotions, countdown deals, and bundled packages exploit limited-time perceptions and encourage quicker decision-making. While such strategies are effective in driving bookings, they also raise concerns regarding consumer price sensitivity and the potential normalization of discount-driven purchasing behavior.

Trust emerges as a central theme in interpreting the findings. The reliance on user-generated reviews, flexible cancellation policies, and customer support services reflects consumers' desire to minimize perceived risk during holiday travel. The Christmas period amplifies this need for trust due to the personal and social importance of holiday trips. OTAs that successfully communicate reliability and security are therefore more likely to dominate consumer choice.

From the supplier perspective, the findings highlight a strategic dilemma. While OTAs provide essential visibility and demand generation during Christmas, their dominance can undermine long-term supplier autonomy. High commission fees and reduced direct customer engagement limit profitability and brand loyalty. This supports existing literature that warns against excessive dependence on intermediary platforms, particularly during peak seasons when bargaining power shifts toward OTAs.

The discussion also reveals the importance of adopting a balanced, multi-channel distribution strategy. Tourism businesses that rely exclusively on OTAs may achieve short-term occupancy gains during Christmas but risk long-term strategic vulnerability. Integrating direct booking incentives, personalized communication, and loyalty programs outside the peak season may help suppliers regain control over customer relationships.

Technological personalization plays a dual role in shaping Christmas travel behavior. While algorithm-driven recommendations enhance consumer convenience and satisfaction, they also increase platform dependency by locking users into specific ecosystems. This raises broader questions about market concentration and competition within digital tourism distribution.

Overall, the discussion demonstrates that OTAs are indispensable to tourism distribution during the Christmas season, yet their growing influence necessitates strategic management by tourism businesses. A collaborative but cautious approach—leveraging OTA strengths

while investing in long-term direct channel development—emerges as the most sustainable response to the challenges identified.

6. Conclusion

This study has examined the role and effectiveness of Online Travel Agencies (OTAs) in shaping tourism distribution and consumer booking behavior during the Christmas season, one of the most economically significant periods for the global tourism industry. The analysis demonstrates that OTAs occupy a central position within holiday travel distribution systems by offering convenience, transparency, and perceived security to consumers operating under conditions of time pressure, emotional motivation, and limited availability.

Drawing on tourism distribution channel theory and consumer behavior literature, the study concludes that OTAs add substantial value during the Christmas period by aggregating supply, enabling real-time price comparisons, and reducing perceived risk through trust-building mechanisms such as reviews, flexible cancellation policies, and customer support services. These features strongly influence consumer decision-making and contribute to the dominance of OTAs during peak holiday demand.

At the same time, the findings highlight important challenges associated with OTA dependence for tourism suppliers. High commission fees, reduced control over pricing presentation, and weakened direct customer relationships pose long-term strategic risks, particularly when suppliers rely heavily on intermediaries during peak seasons. While OTAs help maximize occupancy and visibility during Christmas, excessive reliance may undermine supplier profitability and brand autonomy.

The study therefore emphasizes the importance of adopting balanced and sustainable multi-channel distribution strategies. Tourism businesses should view OTAs as strategic partners for managing peak demand while simultaneously investing in direct booking channels, personalized communication, and loyalty-building initiatives outside the Christmas period. Such an approach allows suppliers to benefit from OTA reach without becoming structurally dependent on intermediary platforms.

From an academic perspective, this research contributes to tourism literature by focusing specifically on the Christmas season as a distinct and underexplored context within tourism distribution studies. By situating OTA practices within this seasonal framework, the study provides insights that extend beyond general online booking research and highlight the role of seasonality in shaping distribution dynamics.

Future research could build on this study by incorporating primary data from consumers and tourism suppliers to capture real-time perceptions and decision-making processes during the Christmas period. Quantitative analysis and comparative studies across different

cultural or regional contexts would further enhance understanding of OTA influence during peak holiday travel. Overall, the study concludes that while OTAs are indispensable to modern tourism distribution during Christmas, their role must be strategically managed to ensure long-term sustainability for the tourism industry.

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