Price Integrity Analysis in Hospitality

World Parity Monitor

H1 | 2025

123 COMPARE.ME

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Introduction

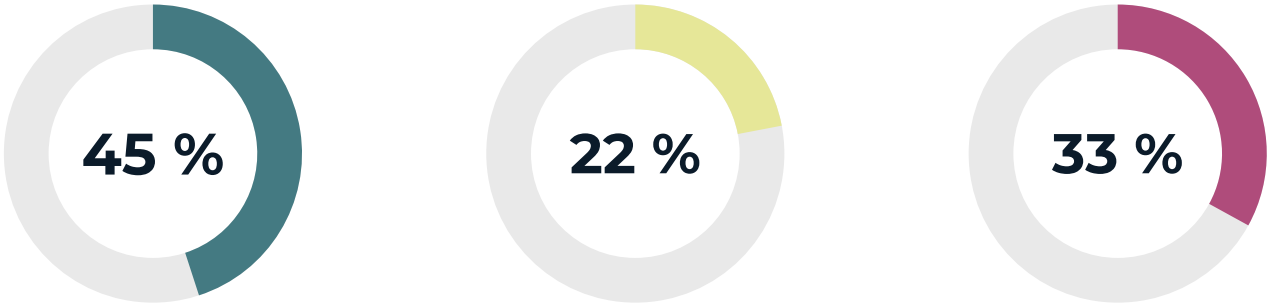
How frequently do OTAs undercut the hotel's direct rate?

Price management across intermediary channels remains one of the main challenges for hotels.

The growing number of online platforms—now exceeding 400—makes it increasingly difficult to control distribution, particularly regarding the final price displayed to users.

In 2024, data showed that OTAs offered lower prices than the hotel's official website in 30% of cases. The direct channel was more competitive 44% of the time, while price parity was achieved in the remaining 26%.

In the first half of 2025, this trend has not only persisted—it has slightly intensified, with OTA undercutting increasing by 3 percentage points **(see Figure 1)**.



Beat
The hotel's direct price is lower than on the OTAs.

Meet
The hotel's direct price and OTA price are similar (within ±0.5%).

Lose
The OTA price is lower than the hotel's direct price.

Figure 1. Average Beat, Meet, and Lose Rates in 2025 | Direct Price vs. OTAs

Is the direct channel ready to take on 20+ competing offers at once?

A typical hotel search on **Google Hotels displays more than 20 different prices for the same room**. In most cases, the guest chooses the cheapest option.

This is where the direct channel faces its biggest challenge: staying competitive against the best rate published by third parties.

As noted earlier, during the first half of 2025, an OTA offered the lowest available price in 33% of searches.

But when looking at the full set of prices per search, the impact is even greater: in 75% of cases, at least one OTA displayed a lower rate than the hotel's official website (see Figure 2).

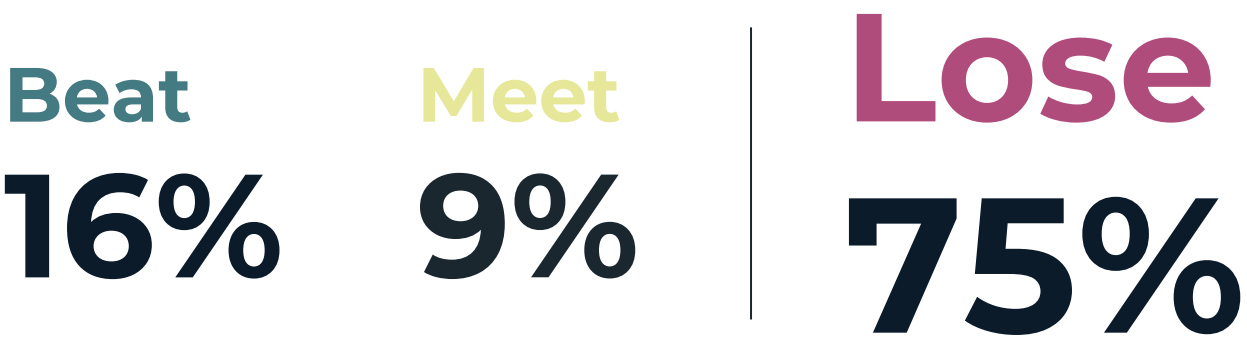


Figure 2. Average Beat, Meet, and Lose Rates in 2025 | Direct Price vs. Best Available Offer

01

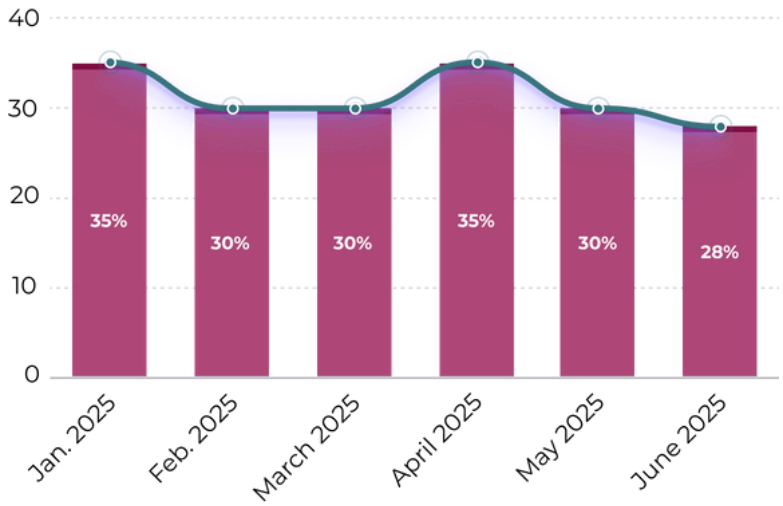
Has OTA pressure remained unchanged?

Lose Rate Over Time

2025 started with a lose rate of 35% in January. It dropped slightly in February and March but climbed back up in April, once again reaching that same level.

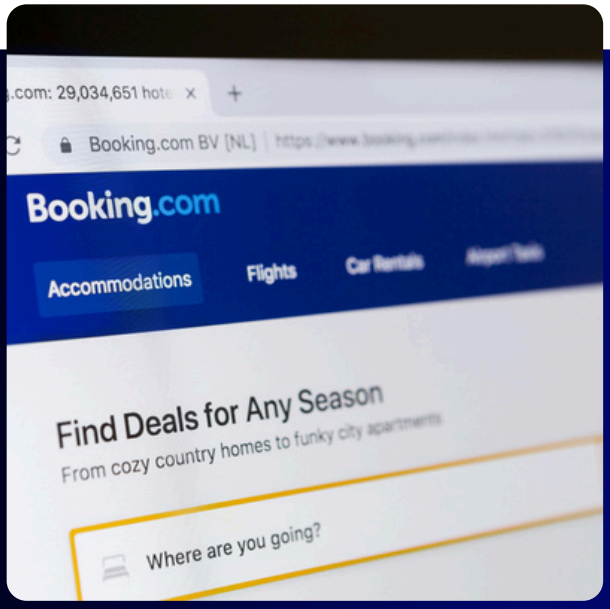
The semester ended with a 28% lose rate — the lowest figure recorded to date **(see Graph 1)**.

Even with that drop in June, pressure on the direct channel has remained steady, just as it did throughout 2024. **With little variation between both periods, price integrity remains at risk, and disparity continues to impact direct sales.**



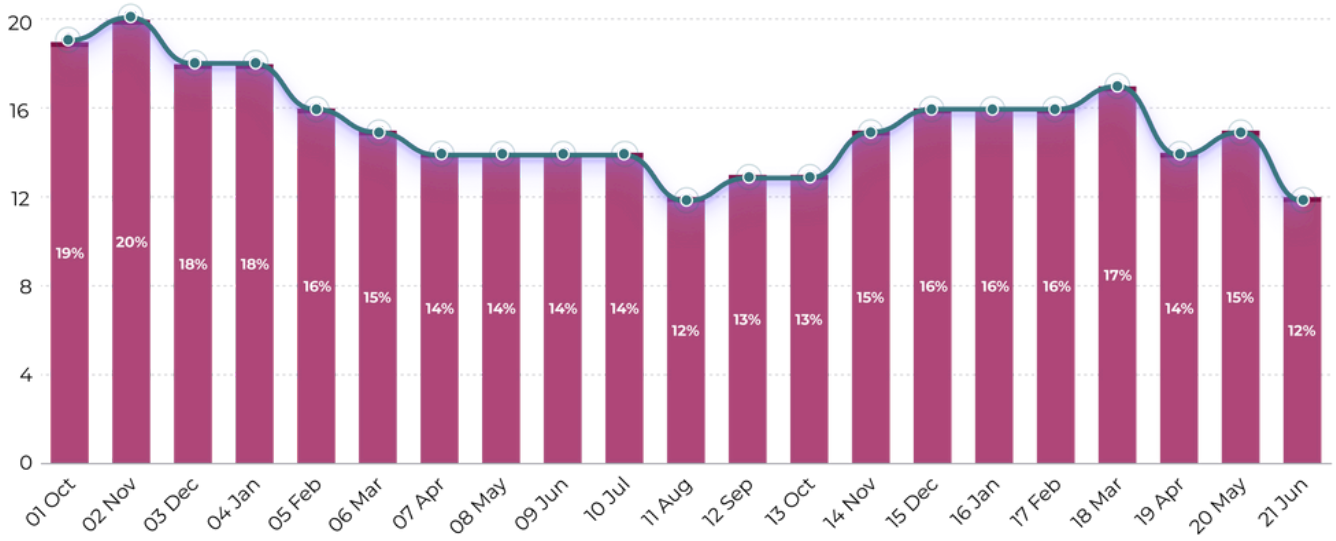
Graph 1. Lose Rate Trend | First Half of 2025

Booking.com Price Disparity Evolution in the EU



What's Going On with Booking.com in the EU?

After ending 2024 on a downward trend, **Booking.com's lose rate rose again in the early months of 2025.** However, starting in April, it began to decline once more, closing the semester at its lowest level in the past year **(see Graph 2).**



Graph 2. Lose Rate Trend | Booking.com in EU Locations

02

When Is the Direct Channel More Competitive?

Anticipation, Length of Stay, and Traveler Profile Matter

Booking a Room Tonight Isn't the Same as Planning a Vacation Three Months in Advance.

Urgency drives the first; time to compare defines the second. And that difference is also reflected in how aggressively OTAs set their prices.

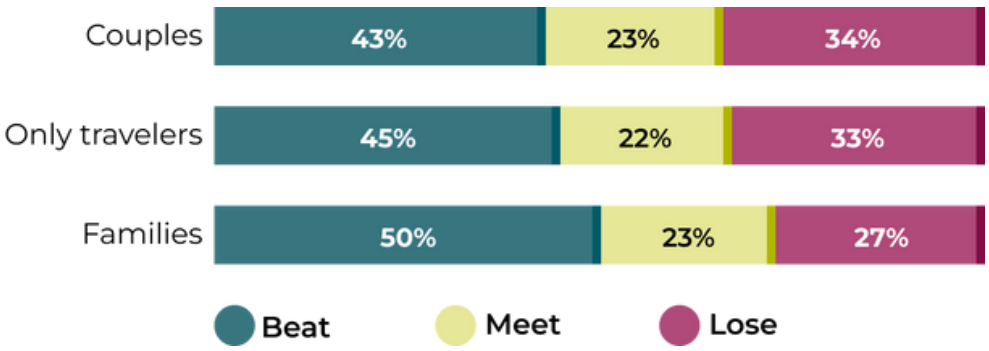
In the first half of 2025, the direct channel achieved a higher beat rate—meaning it offered better prices than the OTAs ➡️ on searches made further in advance, for longer stays, and for family bookings.

In these cases, OTA pressure doesn't disappear—but it does ease.

Traveler profile makes a difference

As you can see in **Graph 3,** families benefit the most from booking direct: hotels beat OTAs 50% of the time for this segment. Solo travelers and couples follow with similar but slightly lower rates (45% and 43%, respectively). This aligns with booking behaviors—families tend to plan earlier and stay longer.

Graph 3. Beat, Meet, Lose | Traveler Profile

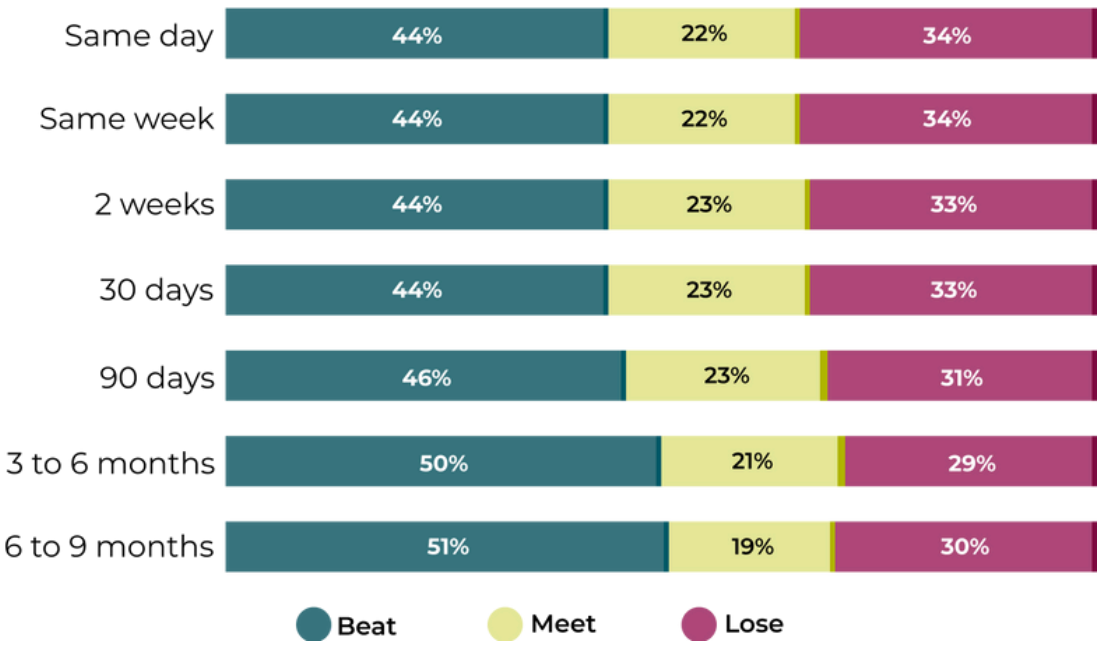


Timing also matters

Graph 4 shows how the beat rate improves as the booking window extends. While same-day and short-term searches show a stable 44% beat rate, the advantage shifts in favor of direct channels from 90 days out—peaking at 51% when bookings are made 6 to 9 months in advance.

The takeaway? The more time travelers have, the better hotels can position their pricing.

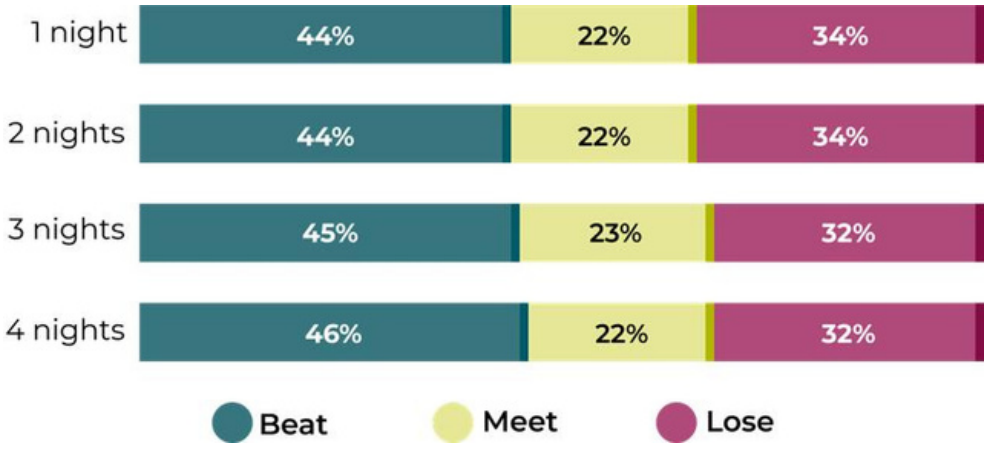
Graph 4. Beat, Meet, Lose | Booking Window



And so does length of stay

In **Graph 5,** the longer the stay, the higher the beat rate: from 44% for 1-night bookings up to 46% for 4-night stays. OTAs maintain their pressure on short bookings, but hotels increasingly outperform them when the reservation has higher value.

Graph 5. Beat, Meet, Lose | Length of Stay



Mobile vs. Desktop

Where Is the Direct Channel More Vulnerable?

During the first half of 2025, as in previous periods, the lose rate was higher on mobile devices: **38% compared to 31% on desktop.**

On mobile, decisions happen fast. And OTAs know it.

That's why they concentrate many of their most aggressive tactics on mobile devices: **exclusive rates, flash deals, and limited-time offers.**

On desktop, the pressure eases

Users take more time to compare, check conditions, and consider booking directly.

03

Who's disrupting price parity?

Top Price Undercutters Among OTAs

While major OTAs adopt less aggressive strategies, smaller intermediaries ramp up the pressure on direct sales.

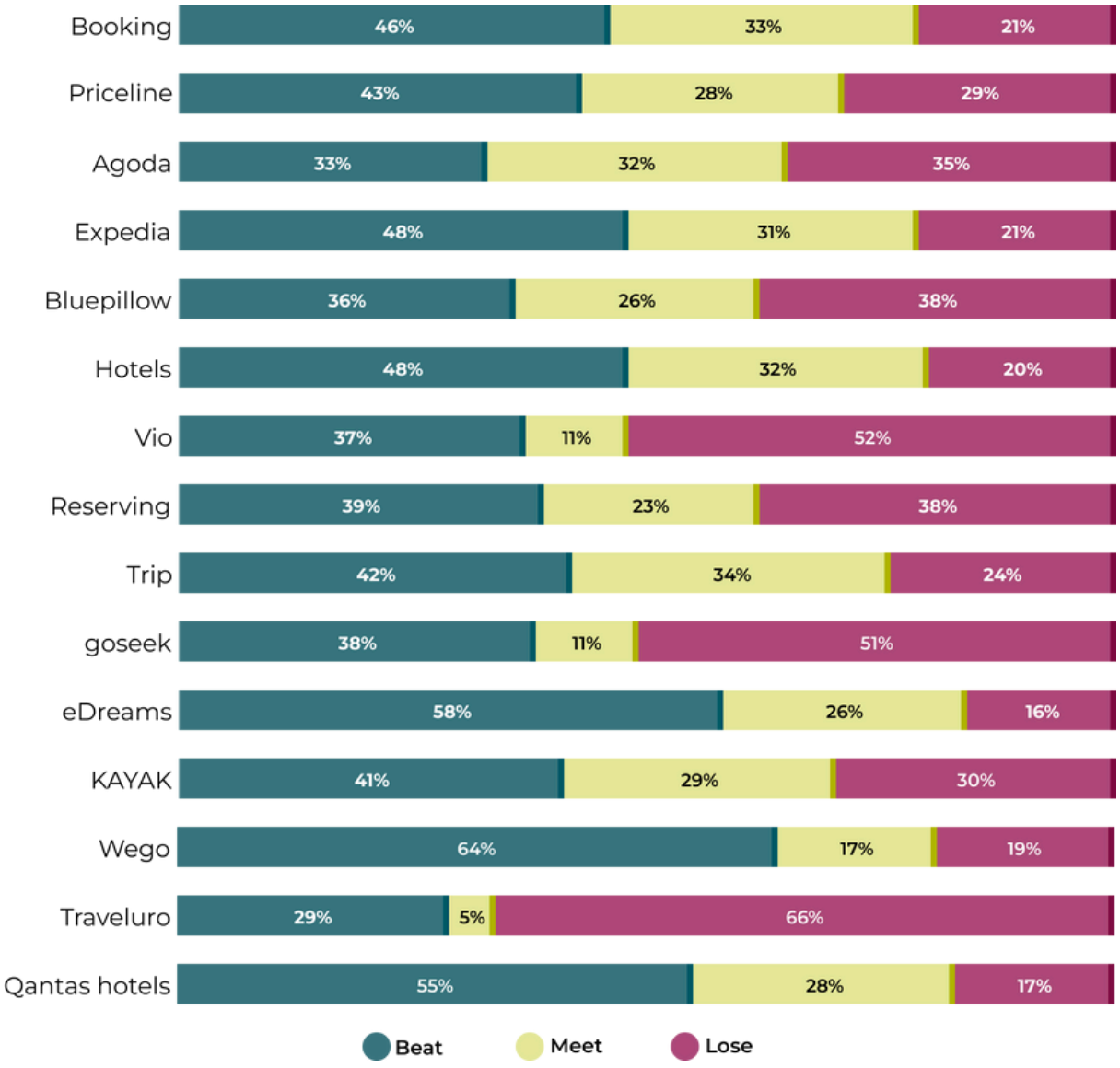
During the first half of 2025, **Booking.com and Expedia maintained a lose rate below 21%, reflecting less aggressive pricing tactics** and greater consistency with the rates shown on the hotel's official website **(see Graph 6)**.

In contrast, other OTAs continue to pursue far more aggressive pricing strategies. Some, such as Traveluro or Bluepillow, offered lower prices than the hotel's official site in over half of the cases analyzed, systematically undermining price integrity.

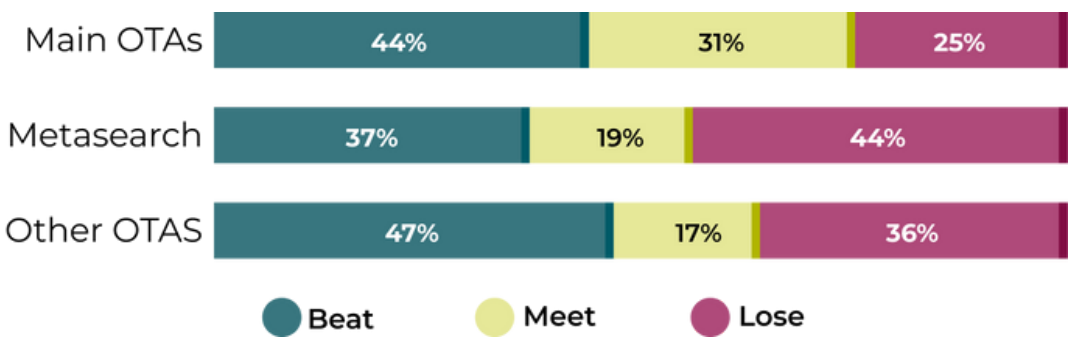
Metasearch engines: a disparity amplifier

By aggregating prices from multiple OTAs, they expose pricing differences more clearly—intensifying the pressure on direct channels **(see Graph 7)**.

Graph 6. Beat, Meet, Lose | Most Aggressive OTAs



Graph 7. Beat, Meet, Lose | Source of the Disparity



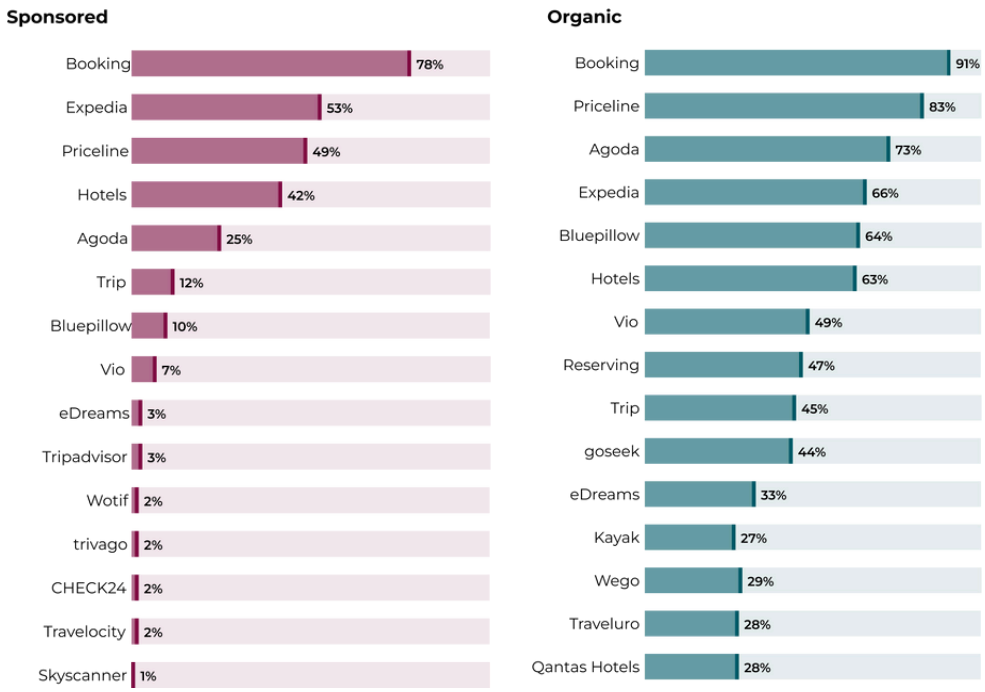
04 Who competes on price and who dominates visibility?

Booking.com and Expedia vs. Other OTAs

The major players: Booking.com and Expedia dominate online visibility, with a particularly strong presence in sponsored results.

Meanwhile, other OTAs — **with minimal visibility in paid placements and only slightly higher in organic results**— rely on more aggressive pricing strategies to capture bookings **(see Graph 8)**.

Graph 8. Impression Share | Organic vs. Paid



05

In Which Markets Are OTAs Being Most Aggressive?

Where Hotels Beat — and Lose to — OTAs

In **consolidated European markets** like Paris (23% lose rate) or Dublin (25%), **direct channel pricing holds up better against OTA pressure (see Graph 9).**
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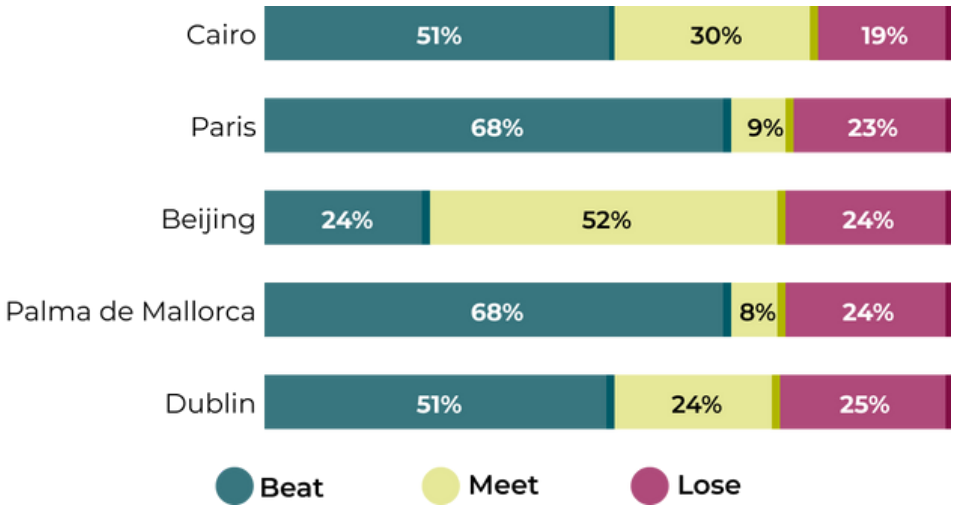
Graph 9. Beat, Meet, Lose | Top 5 destinations with Lowest Lose Rate



In contrast, in **less mature or more fragmented markets**—particularly in Asia and Latin America—OTA pressure intensifies. Destinations like Buenos Aires (51%) and Ho Chi Minh City (50.6%) **show sharply higher levels of disparity (see Graph 10).**

In complex, **high-density hotel markets** such as Las Vegas (46.4%), New York (37.6%), San Francisco (36.8%), and Los Angeles (35.3%), **maintaining price parity is also more difficult,** with lose rates above the global average.

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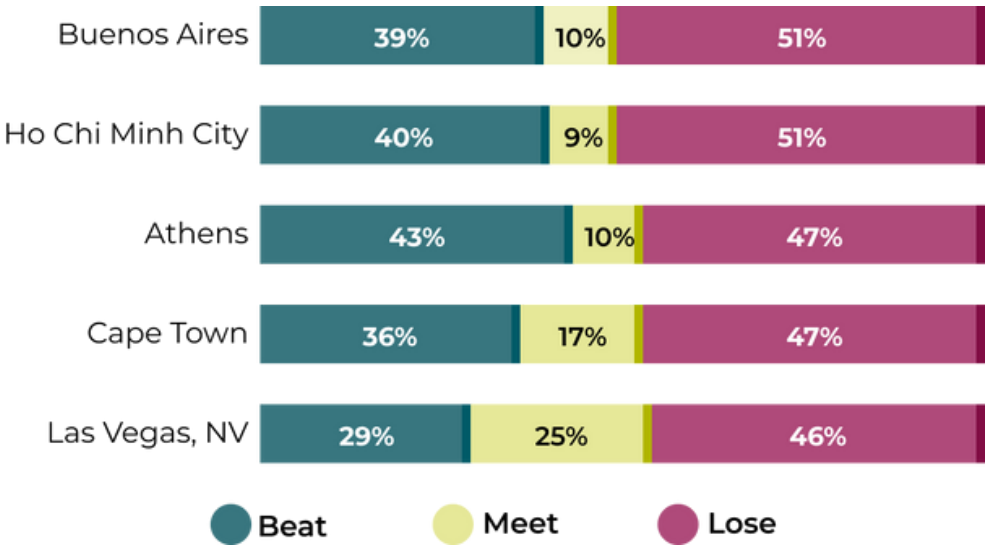
Graph 10. Beat, Meet, Lose | Top 5 destinations with Highest Lose Rate



Geographic Patterns of OTA Pressure

To better illustrate the disparity dynamics across global destinations, the following map **(Figure 3)** visualizes the Lose Rate intensity through a color-coded system:

- **Green** = Lower disparity levels (e.g., Paris, Palma de Mallorca, Cairo)
- **Yellow** = Moderate disparity levels
- **Orange** = High disparity levels
- **Dark Red** = Critical disparity levels (e.g., Buenos Aires, Las Vegas)

This global snapshot highlights the resilience of direct channels in consolidated European markets, while revealing how fragmented or high-density hotel markets face stronger OTA pressure and higher parity loss. T

he map complements the data shown in **Graphs 9 and 10**, reinforcing the geographic contrast in OTA competitiveness.

Figure 3. Color-coded representation of OTA pricing pressure based on Lose Rate across key hotel destinations

06

Who can better withstand pressure from OTAs?

Hotel Chains vs. Independent Properties

During the first half of 2025, independent hotels recorded a lose rate of 37%, compared to 31% for major hotel groups. On the other hand, their beat rate reached 54%, versus 41% for the larger chains.

The difference in lose rate is largely due to the stronger negotiating power and higher investment in marketing and technology by **major hotel groups**, which enables them to secure more robust distribution agreements and allocate more resources to adjust their pricing strategy in real time.

Beat	Meet	Lose
41%	28%	31%

Hotel Chains

On the other hand, **independent hotels**—while having greater flexibility to adjust rates due to the absence of centralized pricing policies, which allows them to achieve a higher beat rate than major hotel groups—have less leverage when dealing with OTAs.

Beat	Meet	Lose
54%	9%	37%

Independent Properties

As a result, they are more exposed to price disparities and face greater challenges in protecting the integrity of their rates.

Key Takeaways

Navigating H2 2025: Where Should Hotels Focus?

This semester's findings highlight the ongoing need to tighten control over online distribution.

The H1 2025 report **highlights the importance of maintaining tighter control over online distribution and carefully reviewing agreements with each intermediary.**

The goal is not to shut down channels, but to identify which partners truly add value to a hotel's or hotel group's distribution strategy—always ensuring price integrity is respected.

Because a **strategy** that lacks rate integrity can impact both profitability and how the direct channel is perceived by potential guests.

Price integrity under pressure: how to stay in control

Protecting price integrity requires active monitoring: the ability to detect when and **where a disparity occurs, verify if it's real, and respond quickly to correct it.**

Having systems in place that can automate this process is no longer just an advantage—it's becoming an operational necessity ➡️ **Request more information.**

About WPM

The World Parity Monitor (WPM) provides a detailed view of price parity trends in 3, 4, and 5-star hotels across the 60 top global tourist destinations.

The study analyzes over 6 million monthly searches on Google Hotels. It evaluates price differences between hotel direct rates and OTA rates.

Methodology: Key Performance Indicators (KPIs)

- Beat: The hotel's direct price is lower than the OTAs' price.
- Meet: The direct price and OTA price are similar (+/- 0,5%).
- Lose: The OTA price is lower than the direct price.

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