ZentrumHub | Simplifying Travel Technology

Industry Benchmark Report of Hotel Distribution 2026

What 1.5M+ bookings reveal about the year AI hit the booking flow.

What's Inside

Executive summary

Five findings shaping hotel distribution in 2026.

01

AI booking: a decade-defining behavioral shift.

56% of U.S. travelers used AI for a trip - but just 2% will let it book on its own. The gap is the story.

02

CoStar Jan 2026 · OTA disclosures, Q4 2025

U.S. hotel RevPAR fell for the first time in 16 years; API distribution grew at triple-digit rates.

03

Expedia & Booking Holdings, 2025

B2B distribution grew 24–26% YoY 5× faster than consumer-facing OTA segments (+5%).

04

Cloudbeds 2026 - 90M bookings, 180 countries

The OTA cancellation rate is now 2× direct: 21.8% vs 10.6%.

05

Network data, 2025

Two-thirds of hotel-API revenue flows through just five suppliers.

Reader's guide

Who this is for. How to read it.

Built for the people deciding how hotel inventory reaches the customer in 2026.

OTA founders & CEOs
sizing the shift in distribution power and channel economics.

Heads of Hotel Business Unit
evaluating channel performance and supplier strategy.

CTOs & VPs of Technology
auditing supplier mix & AI-readiness for concentration risk.

B2B travel platform leaders
benchmarking against the broader market.

How to
Read it...

Summary - five findings

The headlines that frame the report.

The counter-narratives

Great Reversal · Cancellation Gap · Concentration · AI.

End-to-end

Two chapters, closing with four strategic implications.

Secondary readers: investors, analysts, and travel-industry journalists tracking where growth and capital are moving. All figures aggregated and anonymised.

Methodology

How We Built This Report.

The findings draw on aggregated, anonymised observations from one of the largest hotel-API networks operating in 2026 - cross-referenced with public benchmarks from Phocuswright, CoStar, Cloudbeds, SiteMinder & public OTA and B2B-platform financial disclosures.

1.5M+

Bookings Analyzed

$1B+

In Gross Booking Value

15+

Countries

90+

OTAs & Travel Agencies

All client-level, supplier-level and traveller-level figures are aggregated and anonymised. Categories, not named providers, are reported throughout.

01

Chapter

The great REVERSAL

U.S. hotel RevPAR posted its first non-recession decline in 16 years. The B2B hotel-API channel grew at triple-digit rates. The pie isn't growing - but the API slice is.

The great reversal

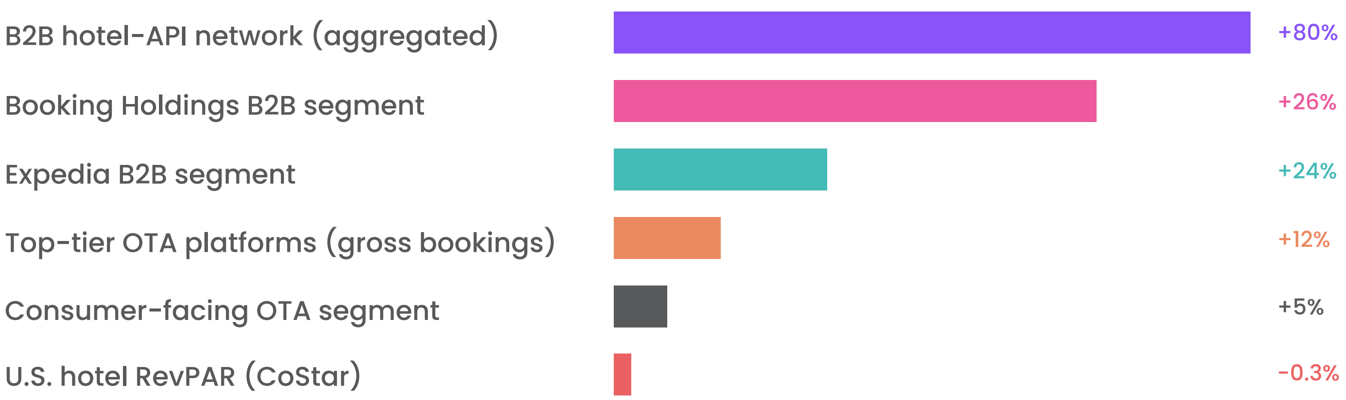
Two industries. Opposite directions.

−0.3%

U.S. Hotel Rev-PAR, FY 2025

First non-recession decline in 16 years. RevPAR closed the year at $100.02 - with occupancy down 1.2 ppts to 62.3% & ADR up just 0.9% to $160.54.

CoStar press release, 22 Jan 2026



Where the growth is

Growth has moved East – & into B2B.

Asia-Pacific outbound from China and India crossed pre-pandemic highs for the first time in 2025. Middle East RevPAR is up high-single-digits. Indian ADR is accelerating. Traditional U.S. and Western European hotel markets are flat to negative.

India

+12%

Hotel ADR growth, Q4 2025

China

167.5M

2025 US outbound: +40M

UAE

+9%

Dubai RevPAR YoY, 2025

Italy

+3%

Italy RevPAR H1 2025

France

78%

Paris hotels hit decade high

USA

-0.3%

Historic non-recession drop

Where the bookings go

Five cities anchor global hotel demand.

Dubai now generates more bookings revenue than New York, Mumbai and Rome combined. Paris hit a decade-high occupancy of 78%. The Middle East's pricing power has consolidated post-pandemic.

#1

Dubai
United Arab Emirates

$47.6M

Occupancy 79.4%, RevPAR +9%, NYE 2025 ADR exceeded AED 2,000.

STR / DET

#2

Paris
France

$22.0M

Occupancy 78% - decade high. RevPAR +3% over post-Olympics 2024.

CoStar / INSEE

#3

New York
USA

$11.6M

Occupancy 84.1%, ADR $333.71 (+4.7%), top-performing US market.

CoStar 2025

#4

Mumbai
India

$10.5M

India's #1 city - occupancy 77.1%, ADR ₹12,300 (~$148).

Horwath HTL

#5

Rome
Italy

$7.1M

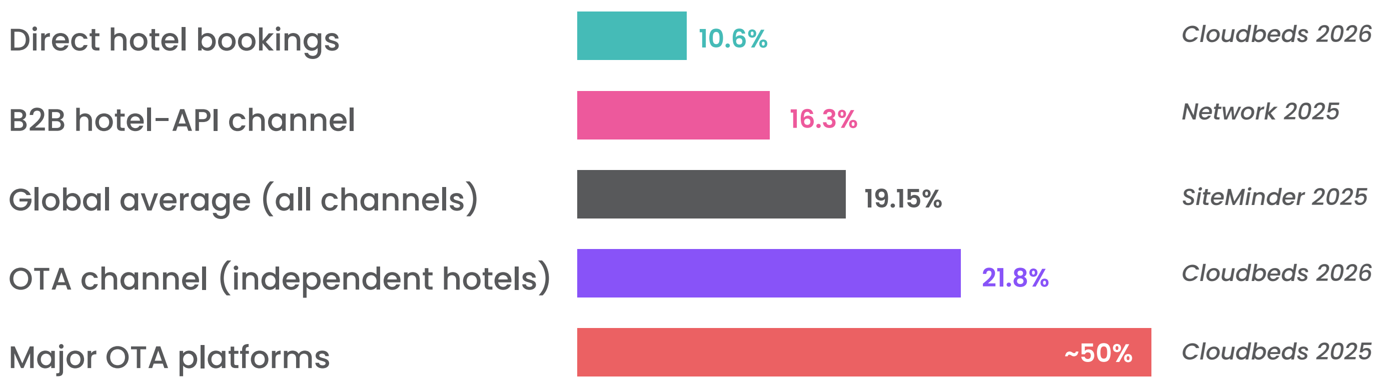
H1 RevPAR +3%. Pope Francis funeral peak: 88.8% occupancy.

Cushman & Wakefield

The cancellation gap

OTA cancellations are now 2× the direct-channel rate.

Cloudbeds' 2026 State of Independent Hotels report - built from 90 million bookings across 180 countries - revealed that OTA cancellation rates hit 21.8% in 2025, vs 10.6% for direct bookings. The hotel-API channel sits cleanly in between.



The concentration risk

Two-thirds of hotel-API revenue flows through five suppliers.

64%

of GBV concentrated in the top 5 supplier connections

The Industry Backdrop

10,000+ EU hotels in industry class-action

20 years of price-parity clauses ruled anti-competitive (ECJ 2024); Hotel Claims Alliance filed in 2025.

Distribution cost +25% vs RevPAR +19% (2019–25)

Cost of acquisition is now outpacing revenue growth.

Major B2B groups posted +8–20% TTV growth in 2025

HBX €8.2B TTV; WebBeds A$5.8B TTV; TBO crossed $3.7B GTV.

Top B2B players control €15B+ in combined TTV

Two-platform dominance in the independent B2B market.

Reliability is the unmeasured industry frontier.

There is no published industry standard for hotel-API booking failure rates. The figures below - observed across 1.5M+ network bookings - are among the first network-level disclosures of distribution reliability at scale.

88%

Booking confirmation rate

End-to-end across 90+ OTAs and 100+ supplier connections.

7%

Network failure rate

Driven by supplier-side timeouts, mapping mismatches and rate-eligibility errors.

$24M+

Lost revenue - recoverable

Annualised at network level. Industry-aggregate figure not previously disclosed.

For Context

Hotel booking-engine abandonment is industry-wide ~62% (Booking Whizz, 2026). OTA cart abandonment averages ~89% (Navan, 2025). Travel ranks #1 for digital frustration at 44% (Contentsquare, 2025).

Chapter

02

AI hits the **Booking Flow**

56% of U.S. travelers used AI for a trip - the fastest behavioral shift in over a decade. But the bottleneck isn't the chat box. It's whether your inventory is machine-readable in real time.

AI just hit the booking flow

Adoption raced ahead. Trust in autonomy did not.

> This is the fastest behavioral shift we have measured in well over a decade.
>
> *Pete Comeau, Managing Director, Phocuswright Research - May 2026*

56%

of U.S. travelers used AI for a trip in the past 12 months

33% › 43% › 56% (Phocuswright, Mar '26)

33%

Now use generative AI for trip research - closing on search (35%)

A 5× jump since 2024. Phocuswright, Mar 2026

2%

Will let AI book a trip fully autonomously

Discovery is here; the transaction isn't. Skift State of Travel 2025

Who's handling the bookings

Who's building the agentic shelf.

The bots and the payment rails went live across 2025–26. The booking funnel is collapsing into a single AI-mediated step - and who wins it depends on whose inventory is machine-readable in real time.

- **Visa Intelligent Commerce + Mastercard Agent Pay**
  Payment rails for agents
- **OpenAI ACP + Google AP2**
  Agentic checkout protocols
- **ChatGPT apps go live**
  Expedia & Booking.com on board
- **Google agentic hotel booking**
  Booking, Expedia, IHG, Marriott
- **OpenAI pulls in-chat checkout**
  Back to discovery - OTA stocks rise

The Bots Handling Travel

Chat GPT - Open AI
Expedia, Booking.com, Kayak

Google Gemini
AI Mode + AP2 / UCP rails

Perplexity
Selfbook + Tripadvisor

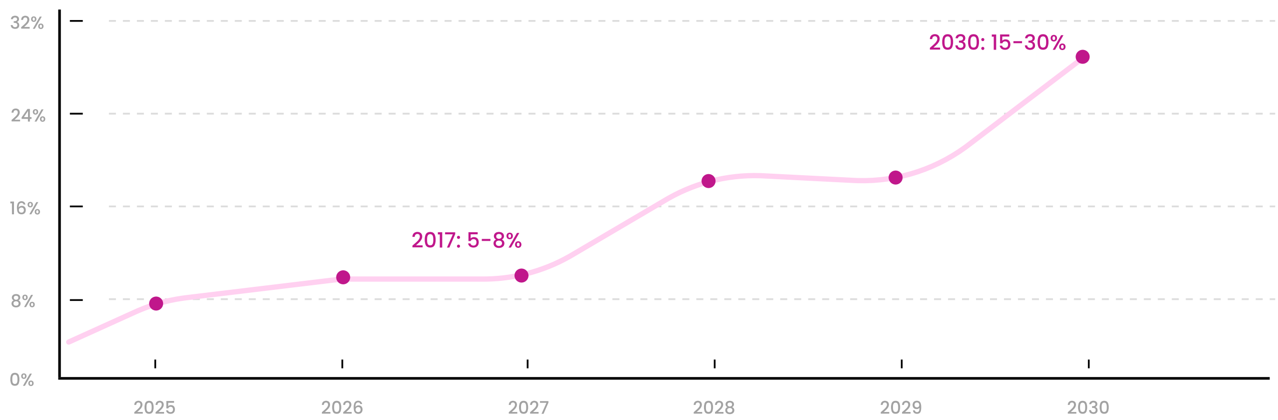
Microsoft Copilot
Expedia via Copilot Actions

THE TAKE AI-readiness is a supply problem, not a UX problem. The bots are ready - the bottleneck is machine-readable, real-time inventory. That's the new shelf placement.

Sizing the agentic shift

How big, how fast.

No major analyst has published a hotel-specific AI-booking forecast yet that gap is itself a finding. The band below blends the available travel & cross - sector estimates; the near-term anchor is ZentrumHub's own network projection.



Projected AI-agent share of bookings (%)

5-8%	**ZentrumHub network estimate** of OTA bookings via AI agents by end-2027.
30%	**IDC** of travel bookings via AI agents by 2030.
15-25%	**Bain & Company** of U.S. e-commerce by 2030.
20%	**Gartner** of digital-commerce transactions by 2030.
10-20%	**Morgan Stanley** of U.S. e-commerce by 2030.

Estimates use differing definitions (travel vs. all e-commerce) and are directional, not directly comparable. ZentrumHub figure is an internal network estimate.

The integration tax

Speed to inventory is the new competitive edge.

In an agentic flow, the booking goes to whoever can respond in milliseconds with live, accurate inventory. The slow part isn't the search - it's the months it takes to add the supplier in the first place.

47
Days
Industry Median

4–7
Days
Top Quartile

~10×
Gap between the median and the fastest movers.

ZentrumHub network estimate

Why It Compounds

A 47-day cycle is a 47-day revenue gap.
Every supplier you can't reach is inventory a competitor's agent can.

Self-building one supplier: 6–12 months, $100K+.
Per connection - before mapping, monitoring and failure handling.

Integrations don't add linearly - they compound.
Each new supplier multiplies data formats, rate models and failure modes.

What this means

Four implications for distribution leaders in 2026.

01

Disintermediation is happening in reverse.

APIs are taking share from brand-direct, not the other way around. The OTAs are getting bigger; the B2B layer underneath them is growing 5× faster than the consumer brands on top.

02

The hotel-API channel is the cancellation moat.

API-driven bookings sit cleanly between OTA (21.8%) and direct (10.6%) cancellation rates. Channel mix is now a cancellation risk lever.

03

Supplier diversification is no longer optional.

With 64% of GBV concentrated in 5 suppliers and the EU price parity class action live, every distribution platform needs 7+ active suppliers per region to manage outage risk.

04

AI distribution is a 2-year window, not a decade.

56% of U.S. travelers already use AI for trips. ChatGPT apps for OTAs went live Oct 2025. The integration window for hotel APIs into agentic flows is open now.

About the publisher

One Hotel API. 100+ hotel suppliers.

ZentrumHub is a hotel API platform connecting OTAs, travel agencies & DMCs to global hotel inventory through a single integration. The network processes over 1.5 million bookings annually across 15+ countries, with 90+ active OTA and travel-agency partners.

The benchmarks in this report draw on the network's aggregated, anonymised activity from May 2025 to May 2026 - cross-referenced with published research from Phocuswright, CoStar, Cloudbeds, SiteMinder, CBRE, HVS, JLL, Horwath HTL and public OTA and B2B-platform financial disclosures.

At a glance

Founded	2021, headquartered in India
Coverage	100+ supplier connections, 1M+ properties
Network volume	1.5M+ bookings annually
Network GBV	$1B+ in annualised gross booking value
Geography	15+ countries, 70+ markets
Channel mix	OTAs, online travel agencies, DMCs, B2B platforms

Let's audit

your supplier mix & your AI-readiness

30-minute working session with our team.
We’ll show you where your supplier mix is
leaving money on the table.

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