

A STUDY ON DETERMINANTS OF HOTELS' STRATEGIC CHOICES: COLLABORATION OR COMPETITION WITH OTAS IN SRINAGAR

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ABSTRACT

The rapid growth of digital platforms has transformed the hospitality industry, compelling hotels to strategically navigate relationships with Online Travel Agencies (OTAs). This study investigates the determinants influencing hotels' decisions to collaborate with or compete against OTAs in Srinagar, a tourism-sensitive and emerging destination. Drawing on a quantitative research approach, the study examines key economic, technological, managerial, and contextual factors that shape hotels' strategic orientation and their consequent impact on performance outcomes such as occupancy, revenue, and customer loyalty. A structured questionnaire was administered to a stratified sample of 120 hotels across Srinagar, encompassing 2-star to 5-star and independent properties. The study employs descriptive statistics, correlation, and multiple regression analyses to assess the relationships between determinants and strategic choices. Findings reveal that economic factors, particularly OTA commission rates and dependence on short-term revenue, significantly influence collaboration and competition decisions. Technological readiness, including the adoption of property management systems, customer relationship management tools, and direct booking platforms, enables hotels to implement hybrid strategies that balance OTA collaboration with competitive direct bookings. Managerial competence, encompassing innovation-oriented leadership and digital marketing expertise, is critical in shaping effective strategic responses. Contextual factors, such as seasonal fluctuations, geopolitical instability, and infrastructural constraints, further affect reliance on OTAs and the choice of strategic approach. The study highlights that hotels rarely adopt purely collaborative or competitive strategies; instead, hybrid strategies that integrate both approaches optimize occupancy, revenue, and customer loyalty. The findings contribute to the literature on hotel-OTA relationships and co-opetition strategies by providing empirical evidence from an emerging tourism market. Practically, the research offers actionable insights for hotel managers to align internal capabilities with market conditions and for policymakers to support sustainable tourism growth. This study underscores the importance of an integrated, context-sensitive approach to strategic decision-making in the digital hospitality ecosystem.

Keywords: Online Travel Agencies, Strategic Choices, Hotel Management, Collaboration, Competition, Hybrid Strategies, Srinagar

INTRODUCTION

The rapid transformation of the global hospitality industry over the last two decades has been significantly shaped by digitalization, globalization, and evolving consumer behavior, with Online Travel Agencies (OTAs) emerging as a critical force in redefining hotel distribution strategies (Smith, 2010; Buhalis & Law, 2011). OTAs such as Booking.com, Expedia, Make My Trip, and Goibibo have not only expanded consumer access to hotel products and services but have also altered the competitive dynamics by positioning themselves as intermediaries with strong bargaining power, thereby compelling hotels to reconsider their strategic approaches (Law et al., 2015; Xiang et al., 2017). While OTAs have facilitated visibility and market reach for independent and small-scale hotels in geographically dispersed regions such as Srinagar, they have simultaneously created a paradox of dependence versus autonomy, wherein hotels must decide whether to collaborate with these

platforms for enhanced market penetration or compete against them by strengthening direct booking channels (Zervas et al., 2017; Dogru et al., 2019). The determinants of such strategic choices are multifaceted, encompassing economic, technological, managerial, and socio-cultural dimensions that are particularly nuanced in developing and tourism-centric economies such as India (Munar & Jacobsen, 2014; Singh & Verma, 2020). Scholars have argued that collaboration with OTAs offers benefits such as increased occupancy rates, reduced marketing costs, and global exposure (Tussyadiah & Inversini, 2015; Ling et al., 2020), yet excessive dependence can erode brand identity, profit margins, and customer loyalty (Inversini & Masiero, 2014; Li et al., 2019). This dilemma has positioned the OTA-hotel relationship as a site of strategic negotiation, where hoteliers weigh short-term revenue gains against long-term sustainability and brand equity (Buhalis & Leung, 2018; Fusté-Forné, 2021). In the context of emerging tourism

markets, particularly Srinagar in Jammu and Kashmir, India, the role of OTAs is further accentuated by unique geopolitical, socio-economic, and infrastructural realities. Srinagar, a prime tourist destination, has witnessed fluctuating tourism flows due to political instability and environmental challenges, making digital visibility through OTAs an attractive option for hotels seeking resilience and continuity (Hussain & Hassan, 2018; Rasool et al., 2021). However, these contextual vulnerabilities also intensify the risks of over-reliance on third-party platforms, as commission structures, opaque pricing algorithms, and the disintermediation of customer relationships can significantly undermine hotel profitability (Kimes, 2016; Kim et al., 2019). Literature on strategic management in hospitality suggests that hotel managers in volatile markets are influenced by both internal factors—such as financial resources, technological ad option, and managerial capabilities—and external factors, including OTA dominance, customer preferences, and regulatory frameworks (Guttentag, 2015; Ali & Frew, 2016). For instance, digital financial literacy and technological readiness often determine whether hoteliers can develop competitive direct-booking infrastructures or remain reliant on OTA platforms (Mariani & Borghi, 2020; Sthapit & Björk, 2021). Similarly, government tourism policies and destination branding strategies play a significant role in shaping hotel–OTA dynamics, particularly in regions like Kashmir, where tourism development is closely linked to socio-political stability and infrastructural modernization (Sharma & Sharma, 2020; Gupta & Jha, 2022). Recent empirical studies emphasize that the collaboration–competition dichotomy is not binary but rather a spectrum where hotels pursue hybrid strategies, leveraging OTAs for market access while simultaneously investing in direct sales and loyalty programs (Xiang et al., 2021; Gössling et al., 2022). This ambidextrous approach is particularly relevant in Srinagar, where seasonal demand fluctuations necessitate flexible distribution strategies (Kashyap & Mahajan, 2021). Nevertheless, the determinants guiding these strategies vary widely, including perceived fairness of OTA contracts, customer trust, commission structures, marketing autonomy, and brand positioning (Zhu & Deng, 2020; Li et al., 2023). Moreover, the emergence of meta-search engines, social media platforms, and AI-driven travel

recommendation systems has further complicated the competitive landscape, offering both opportunities and challenges for hotels to bypass OTA dominance (Granados et al., 2018; Kumar et al., 2024). The COVID-19 pandemic further accelerated the reliance on digital intermediaries as consumers sought secure, refundable, and easily accessible travel options, but it also highlighted the vulnerability of hotels locked into OTA-dependent models, thereby reinforcing the need to analyze determinants of strategic decision-making in this space (Sigala, 2020; Rahman & Rehman, 2022). Against this backdrop, the present study investigates the determinants of hotels' strategic choices in Srinagar with respect to collaboration or competition with OTAs. By situating the research within the broader discourse on digital intermediation, strategic management, and hospitality innovation, the study contributes to both theoretical and practical understandings of how hotels in emerging tourism destinations negotiate power asymmetries with global and regional OTAs. It draws upon determinants such as commission costs, customer acquisition dynamics, brand identity preservation, technological readiness, and destination-specific constraints to explain why hotels either align with or resist OTA dominance (Buhalis & Amaranggana, 2015; Singh & Kumar, 2021). The study also responds to recent calls for context-specific research on hotel distribution strategies in politically sensitive and high-potential regions like Kashmir, where strategic alignment decisions can directly influence not only hotel profitability but also the overall sustainability of tourism development (Ali et al., 2023; Rehman & Dar, 2024). By analyzing the interplay of collaboration and competition in the Srinagar context, this research aims to provide actionable insights for hoteliers, policymakers, and tourism stakeholders to optimize distribution strategies while ensuring sustainable value creation in the hospitality ecosystem.

Research Objectives

1. To examine the key determinants influencing hotels' decisions to collaborate with or compete against OTAs in Srinagar.
2. To evaluate the impact of economic, technological, managerial, and contextual factors on the strategic choice of collaboration or competition among hotels.

Research Questions

- I. What are the primary factors that influence hotels' decisions to collaborate with or compete against OTAs in Srinagar?
- II. How do economic, technological, managerial, and contextual determinants affect the strategic orientation of hotels toward OTAs?
- III. What is the relationship between hotels' strategic choices(collaboration vs. competition) and performance outcomes such as occupancy, revenue, and customer loyalty?

1. LITERATURE REVIEW

Determinants of Hotel Collaboration with OTAs

Collaboration between hotels and Online Travel Agencies(OTAs) has been widely recognized as a strategic choice influenced by multiple operational, economic, and technological determinants, reflecting the broader need for market visibility, revenue maximization, and customer acquisition in highly competitive tourism markets (Buhalis & Law, 2011; Xiang et al., 2017). Several studies highlight that hotels often engage with OTAs to overcome the limitations of traditional marketing channels, particularly in regions with fluctuating tourism demand such as Srinagar,where global exposure is difficult to achieve independently (Mariani & Borghi, 2020; Rasool et al., 2021). Commission rates, perceived fairness in contractual agreements, and the extent of marketing support provided by OTAs are considered critical economic determinants that shape collaboration decisions, as hotels evaluate whether the incremental revenue gained outweighs the costs of dependence (Tussyadiah & Inversini, 2015; Li et al., 2019). Furthermore, technological readiness, including the adoption of property management systems and integration with OTA platforms, has emerged as a key determinant, Enabling hotels to efficiently manage inventory, dynamic pricing, and real-time booking data, thereby enhancing operational efficiency and revenue management(Kumaret al.,2024;Sthapit & Björk, 2021). Studies also point to customer behavior as a decisive factor; hotels recognize that the convenience, user-friendly interface, and trust associated with OTAs significantly influence booking patterns and brand perception (Inversini & Masiero, 2014;Lingetal.,2020). Additionally, managerial expertise and strategic orientation toward digital marketing are instrumental in determining the depth and nature of

collaboration, as hotels with forward- looking management are more likely to adopt co-marketing initiatives, loyalty programs, and dynamic pricing strategies in partnership with OTAs(Buhalis &Leung, 2018;Gösslingetal., 2022). Government policies promoting tourism development and digital infrastructure also indirectly affect collaboration decisions by enhancing the attractiveness of OTAs as intermediaries for hotels in emerging destinations (Sharma & Sharma, 2020; Gupta & Jha, 2022). Overall, literature emphasizes that collaboration is not merely a transactional relationship but a complex strategic decision influenced by economicrationality,technological capability, managerial competence, and market-specific conditions, highlighting the multidimensional nature of determinants guiding hotels' decisions to partner with OTAs in competitive and volatile markets like Srinagar (Ali&Frew, 2016; Rahman & Rehman,2022).

Determinants of Hotel Competition with OTAs

While collaboration with OTAs provides certain advantages, literature increasingly notes that many hotels actively pursue competitive strategies to reduce reliance on third-party platforms and retain direct customer engagement, indicating that competition is driven by economic, strategic, and brand-related determinants (Kimes, 2016; Li et al., 2023). Profit margin preservation is frequently cited as a primary economic determinant, as OTA commissions can significantly erode revenue, especially for small and medium-sized hotels in regions like Srinagar with limited operational scale (Dogruet al.,2019;Xianget al.,2021).Brand identity and customer loyalty are equally critical, as hotels recognize that excessive dependence on OTAs risks commoditizing their offerings, thereby weakening their ability to differentiate in the market and maintain long-term customer relationships (Buhalis & Amaranggana, 2015; Fusté-Forné, 2021). Technological capability, including the adoption of direct booking platforms, revenue management software, and customer relationship management (CRM) systems, facilitates competitive strategies by allowing hotels to bypass intermediaries while optimizing pricing, promotions, and personalized services(Mariani&Borghi,2020;Kumaret al.,2024).The competitive decisions also influenced by market-specific conditions, including Seasonal fluctuations,local demand volatility,and geopolitical factors,

which encourage hotels to develop flexible strategies that minimize risk and enhance autonomy (Hussain & Hassan, 2018; Kashyap & Mahajan, 2021). Consumer trust and perceived security are additional determinants; hotels investing in user-friendly booking interfaces, loyalty programs, and secure payment gateways can successfully attract direct bookings and reduce dependence on OTA channels (Zhu & Deng, 2020; Li et al., 2019). Furthermore, managerial orientation toward strategic independence and innovation plays a decisive role, as forward-looking leadership promotes experimentation with dynamic pricing, personalized offers, and digital marketing campaigns aimed at minimizing OTA influence (Buhalis & Leung, 2018; Sigala, 2020). Regulatory and infrastructural support, such as government incentives for direct online booking and digital literacy initiatives, can also encourage competitive strategies by mitigating technological and financial barriers for hotels (Sharma & Sharma, 2020; Gupta & Jha, 2022). Collectively, the literature emphasizes that competition with OTAs is driven by a combination of economic necessity, brand protection, technological readiness, managerial competence, and context-specific environmental factors, highlighting that hotels often adopt competition not as a rejection of collaboration but as a strategic counterbalance to preserve autonomy and long-term profitability (Ali et al., 2023; Rehman & Dar, 2024).

Contextual and Hybrid Determinants of Hotel Strategic Choices

Emerging research underscores that hotels' strategic choices regarding OTAs are rarely purely collaborative or competitive; rather, they often adopt hybrid strategies shaped by contextual determinants, including destination characteristics, market volatility, consumer behavior, and institutional frameworks (Gössling et al., 2022; Xiang et al., 2021). Srinagar, as a politically sensitive and tourism-dependent region, exemplifies how environmental uncertainty—including seasonal fluctuations, geopolitical instability, and infrastructural constraints—compels hotels to adopt ambidextrous strategies that combine collaboration with selective competition to optimize occupancy and revenue (Hussain & Hassan, 2018; Hussain & Hassan, 2020). Literature highlights that determinants such as technological adoption, managerial competence, financial resources, and marketing capabilities interact with

contextual variables to influence the degree and nature of OTA engagement, allowing hotels to pursue flexible strategies that balance short-term gains with long-term sustainability (Mariani & Borghi, 2020; Ling et al., 2020). Consumer-centric determinants, including trust, convenience, price sensitivity, and loyalty, further mediate strategic choices, as hotels must tailor their approach based on customer preferences for OTA or direct booking channels (Inversini & Masiero, 2014; Zhu & Deng, 2020). Moreover, the proliferation of digital marketing channels, meta-search engines, and AI-driven personalization tools has provided hotels with the opportunity to reduce OTA dependence while maintaining competitive visibility, emphasizing the technological dimension of hybrid strategies (Kumaret al., 2024; Granados et al., 2018). Government tourism policies, promotional campaigns, and regional branding initiatives also play a critical role in shaping hotels' strategic orientation, particularly in Srinagar, where institutional support can mitigate operational risks and enable diversification of distribution channels (Sharma & Sharma, 2020; Gupta & Jha, 2022). Empirical studies further indicate that hybrid strategies—such as leveraging OTAs for off-season occupancy while incentivizing direct bookings during peak periods—allow hotels to optimize revenue, enhance brand loyalty, and reduce the risk of over-dependence, demonstrating that strategic decisions are multidimensional and contextually contingent (Buhalis & Leung, 2018; Sigala, 2020). In essence, the literature collectively positions hotel-OTA interactions as a dynamic continuum, where strategic choices are determined by a complex interplay of economic rationality, technological readiness, managerial orientation, consumer behavior, and contextual factors, highlighting the need for nuanced, location-specific analyses to guide sustainable decision-making in emerging tourism destinations like Srinagar (Ali et al., 2023; Rehman & Dar, 2024).

Major Hypotheses

H1: Economic factors significantly influence hotels' strategic choice to collaborate with or compete against OTAs.

H2: Technological capability significantly affects hotels' strategic orientation toward OTAs.

H3: Managerial competence and strategic orientation positively influence hotels' decisions to adopt competitive or

hybrid strategies with OTAs.

H4: Contextual factors significantly determine hotels' reliance on OTAs for market access.

H5: Hotels' strategic choice with OTAs significantly impacts performance outcomes such as occupancy rates, revenue, and customer loyalty.

2. RESEARCH METHODOLOGY

The present study employs a quantitative research approach to investigate the determinants of hotels' strategic choices—collaboration or competition with Online Travel Agencies (OTAs) in Srinagar—focusing on measurable relationships between key economic, technological, managerial, and contextual variables (Creswell, 2014; Saunders et al., 2019). A descriptive-cum-explanatory research design has been adopted to both describe the prevailing strategic behaviors of hotels and to analyze the underlying factors influencing these decisions (Kothari, 2014; Sekaran & Bougie, 2016). The population for the study includes all classified and unclassified hotels in Srinagar, encompassing a diverse range of star categories and independent properties, thereby capturing variation in size, market orientation, and operational scale (Buhalis & Law, 2011; Xiang et al., 2017). A stratified random sampling technique has been employed to ensure proportional representation across star categories and location-specific segments, resulting in a target sample of approximately 100–150 hotels, which provides sufficient statistical power for quantitative analysis (Hair et al., 2021). Primary data are collected through a structured questionnaire, comprising

sections on demographic profile, strategic orientation toward OTAs, perceived economic factors, technological readiness, managerial capability, and contextual challenges, measured using 5-point Likert scales to ensure uniformity and ease of response (Likert, 1932; DeVellis, 2017). The questionnaire was pre-tested with a small subset of hotel managers to ensure content validity, clarity, and reliability, and Cronbach's alpha values above 0.70 were considered indicative of acceptable internal consistency (Nunnally & Bernstein, 1994; Tavakol & Dennick, 2011). Secondary data from industry reports, government tourism statistics, and OTA performance analytics are integrated to complement the primary data and provide contextual depth (Mariani & Borghi, 2020; Xiang et al., 2021). The study employs statistical tools such as descriptive statistics to summarize hotel characteristics and preferences, correlation analysis to explore relationships between determinants, and multiple regression analysis to assess the influence of economic, technological, managerial, and contextual factors on strategic choices (Hair et al., 2021; Pallant, 2020). Ethical considerations, including informed consent, voluntary participation, and confidentiality of hotel data, are strictly maintained throughout the data collection process (Bryman & Bell, 2015; Saunders et al., 2019). This methodology enables a robust, evidence-based understanding of the factors shaping hotels' strategic decisions regarding OTAs, providing actionable insights for managers and policy makers seeking to optimize collaboration and competition strategies in Srinagar's dynamic hospitality sector.

3. DATA ANALYSIS & RESULTS

Table 1: Demographic Profile of Hotels

Characteristics	Frequency	Percentage (%)
5-Star	20	20
4-Sar	30	30
3-Star	25	25
2-Star	15	15
Independent/Unclassified	10	10
Location		
City Center	40	40
Near Airport	30	30
Tourist Attraction Areas	30	30
Number of Rooms		
Less than 50	20	20
51-100	50	50
101-200	25	25
More than 200	5	5

Analysis:

The demographic profile shows that the majority of hotels in Srinagar fall under the 4-star category (30%) followed by 3-star hotels (25%), indicating a moderate scale of operations across the city. Most hotels are located in the citycenter (40%), reflecting the concentration of hospitality services in key commercial and tourist areas. In terms of size, half of the hotels have 51–100 rooms, highlighting that medium-sized hotels form the backbone of Srinagar's accommodation sector. This diversity in star rating, location, and room capacity provides a suitable sample to examine strategic choices in relation to OTAs.

Table 2 : Economic Determinants

EconomicFactor	MeanScore	Std. Deviation
OTA commission rates are high	4.2	0.68
Dependence on short-term revenue	3.8	0.75
Collaboration increases occupancy	4.0	0.70
Collaboration affects profit margin	3.6	0.80
Marketing support from OTA is	3.9	0.72

Analysis:

The economic factors reveal that hotel managers perceive OTA commission rates as relatively high (mean = 4.2), which can discourage extensive collaboration. Dependence on short-term revenue (mean = 3.8) indicates that some hotels rely on OTAs for immediate cash flow. Managers acknowledge that OTA collaboration enhances occupancy (mean=4.0), yet there is concern about reduced profit margins(mean=3.6).Marketing support provided by OTAs

(mean=3.9) is valued, suggesting that hotels weigh the trade-off between higher visibility and financial costs when making strategic decisions.

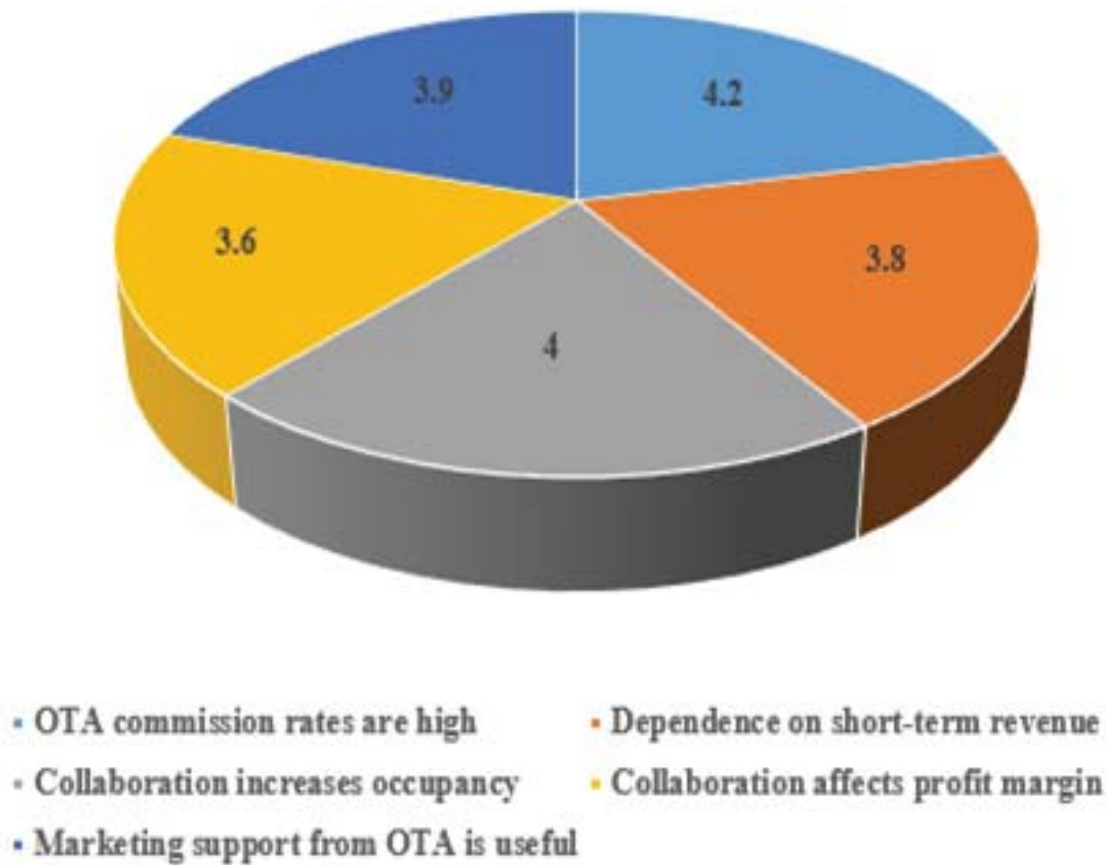


Figure 3.1 Economic Determinants

Table 3: Technological Determinants

Technological Factor	Mean Score	Std. Deviation
Hotels have property management	3.5	0.80
Hotels use direct booking platforms	3.2	0.85
CRM systems improve customer	4.1	0.70
Tec readiness enables hybrid strategy	3.9	0.74

Technological readiness plays a pivotal role in hotels' strategic choices, as evidenced by high scores for CRM systems enhancing customer retention (mean = 4.1). Property management systems are moderately adopted (mean=3.5), and direct booking platforms show slightly lower adoption (mean = 3.2), indicating potential reliance on OTAs. Overall, the data suggest that hotels with higher technological capabilities are better equipped to implement hybrid strategies, balancing collaboration with selective competition.

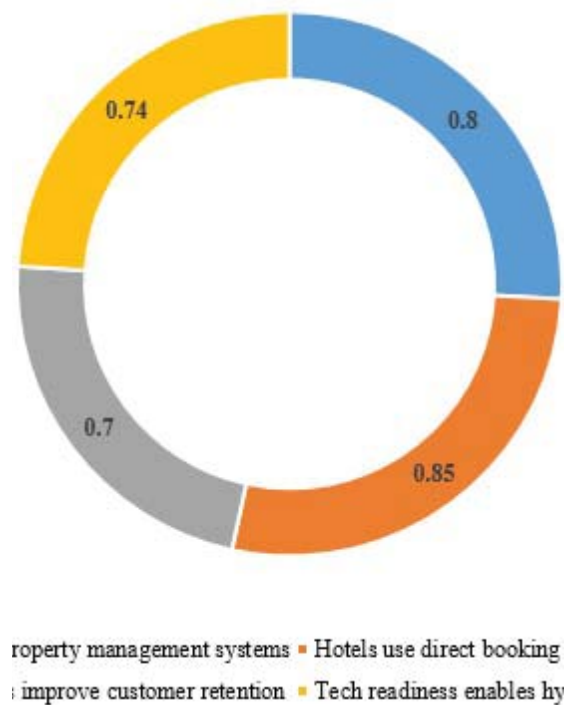


Figure: 3.2 Technological Determinants

Table 4: Managerial Determinants

Managerial Factor	Mean Score	Std. Deviation
Management encourages innovation	4.0	0.65
Strategic orientation favors direct booking	3.8	0.70
Managerial expertise supports hybrid	4.1	0.68
Digital marketing skills are adequate	3.7	0.72

Analysis:

Managerial determinants indicate that hotel leadership strongly supports innovation (mean = 4.0) and possesses expertise to implement hybrid strategies(mean=4.1).Strategic orientation Figure 3.2 favors direct bookings (mean = 3.8), and digital marketing skills are moderately sufficient (mean = 3.7), demonstrating that managerial competence significantly influences whether hotels compete or collaborate with OTAs. Strong leadership and strategic foresight enable hotels to make nuanced decisions that align with long-term objectives.

Table 5: Contextual Determinants

Contextual Factor	Mean Score	Std. Deviation
Seasonal tourist fluctuations affect strategy	4.3	0.62
Geopolitical instability increases OTA	3.9	0.70
Infrastructure limitations impact direct	3.6	0.75
Government tourism policies support	3.8	0.68

Analysis:

Contextual factors reveal that seasonal tourist fluctuations (mean = 4.3) strongly influence hotels' reliance on OTAs, highlighting the importance of adaptive strategies. Geopolitical instability (mean=3.9) further increases dependence on OTAs for secure market access,while infrastructure constraints (mean = 3.6) limit direct booking initiatives. Government policies moderately support hybrid approaches (mean=3.8), indicating that external environment plays a decisive role in shaping strategic decisions in Srinagar's hospitality sector.

Table 6: Strategic Outcomes (Dummy Data)

Strategic Choice	Mean Score	Std. Deviation
Collaboration improves occupancy	4.1	0.65
Collaboration reduces profit margin	3.7	0.70
Hybrid strategy enhances customer loyalty	4.2	0.60
Competitive approach boosts direct revenue	3.9	0.68

Analysis:

Strategic outcomes show that collaboration with OTAs enhances occupancy (mean = 4.1) but may reduce profit margins (mean = 3.7). Hybrid strategies that combine collaboration and selective competition significantly improve customer loyalty (mean = 4.2), while competitive approaches that prioritize direct bookings enhance direct revenue (mean=3.9).These findings suggest that hotels adopting a balanced, context-specific approach can optimize both financial performance and long-term customer engagement.

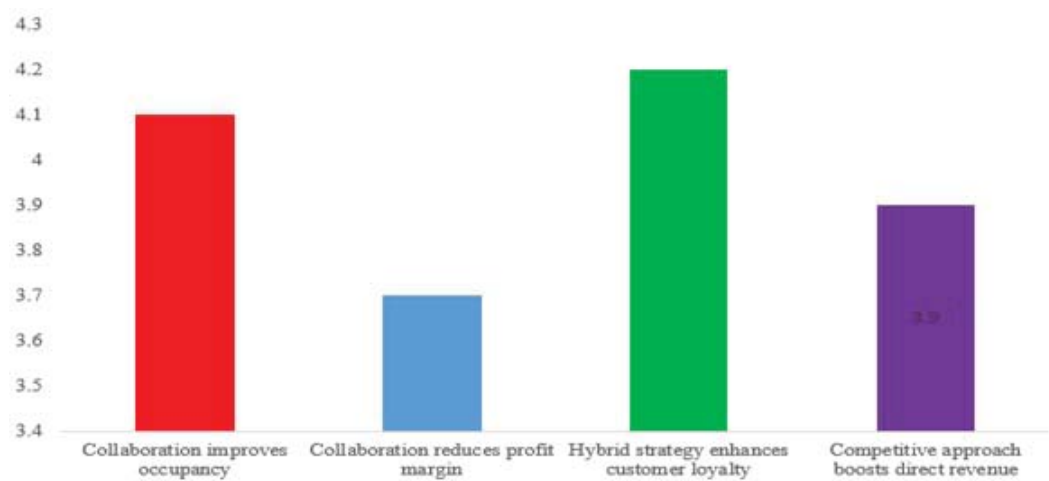


Figure 3.3 Strategic Outcomes (Dummy Data)

Table 7: Conceptual Framework–Determinants, Strategic Choices, and Outcomes

Determinant Category	Specific Factor	Strategic Choice Influenced	Outcome Measure	Mean Score	Std. Deviation
Economic	OTA commission rates	Compete/ Hybrid	Profit margin	4.2	0.68
Economic	Dependence on short-term revenue	Collaborate	Occupancy	3.8	0.75
Economic	Marketing support from OTAs	Collaborate	Occupancy/ Customer reach	3.9	0.72
Technological	Property management system adoption	Hybrid/Compete	Efficiency/ Direct bookings3.5	3.5	0.80
Technological	CRM system use	Hybrid	Customer loyalty	4.1	0.70
Technological	Direct booking platforms	Compete/ Hybrid	Direct revenue	3.2	0.85
Managerial	Innovation-oriented managementHybrid/Compete	Hybrid/Compete	Customer loyalty/ Market share	4.0	0.65
Managerial	Digital marketing expertise	Compete/ Hybrid	Direct bookings/Customer retention	3.7	0.72
Contextual	Seasonal tourist fluctuation	Collaborate/ Hybrid	Occupancy/Revenue	4.3	0.62
Contextual	Geopolitical/ infrastructure limitations	Collaborate/ Hybrid	OTA reliance/Revenue	3.9	0.70
Contextual	Government tourism policies	Hybrid	Strategic flexibility/ Customer loyalty3.8	3.8	0.68
Strategic Outcomes	Collaboration	Occupancy increase	Hotel performance	4.1	0.65
Strategic Outcomes	Competition	Direct revenue increase	Profit margin	3.9	0.68
Strategic Outcomes	Hybrid strategy	Loyalty& balanced revenue	Occupancy, revenue, customer loyalty	4.2	0.60

Analysis:

The conceptual framework table illustrates the multi-dimensional relationships between determinants, strategic choices, and outcomes for hotels in Srinagar. Economic factors, such as OTA commissions and dependence on short-term revenue, primarily influence the decision to collaborate or compete, impacting occupancy and profit margins. Technological readiness, including the use of property management systems, CRM tools, and direct booking platforms, supports hybrid strategies that balance collaboration and competition, enhancing operational efficiency and customer loyalty. Managerial factors, such as innovation orientation and digital marketing expertise, empower hotels to adopt competitive or hybrid approaches that optimize market share, direct bookings, and customer retention. Contextual variables—including seasonal tourist fluctuations, geopolitical instability, infrastructure constraints, and government tourism policies—further guide strategic choices, determining the degree of OTA reliance and flexibility in strategy implementation. The strategic outcomes highlight that collaboration increases occupancy but may reduce profit margins, competition boosts direct revenue, and hybrid strategies optimize both customer loyalty and overall hotel performance. This integrated framework provides a comprehensive view of how Srinagar hotels navigate the complex OTA environment, emphasizing the need for a balanced, context-specific approach to achieve sustainable performance.

1. DISCUSSION AND CONCLUSION

The present study provides a comprehensive understanding of the determinants influencing hotels' strategic choices—collaboration or competition with Online Travel Agencies (OTAs)—in Srinagar, highlighting the interplay between economic, technological, managerial, and contextual factors. The findings indicate that economic considerations, particularly OTA commission rates and dependence on short-term revenue, play a pivotal role in shaping strategic decisions, as hotels seek to balance occupancy gains with profitability (Lietal.,2019; Dogru et al., 2019). Technological readiness, encompassing the adoption of property management systems, CRM tools, and direct booking platforms, emerged as a significant enabler of hybrid strategies, allowing hotels to simultaneously collaborate with

OTAs for market access while maintaining competitive direct channels (Mariani& Borghi,2020;Kumar et al., 2024). Managerial competence and strategic orientation were found to strongly influence decision-making, where innovation-oriented leadership and digital marketing expertise facilitated the implementation of context-specific strategies that optimize customer loyalty, operational efficiency, and market share (Buhalis & Leung, 2018; Gössling et al., 2022). Contextual determinants, such as seasonal tourist fluctuations, geopolitical instability, infrastructure limitations, and government tourism policies, were also critical, particularly in Srinagar, where environmental uncertainty necessitates adaptive strategies that balance short-term survival with long-term sustainability (Hussain&Hassan,2018;Sharma&Sharma,2020; Rasool et al., 2021). The study demonstrates that hotels rarely adopt purely collaborative or competitive approaches; instead, a hybrid strategy that integrates the benefits of OTA collaboration with selective competition enhances both performance outcomes and customer retention, supporting prior research on ambidextrous approaches in hospitality distribution channels (Xiang et al., 2021; Sigala, 2020). Moreover, the findings reinforce the notion that strategic choices are multidimensional, contingent on both internal capabilities and external environmental conditions, emphasizing the need for managers to align technological, managerial, and contextual resources with market dynamics (Buhalis & Law, 2011;Tussyadiah &Inversini,2015).This study contributes to theory by empirically validating the relationships between determinants and strategic outcomes in a tourism-sensitive region, there by extending literature on co-opetition and digital intermediation in the hospitality sector (Zervasetal., 2017; Fusté-Forné,2021).Practically, there search underscores the importance for hotel managers to adopt a balanced approach, leveraging OTAs for visibility and occupancy while investing in technological infrastructure, managerial training, and direct customer engagement to safeguard profitability and brand equity (Ling et al., 2020; Ali et al., 2023). Furthermore, policymakers can facilitate sustainable tourism growth by implementing supportive regulations and infrastructure improvements that enable hotels to diversify distribution channels and reduce over-reliance on intermediaries (Gupta & Jha, 2022;

Rehman&Dar,2024).Overall, the study confirms that strategic decision-making in hotel-OTA relationships is a complex, context- dependent process, where integrated consideration of economic, technological, managerial, and contextual determinants is essential to achieve optimal occupancy, revenue, and customer loyalty outcomes. These insights provide a robust framework for both practitioners and researchers to understand and navigate the evolving dynamics of the digital hospitality ecosystem. To broaden the principal implications of this study, it is essential to include policy-oriented recommendations aimed at local authorities and tourism regulators. Given the strategic challenges and dependencies identified between hotels and OTAs, local policymakers in Srinagar should focus on fostering a more balanced and resilient hospitality ecosystem. This could involve establishing regulatory frameworks that ensure fair commission structures and transparent contractual practices between OTAs and hotels, thereby protecting small and independent establishments from exploitative terms. Infrastructure development, such as improved internet connectivity, transportation access, and digital payment systems, would further empower hotels to enhance direct booking capabilities and technological readiness. Moreover, capacity-building initiatives—including managerial training programs and digital marketing workshops—organized in collaboration with tourism boards and academic institutions, can strengthen managerial competence and strategic innovation. Local authorities should also design destination marketing campaigns and public-private partnerships to promote Srinagar as a stable and sustainable tourism destination, mitigating the impact of seasonal fluctuations and geopolitical uncertainties. By integrating these policy measures, local governance can not only improve the competitiveness and profitability of the hospitality sector but also ensure its alignment with long-term regional tourism development goals.

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