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Online Travel Industry in India 2012 by [Bharatbook](#)

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Indian online travel market is growing at a steady rate due to increase in awareness coupled with confidence among the customers to make online transactions. The Indian customer is aware about online travel portals and is ready to pay for the convenience and better service. Today, the online travel industry is the driving force in the e-commerce segment and its importance is likely to increase in the future. Various offers and deals from the OTAs have made the market very lucrative for the customers, thus driving competition.

<http://www.bharatbook.com/market-research-reports/travel-and-tourism-market-research-report/online-travel-industry-in-india-2012.html>

The report begins with an introduction to the e-commerce market in India and offers information regarding the market size and growth. It also gives a break-up of the revenue for the e-commerce market. It goes on to explain the market structure of the e-commerce market and also provides an overview of the factors which drive this market. In the market overview section the structure of the online travel market is explained. Market size, growth and the break-up of the revenue generated is also provided for the online travel market. Increasing share of online travel market as well as the prevailing commission structure has been highlighted. Porter's five forces analysis gives an overall picture of the online travel industry and helps to understand the major influencers. The business model explains the role of global distribution systems and their role in the online travel industry. This section also explains the various incentives provided by the OTAs to attract more customers and the operational edge OTAs have over the traditional tour operators.

Drivers include factors such as proliferation of the internet, especially broadband, which has increased online traffic considerably. Rising disposable income has also acted as a driver for online travel portals. Indian railways online portal has proved to be extremely efficient and user friendly, instilling confidence among people to book tickets online. Other drivers identified include rise in low cost airlines which has paved a way to travel by air for the large middle class segment in India thus increasing traffic to these online portals. Secure payment mechanisms have given people the desired confidence to carry out transactions online. On the other hand tremendous rise in medical tourism has led to influx of foreign travelers to India which again gives rise to increased traffic. Challenges identified include stiff competition coupled with low margin and high operating costs which has caused profit margins to shrink. In addition, limited awareness about portals adds to the woes. Trends identified are emergence of value added services among various OTAs including discount vouchers to woo customers and gather a large market share. Emergence of corporate packages is another trend identified. Many OTAs are following a hybrid model constituting online and offline stores to penetrate the market even further. OTAs are also moving towards better technology so as to cater to the increased traffic and offer a user friendly experience to its clients. They are also becoming more responsible and addressing customer queries and complaints swiftly through social media interfaces. It has been identified that OTAs are also a means of information verification and cross checking among customers. One more trend identified includes an increase in PE/VC investments in this sector. Market Report

For more information kindly visit :

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