

DEFINING THE COST OF CUSTOMER ACQUISITION IN DIGITAL TOURISM DISTRIBUTION: IMPLICATIONS FOR ONLINE TRAVEL AGENCIES, DIRECT BOOKINGS AND HOTEL PROFITABILITY

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Abstract: *In digital tourism distribution, attracting a customer has become easier to observe, but more difficult to price. Hotels can receive reservations through online travel agencies, direct websites, search engines, metasearch platforms, social media campaigns and loyalty systems, yet the real cost of each customer is rarely transparent. This article analyses the difficulty of defining the cost of customer acquisition in tourism and explains why this concept remains contested. The main argument is that the problem is not only technical, but also economic and strategic. Online intermediaries emphasize the visibility and demand they generate, while hotels often focus on commission pressure and the loss of direct customer control. At the same time, direct bookings are not cost-free, because they require investments in websites, booking engines, advertising, data management and customer retention. Based on a narrative review of recent academic and institutional literature, the paper shows that hotel profitability depends less on the apparent origin of the reservation and more on the total cost of obtaining, converting and retaining the customer. The article contributes to a more balanced understanding of digital distribution by linking customer acquisition costs with channel strategy, financial control and hotel performance.*

Keywords: *digital tourism distribution, customer acquisition cost, online travel agencies, direct bookings, hotel profitability, distribution strategy.*

JEL Classification: *L83, M31, L25.*

1. Introduction

In tourism, the sale of a hotel room begins long before the guest reaches the reception desk. It may begin with a search query, a filtered list of accommodation options, a review score, a sponsored result, a comparison on a metasearch platform or a promotional message received after a previous trip. The reservation is only the visible end of a longer digital route. For this reason, the customer is not simply “won” at the moment of booking, but gradually acquired through a sequence of technological, commercial and reputational interactions. This makes the cost of customer acquisition one of the most important, but also one of the most ambiguous, concepts in contemporary tourism distribution (Garcia, Dos Anjos and Doğan, 2022).

Digital distribution has transformed hotel demand into a market of gateways. A potential guest no longer reaches a hotel through a single road, but through several digital doors: an online travel agency ranking, a metasearch comparison, a sponsored search result, a brand website, a social media post or a loyalty message. For independent hotels, this multiplication of gateways can be valuable because it allows them to appear in front of travellers who would probably never search for them directly. Yet the same mechanism also changes the financial meaning of visibility. A booking obtained through an intermediary is not only a sale; it is also the result of a commercial infrastructure that captures part of the value created by the hotel (Martin-Fuentes and Mellinas, 2018).

The apparent simplicity of a reservation hides a more complicated cost structure. Online travel agencies are usually associated with visible commission costs, which makes their financial effect easier to identify. Direct bookings, however, are often treated as if they were almost cost-free, although this assumption is rarely realistic. A direct reservation may depend

on a booking engine, website maintenance, search advertising, content creation, customer relationship management systems, loyalty programmes and staff time. Therefore, the difference between an online travel agency booking and a direct booking is not the difference between a costly channel and a free channel, but between two types of costs that are recorded, allocated and interpreted differently (Lee, Deale and Lee, 2022).

This distinction matters because distribution channels do not only move reservations from tourists to hotels. They influence margins, data access, price control, customer ownership and the hotel's capacity to build future demand. A channel that increases occupancy may still weaken profitability if the cost of obtaining that occupancy is too high. Lei, Nicolau and Wang (2019) show that distribution channels have measurable consequences for hotel performance, which confirms that digital distribution should not be treated only as a marketing issue. It is also a financial and managerial problem, because each reservation carries behind it a specific cost of access to the customer.

The financial role of online travel agencies is therefore more complex than the usual opposition between “more bookings” and “higher commissions”. A hotel may increase its reservation volume through intermediaries and still face pressure on profitability if commission levels, ranking dependence and limited control over the customer reduce the value retained from each transaction. O'Connor, Assaker and El Haddad (2025) examine online travel agency participation in relation to hotel profitability, showing that digital intermediation must be evaluated through its economic contribution, not only through its ability to generate demand. In this sense, the central issue is not whether online travel agencies are useful, but whether the value they create is greater than the value they capture.

The difficulty of defining customer acquisition cost is also caused by the fact that the actors involved in digital tourism distribution do not look at the same cost from the same position. Intermediaries tend to emphasize visibility, conversion and market access. Hotels tend to focus on commissions, dependency and the loss of direct customer relationships. Technology providers may present booking engines, channel managers, advertising tools or customer databases as solutions for reducing dependence, although these instruments also generate costs. The concept of customer acquisition cost is therefore not a neutral accounting label. It is a disputed measure placed between financial calculation, marketing logic and strategic control (Verhoef et al., 2021).

The relevance of this problem increases as platform-based tourism becomes part of the normal architecture of demand. Eurostat (2026) shows the large scale of tourism nights booked through online platforms in the European Union, which means that digital intermediation is no longer an exceptional channel used only by a limited category of travellers. It has become one of the environments in which tourism demand is organized, filtered and converted into revenue. The paradox is that hotels now have more instruments for reaching guests than at any previous moment, but the real price of this access is harder to isolate.

Digitalization was expected to make business decisions more measurable. In tourism distribution, however, it often creates a more fragmented cost landscape. The cost of acquiring a customer can be visible as a commission, hidden inside advertising budgets, delayed through loyalty expenses or dispersed across technology, staff and brand-building activities. This fragmentation is especially relevant for small and medium-sized tourism enterprises, which are encouraged to digitalize but may not always have the analytical capacity to compare channels beyond booking volume (OECD, 2024).

Starting from this problem, the aim of this article is to analyse the difficulty of defining the cost of customer acquisition in digital tourism distribution and to discuss its implications for online travel agencies, direct bookings and hotel profitability. The article does not assume that online travel agencies are harmful or that direct bookings are automatically superior. Instead, it argues that hotel profitability depends on a complete view of the costs involved in acquiring, converting and retaining customers. In this perspective, the origin of a reservation matters less than the net economic value that remains after the full cost of acquisition is considered (Zhang et al., 2025).

The research questions guiding the article are the following: How can the cost of customer acquisition be understood in digital tourism distribution? Why is this cost difficult to define in a uniform way? How do online travel agencies and direct booking channels influence the measurement of customer acquisition costs and hotel profitability? By answering these questions, the paper treats customer acquisition cost as a multidimensional managerial concept, not as a narrow marketing expense. This approach is relevant because hotels compete not only for tourists, but also for control over the channels, data and cost structures through which those tourists are reached (Cenamor, Parida and Wincent, 2019).

2. Literature Review

2.1 Digital tourism distribution and the new geography of hotel demand

Tourism distribution has moved from a relatively visible chain of intermediaries to a layered digital environment in which the route between the hotel and the guest is no longer linear. In the traditional model, distribution could be understood through travel agencies, reservation systems, tour operators and direct contact with the accommodation unit. In the digital model, the same hotel may be discovered through an online travel agency, compared through a metasearch engine, evaluated through reviews, contacted through social media and finally booked either directly or through an intermediary. Online travel agencies have therefore become more than electronic points of sale. They act as digital market organizers, shaping the order in which tourism offers are seen, compared and trusted by potential guests (Garcia, Dos Anjos and Doğan, 2022).

This transformation changed the meaning of access to demand. For a small or independent hotel, being present in a destination is no longer enough; the firm must also be present inside the digital spaces where tourists organize their choices. Online travel agencies gave smaller accommodation providers a type of visibility that would have been difficult to obtain through their own brand power. A hotel that is unknown internationally can appear next to established competitors, benefit from platform traffic and convert demand that would otherwise remain inaccessible. This explains why dependence on online travel agencies is not only a sign of weakness, but also a rational response to the unequal visibility of tourism markets (Martin-Fuentes and Mellinas, 2018).

The growth of platform-based accommodation confirms that digital distribution is not a secondary layer added to tourism, but one of the main infrastructures through which tourism demand is organized. Eurostat (2025) treats short-stay accommodation booked through online platforms as a distinct statistical field, which is important because it shows that platform mediation has become measurable at European level. Once a distribution channel becomes visible in official statistics, it is no longer only a marketing instrument used by firms; it becomes part of the economic architecture through which tourism activity is recorded and understood.

The scale of platform-based accommodation also changes the managerial meaning of distribution. Eurostat (2026) shows that tourism nights booked through online platforms have reached a very high level in the European Union. For hotels, this is not merely evidence that tourists use platforms more frequently. It shows that part of tourism demand is now born, filtered and converted inside spaces controlled by digital intermediaries. The economic question therefore moves from “Should hotels use platforms?” to “How should hotels measure the cost of being visible inside them?”

Digital transformation has also changed the internal capabilities expected from tourism firms. Hotels are no longer required only to provide accommodation and service quality; they must also manage digital presence, online reputation, channel mix, customer data and performance indicators. The connection between digital transformation and tourism performance has become increasingly important in recent research, because digitalization now affects not only promotion, but also pricing, distribution, customer relationships and strategic positioning (Zhang et al., 2025). For this reason, customer acquisition cost cannot be separated from the broader digital transformation of tourism firms.

However, the capacity to manage this transformation is uneven. Large hotel groups can usually rely on specialized departments, data systems, negotiation capacity and stronger brand recognition. Smaller tourism firms often face the same digital marketplace with fewer resources, less analytical support and weaker bargaining power. The problem is not only that they use different tools, but that they enter the same distribution game with different levels of control. The Organisation for Economic Co-operation and Development highlights the need for tourism enterprises to adapt to digital and structural transitions, especially because competitiveness increasingly depends on skills, resilience and technological capacity (OECD, 2024).

The literature on digital platforms also suggests that access to digital markets is not enough by itself. A hotel may be visible on a platform and still remain strategically fragile if it cannot transform that visibility into customer knowledge, repeat demand or stronger direct communication. Cenamor, Parida and Wincent (2019) show that small and medium-sized enterprises benefit from digital platforms when platform participation is combined with internal capabilities and strategic flexibility. Applied to tourism, this means that online travel agencies can open the door to demand, but they cannot replace the hotel’s own capacity to manage the value created after the reservation.

2.2 Customer acquisition cost between online intermediaries, direct bookings and profitability

The cost of customer acquisition becomes difficult to define because digital tourism distribution mixes selling, marketing, technology and financial control in the same process. A reservation obtained through an online travel agency has an obvious cost, usually expressed as a commission. A direct booking appears more attractive because it avoids this visible commission. Yet the direct channel can require investments in website design, booking engines, search advertising, social media content, customer relationship management, loyalty programmes and staff time. Direct booking is therefore not simply a cheaper technical route; it is a relationship-building strategy that also requires resources and influences how customers evaluate the hotel brand (Lee, Deale and Lee, 2022).

This is why the opposition between online travel agencies and direct bookings can be misleading. Online travel agencies are often criticized because their costs are explicit, while

direct bookings are praised because their costs are dispersed. The danger is that hotels may compare a visible commission with an invisible internal cost structure. From a managerial perspective, this comparison is incomplete. Distribution channels influence performance not only because they bring different volumes of demand, but because they attach different costs, risks and margins to that demand (Lei, Nicolau and Wang, 2019).

The profitability debate becomes even more complex when online travel agencies are treated not only as cost generators, but also as demand creators. A platform commission can reduce the value retained from a booking, but the same platform may also bring a customer that the hotel could not have reached through its own channels. This is why the financial contribution of online travel agencies cannot be judged only by the percentage of commission charged. It must be evaluated by comparing the cost of intermediation with the additional demand, occupancy and revenue that the intermediary makes possible (O'Connor, Assaker and El Haddad, 2025).

A similar issue appears in the case of smaller accommodation units, where platform participation may also become a source of learning. Reviews, booking patterns, guest preferences and competitor visibility can help managers understand the market more clearly. In this sense, digital platforms do not only sell rooms; they also produce information about demand. Lyu, Huang, Mao, Zhang and Li (2024) approach digital platform participation from an organizational learning perspective, which is relevant for customer acquisition cost because not all platform value can be reduced to the immediate booking. Some of it appears later, through better decisions, improved service presentation and stronger market adaptation.

At the same time, digital intermediation may create strategic dependence. The relationship between hotels and online travel agencies is not a neutral technical connection, because both sides pursue different forms of value. The hotel seeks profitable demand, customer control and long-term loyalty. The intermediary seeks transaction volume, platform loyalty and control over the interface between supply and demand. Gao and Bi (2021) examine hotel booking through online travel agencies from a strategic interaction perspective, which helps explain why customer acquisition cost is also a question of power inside the distribution system.

The wider literature on digital transformation helps clarify why this tension is difficult to solve. In digital markets, the adoption of technology does not simply add new tools to an unchanged business model. It can reshape how firms define value, interact with customers and organize their strategies. Verhoef et al. (2021) place digital transformation at the intersection of strategy, business models and customer interaction. For hotel distribution, this means that customer acquisition cost cannot be treated as one isolated marketing expense. It is connected with channel architecture, customer data, technological investments and the ownership of the guest relationship.

This connection becomes more visible when tourism demand is unstable. In periods of shock, a reservation is not valuable only because it fills a room; it is valuable if the hotel can obtain it without losing too much margin, data or future customer contact. Digital capacity matters precisely because it helps firms understand which channels bring resilient demand and which channels only create temporary volume. Liu, Xu and Gao (2024) analyse digital transformation in relation to the performance of tourism listed firms during the pandemic period, a context that shows why hotels cannot measure success only through occupancy or revenue, but also through the quality and controllability of the demand they attract.

The question of acquisition cost also extends beyond hotels. Tourism distribution is part of a wider travel system in which airlines, agencies, platforms, technology providers and accommodation firms all compete for proximity to the traveller. Costs do not stop at the final transaction; they are transferred, hidden or redistributed across the chain. Merkert and Hakim (2022) discuss travel agency transaction costs in airline value chains, offering a useful reminder that distribution expenses are rarely isolated. For hotels, this broader view is important because the cost of acquiring a guest is shaped not only by the booking channel itself, but also by the wider ecosystem that controls visibility, comparison, payment and access to demand.

Therefore, the literature suggests that customer acquisition cost in digital tourism distribution should be treated as a multidimensional concept. It includes visible costs, such as commissions and advertising expenses, but also less visible elements, such as technology investments, data access, staff work, brand-building, loyalty incentives and dependence on external ranking systems. The concept is difficult to define because each actor benefits from a different boundary of calculation. Hotels need a broader view because profitability depends not only on how many customers are acquired, but on how much value remains after the full cost of reaching them has been considered.

3. Research Methodology

This article is based on a narrative literature review and conceptual analysis of customer acquisition cost in digital tourism distribution. The purpose of the methodology is not to measure customer acquisition cost through primary hotel data, but to clarify how this concept is discussed in relation to online travel agencies, direct bookings, digital intermediaries and hotel profitability.

The selection of sources followed two main criteria. First, the literature had to be directly connected with tourism distribution, online travel agencies, direct booking channels, digital platforms, hotel performance or customer acquisition-related costs. Second, priority was given to recent publications, especially studies published after 2018, in order to reflect the current structure of digital tourism markets.

The scientific articles were selected from journals and academic publishers commonly associated with international research databases such as Scopus, Web of Science, ScienceDirect, Sage Journals, Emerald, Springer Nature and Taylor & Francis. The selected studies cover several connected areas: hotel distribution channels, online travel agency participation, direct booking behaviour, digital platform participation, digital transformation, tourism firm performance and transaction costs in travel distribution. This selection allows the article to connect the managerial problem of customer acquisition cost with broader debates on profitability, digital intermediation and strategic dependence.

The institutional sources were included because the article also requires a recent economic context. Eurostat sources were used to show the increasing relevance of platform-based accommodation in the European Union, while the Organisation for Economic Co-operation and Development source was used to frame digitalization and competitiveness challenges in tourism. These sources do not replace academic literature, but they support the argument that digital tourism distribution is no longer a marginal phenomenon and that its financial implications require closer managerial attention.

The analysis was organized around three stages. In the first stage, the selected sources were reviewed in order to identify how digital distribution channels changed the relationship

between hotels and tourists. In the second stage, the literature was examined to distinguish between visible acquisition costs, such as commissions and advertising expenses, and less visible costs, such as technology, data access, loyalty systems, staff time and dependence on intermediary platforms. In the third stage, the findings were synthesized into a conceptual discussion of why customer acquisition cost remains difficult to define in tourism and how this ambiguity affects the comparison between online travel agencies, direct bookings and hotel profitability.

4. Results and Discussion

The main result of the analysis is that the cost of customer acquisition in digital tourism distribution cannot be reduced to one visible payment, such as an online travel agency commission or an advertising invoice. In hotels, customer acquisition is spread across several moments: being discovered, being compared, being trusted, being selected, being booked and, ideally, being retained for a future stay. Each moment can generate costs, but not all of them are recorded in the same place or interpreted by managers in the same way. This explains why a hotel may know how much it pays to an intermediary, but still not know the full cost of obtaining a guest (Lei, Nicolau and Wang, 2019).

The first important distinction is between visible and embedded costs. Online travel agency commissions are visible because they are attached to a transaction and can be calculated after each booking. This makes them easy to identify and easy to criticize. By contrast, the cost of direct bookings is often embedded in several internal or external activities: website maintenance, booking engine subscriptions, search advertising, content production, customer relationship management, loyalty systems and employee time. Direct distribution may therefore look cheaper because its costs are fragmented, not because they are absent (Lee, Deale and Lee, 2022).

This difference creates a measurement asymmetry. Online travel agencies appear expensive because their cost is concentrated in a commission, while direct channels appear efficient because their cost is dispersed across several budgets. The comparison becomes unfair when hotels evaluate one channel by transaction cost and the other by booking volume. A more accurate view would consider not only the amount paid for a booking, but also the cost of making the hotel visible, convincing the customer to book, processing the reservation and maintaining the relationship after the stay (O'Connor, Assaker and El Haddad, 2025).

The second result concerns the role of digital intermediaries as both cost generators and demand creators. Online travel agencies may reduce the margin retained by the hotel, but they can also produce bookings that the hotel would not have captured through its own channels. For independent hotels, this function is especially important because digital platforms can compensate for weaker brand awareness and limited international marketing capacity. The problem is that the value created by the platform and the value captured by the platform are not always clearly separated. This is why the commission alone cannot explain the real financial contribution of intermediary-based distribution (Martin-Fuentes and Mellinas, 2018).

The third result is that customer acquisition cost includes strategic costs that are difficult to express immediately in monetary terms. A hotel that depends strongly on intermediaries may lose part of its ability to communicate directly with guests, collect useful customer data or encourage repeat reservations through its own channels. These effects may not appear as an invoice, but they influence future profitability. In this sense, acquisition cost is not only the

price paid to obtain today's booking; it is also the cost of not owning the relationship that may generate tomorrow's booking (Verhoef et al., 2021).

The reviewed literature also suggests that digital platforms may produce learning benefits. Reviews, booking patterns, cancellation behaviour and customer preferences can help hotels understand demand more clearly. However, this learning benefit appears only when the hotel transforms platform information into managerial decisions. If the hotel only receives bookings without analysing the signals behind them, the platform remains a sales channel. If the hotel uses those signals to improve pricing, content, service quality and retention, the platform also becomes a source of market intelligence (Lyu, Huang, Mao, Zhang and Li, 2024).

The difficulty of defining customer acquisition cost becomes clearer when its components are separated into two categories. The first category includes visible and operational costs, which are easier to identify because they usually appear as commissions, invoices, subscriptions or paid campaigns. The second category includes hidden and strategic costs, which do not always appear in accounting records as acquisition expenses, but influence future profitability, customer ownership and dependence on intermediaries. Table no. 1 presents the visible and operational components, while table no. 2 extends the analysis toward the less visible costs that often make the concept contested.

Table no. 1. Visible and operational components of customer acquisition cost in digital tourism distribution

Cost component	Typical source	Measurement difficulty	Profitability implication
Online travel agency commissions	Online travel agencies and intermediary booking platforms	Easy to identify per booking, but difficult to compare with the incremental demand created by the intermediary.	Reduces margin per reservation, but may increase occupancy and access to markets the hotel could not reach directly.
Metasearch and pay-per-click advertising	Google, metasearch platforms, sponsored search results	The hotel pays for clicks or exposure, not always for confirmed bookings, which complicates attribution.	Can support direct bookings, but profitability depends on conversion rate and booking value.
Website and booking engine costs	Hotel website, direct booking engine, payment interface	Often treated as general infrastructure, not allocated to each direct reservation.	Direct bookings may appear cheaper than they really are if fixed digital costs are ignored.
Search engine optimization and content creation	Website content, photos, descriptions, destination content	Effects appear gradually and are difficult to connect to a single booking.	Improves direct visibility and brand strength, but requires continuous investment before results appear.

Cost component	Typical source	Measurement difficulty	Profitability implication
Channel manager and reservation technology	Channel managers, central reservation systems, inventory synchronization tools	Supports several channels at once, making per-channel allocation difficult.	Improves distribution efficiency, but adds a technological layer to the cost of selling rooms.
Staff time and operational management	Revenue management, content updates, review responses, campaign monitoring	Employee time is rarely attributed directly to acquisition, although it supports conversion and reputation.	Can improve performance, but may reduce real profitability if labour effort is ignored.

Source: Author's synthesis based on Lei, Nicolau and Wang (2019), Lee, Deale and Lee (2022), O'Connor, Assaker and El Haddad (2025) and Gao and Bi (2021).

Table no. 1 shows that visible costs are not necessarily simple costs. Online travel agency commissions are easy to calculate, but their meaning depends on whether the platform generated additional demand or merely replaced a booking that could have arrived directly. Similarly, advertising costs can be measured through campaign budgets, but their real contribution depends on conversion, booking value and customer retention. The operational side of customer acquisition is therefore already more complex than a direct comparison between commission and no commission.

The second layer is more difficult because it concerns costs that are not always recognized as acquisition costs. These costs appear through weaker control over customer data, dependence on ranking systems, pressure to compete through price or the gradual weakening of the hotel's own brand. They are harder to quantify, but they may influence profitability more deeply because they affect not only today's booking, but also the hotel's capacity to generate future demand independently.

Table no. 2. Hidden and strategic components of customer acquisition cost in digital tourism distribution

Cost component	Typical source	Why it is difficult to measure	Profitability implication
Customer relationship management and loyalty tools	Customer databases, newsletters, loyalty programmes, post-stay communication	Costs are linked to retention, not only first-time acquisition.	Can reduce future acquisition cost if repeat bookings increase.
Review and reputation management	Online reviews, rating systems, guest response activity	Reputation affects conversion, but the cost of maintaining it is dispersed across service quality and response work.	Strong reputation can lower acquisition effort, while weak reputation can increase paid-channel dependence.
Data access and customer ownership	Direct databases versus mediated platform relationships	The cost appears later, when the hotel cannot retarget or personalize	Limited data ownership can increase future acquisition costs and

Cost component	Typical source	Why it is difficult to measure	Profitability implication
		independently.	weaken repeat demand.
Ranking dependence and promotional visibility	Platform ranking, preferred placement, visibility boosters	Visibility depends on changing platform rules, paid options or conversion criteria.	Can increase short-term bookings, but creates vulnerability to external ranking logic.
Price comparison pressure	Online travel agencies, metasearch, comparison interfaces	The cost appears through lower prices or reduced pricing autonomy rather than direct payments.	May reduce average daily rate and margin even when booking volume increases.
Brand dilution	Strong intermediary brand versus weaker hotel brand recognition	The tourist may remember the platform more than the hotel.	Weakens long-term direct demand and keeps the hotel dependent on paid acquisition channels.

Source: Author's synthesis based on Verhoef et al. (2021), Lyu, Huang, Mao, Zhang and Li (2024), Martin-Fuentes and Mellinas (2018), Cenamor, Parida and Wincent (2019) and OECD (2024).

Taken together, the two tables show why customer acquisition cost remains difficult to define in digital tourism distribution. A narrow definition captures commissions, advertising and technology payments. A broader definition also includes the costs of relationship management, data control, ranking dependence and brand autonomy. The first category is easier to calculate, while the second category is easier to ignore. However, ignoring hidden and strategic costs may lead hotels to overestimate the profitability of certain channels and underestimate the long-term value of customer ownership (Verhoef et al., 2021).

This ambiguity explains the conflict of interests around the concept. Online travel agencies can emphasize the visibility, conversion and international demand they generate. Hotels can emphasize commissions, dependency and the loss of direct control over guests. Technology providers can present direct booking tools as instruments of independence, even though these tools also introduce fixed and recurring costs. Advertising platforms can offer precise performance indicators, although not every click becomes a profitable customer. Customer acquisition cost is therefore not only a technical metric, but a contested managerial boundary: each actor has an interest in deciding which costs should be counted and which costs should remain outside the calculation (Garcia, Dos Anjos and Doğan, 2022).

Platform-based tourism data reinforces the importance of this discussion. When online platforms mediate a large volume of tourism nights in the European Union, the cost of digital acquisition becomes a structural issue for the accommodation sector, not only an internal hotel problem. The increasing role of platforms means that more hotels must compete in digital spaces where visibility, ranking and conversion are shaped by external systems. Under these conditions, customer acquisition cost becomes part of the economic architecture of tourism distribution (Eurostat, 2026).

For small and medium-sized tourism enterprises, the problem is sharper because digital visibility often has to be bought before it can be owned. These firms may need online intermediaries to enter markets where their own names have little recognition, but they may

not have the analytical systems needed to separate useful demand from expensive demand. A full booking calendar can therefore create the illusion of strength, while the real margin remains weakened by commissions, advertising costs, staff effort or the absence of reusable customer data. Digital competitiveness is not achieved only by appearing on platforms, but by understanding the price paid for that appearance and the value that remains inside the firm after the guest has been acquired (OECD, 2024).

Direct booking strategies should also be interpreted with more caution than they usually receive. A reservation made on the hotel's own website may give the impression of financial purity because no online travel agency commission is deducted from it. However, the direct channel has its own machinery: search visibility must be built, the website must convert, the booking engine must function, the brand must be remembered and the guest must be persuaded to return without being recaptured by another intermediary. Direct booking becomes a stronger option only when this machinery produces customers at a lower total cost and with a higher future value for the hotel (Lee, Deale and Lee, 2022).

Online travel agencies require an equally balanced interpretation. They should not be treated only as a burden on profitability, because they can perform functions that are expensive for an individual hotel to reproduce: international exposure, comparison infrastructure, customer trust, payment facilitation and immediate booking conversion. However, their usefulness comes with a transfer of control. The hotel receives access to demand, but part of the interface, data and visibility logic remains in the hands of the intermediary. The question is not whether online travel agencies create value, but whether the hotel can retain enough of that value after the intermediary has taken its share (Martin-Fuentes and Mellinas, 2018).

The broader travel ecosystem shows that acquisition costs rarely stay in one place. In tourism, the route to the traveller is divided among search engines, travel agencies, platforms, payment systems, reservation technologies and final service providers. Some costs are charged directly, while others are absorbed through commissions, contractual conditions, lower margins or loss of bargaining power. Merkert and Hakim (2022) discuss transaction costs in airline value chains, and this wider perspective is useful for hotels because accommodation distribution follows the same logic of dispersed intermediation. The guest may sleep in the hotel, but the economic path that brings the guest there is shared by several actors.

A more useful interpretation is therefore to see customer acquisition cost as a layered managerial indicator. The first layer is the transactional layer, including commissions and advertising payments. The second layer is the digital infrastructure layer, including the website, booking engine, channel manager and reservation technologies that make distribution possible. The third layer is the relationship layer, including communication, loyalty actions, customer databases and post-stay contact. The fourth layer is the strategic layer, where the hotel may pay indirectly through weaker customer ownership, dependence on ranking systems or brand dilution. This layered approach does not offer a universal formula, but it prevents managers from confusing a visible cost with the full cost of acquisition (Gao and Bi, 2021).

This layered interpretation becomes particularly important when tourism demand is unstable. In uncertain periods, a booking is not valuable only because it fills a room; it is valuable if it leaves the hotel with margin, information and a possible future relationship. Digital capacity helps hotels read the quality of demand, not only its quantity. It allows managers to see whether a channel brings profitable customers, repeat customers or only

expensive short-term volume. Liu, Xu and Gao (2024) analyse digital transformation in relation to tourism firm performance during a period of shock, which reinforces the idea that customer acquisition cost should be connected with resilience and control, not only with immediate revenue.

Overall, the discussion shows that defining customer acquisition cost in digital tourism distribution requires a shift from counting reservations to interpreting value. Hotels should not ask only how many bookings come from online travel agencies, direct websites or metasearch platforms. They should ask what each booking costs before, during and after the transaction, what margin remains, who owns the customer relationship and whether the channel can support future demand. In this sense, customer acquisition cost becomes the meeting point between marketing, financial control and strategic management in hotel distribution (Zhang et al., 2025).

5. Conclusions

This article examined the difficulty of defining the cost of customer acquisition in digital tourism distribution, with particular attention to online travel agencies, direct bookings and hotel profitability. The main conclusion is that the acquisition of a hotel guest is no longer a simple commercial event that can be attached to one channel and one cost. In the digital environment, a guest is gradually obtained through visibility, comparison, trust, conversion, reservation technology, communication and possible retention. The reservation is only the final visible point of a longer economic process.

The analysis showed that the usual distinction between online travel agency bookings and direct bookings can be misleading if it is interpreted too narrowly. Online travel agency bookings appear costly because the commission is visible and directly connected with the reservation. Direct bookings appear more attractive because the commission disappears from the transaction. However, what disappears from the invoice does not necessarily disappear from the business. Direct demand must also be produced, maintained and converted through digital infrastructure, brand recognition, advertising effort, website performance, customer communication and loyalty mechanisms. For this reason, the real comparison should not be between “commission” and “no commission”, but between different ways of paying for access to the guest.

The article also showed that customer acquisition cost is difficult to define because the actors involved in tourism distribution do not have the same interest in defining it. Intermediaries may present acquisition mainly as visibility and conversion. Hotels may see it through the pressure of commissions and the loss of direct contact with guests. Providers of digital tools may present direct distribution as autonomy, although autonomy also requires permanent investment. Advertising systems may offer numbers that look precise, but a click, an impression or a campaign does not automatically become a profitable stay. This is why customer acquisition cost is not only a financial indicator. It is also a boundary: whoever defines the boundary decides which costs are visible, which costs are ignored and which channel appears more profitable.

A key contribution of the article is the separation between costs that are easy to see and costs that are easy to forget. Some costs enter the calculation immediately, such as commissions, advertising payments or technology subscriptions. Others remain hidden inside the future of the business: weaker access to customer data, dependence on platform rankings, pressure to reduce prices, weaker brand memory and the difficulty of bringing the same guest

back without paying again for visibility. These costs do not always appear at the moment of booking, but they can influence the hotel's long-term capacity to protect margins and build independent demand.

From a managerial perspective, the value of a distribution channel should not be judged only by the number of reservations it produces. A fully booked hotel is not necessarily a more profitable hotel if too much value is lost before the guest arrives or after the guest leaves. Hotels need to ask more precise questions: how much did the booking cost before it was confirmed, how much margin remained after the channel was paid, who owns the customer relationship, and whether the same guest can be reached again without repeating the same acquisition cost. These questions move the discussion from booking volume to economic quality.

The article therefore proposes a layered understanding of customer acquisition cost. At the first level, hotels must consider direct transaction expenses, such as commissions and advertising payments. At the second level, they must include the digital systems that make distribution possible, such as websites, booking engines and channel management tools. At the third level, they must consider the cost of maintaining the relationship with the guest after the transaction. At the deepest level, they must account for strategic losses that are harder to quantify, such as dependence on external ranking systems, limited ownership of customer data and the weakening of the hotel's own brand identity. This approach does not offer a universal formula, but it offers a more realistic logic for managerial comparison.

The broader implication is that online travel agencies should neither be rejected nor idealized. They can provide access, visibility and trust that many hotels could not create alone, especially independent and smaller accommodation businesses. At the same time, direct bookings should not be romanticized as automatically cheaper or better. Both intermediated and direct channels can create value, but both can also absorb value. The challenge for hotels is to design a distribution mix in which each channel is evaluated by its real contribution to profitability, customer control and future demand.

The value added by this article lies in reframing customer acquisition cost as a strategic concept, not only as a marketing expense. By connecting digital distribution, hotel profitability and channel dependence, the article shows that the cost of obtaining a guest should be understood as a combination of visible payments, hidden efforts and long-term consequences. This perspective can help hotel managers avoid superficial comparisons between channels and develop a more disciplined approach to digital distribution decisions.

Future research could test this conceptual approach through empirical studies based on hotel-level data. One direction would be to compare the real acquisition cost of online travel agency reservations, direct website reservations, metasearch reservations and repeat customers. Another direction would be to analyse how acquisition cost differs between independent hotels and chain hotels, between urban and leisure destinations, or between high-season and low-season periods. Future studies could also examine how managers actually calculate, ignore or negotiate these costs in practice, using interviews with hotel owners, revenue managers, digital marketing specialists and distribution managers. Such research would help transform customer acquisition cost from a contested concept into a more usable managerial tool.

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