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INDUSTRY REPORT

The Future of AI-Driven Travel Distribution: 2027–2030

How AI assistants, agentic commerce and MCP are changing travel discovery, booking and servicing

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Published: 20 November 2026 · **Publisher:** Innovate Solution Global Pte. Ltd.

Scope: AI platforms, OTAs, travel infrastructure, protocols and payments, pilgrimage travel

Online edition: innovatesolution.com/insights/ai-travel-distribution-2027-2030

INDUSTRY REPORT

Key findings and analysis

39%
of US travelers actively used AI to plan trips in 2026, up from 28% a year earlier[1]

<1%
of Booking.com room nights came from AI-platform referrals in Q3 2026[2]

61%
of travel businesses are experimenting with or scaling agentic AI[3]

78%
growth in RateHawk's API bookings in H1 2026[4]

Key findings

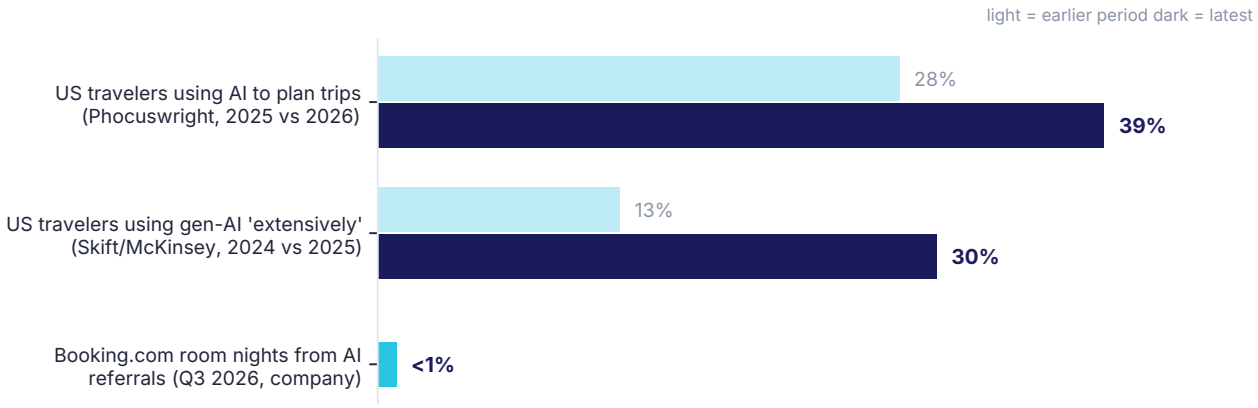
1. **Every major AI platform has entered travel, but transactions are proving hard.** OpenAI launched in-chat checkout in September 2025, then shifted checkout to partner apps in March 2026 to focus on discovery[5][6]. Google launched hotel booking inside AI Mode in the US in August 2026, with the hotel or OTA as merchant of record, and has not yet launched flight booking[7][8].
2. **The first agentic channels run through incumbents.** Google's AI Mode booking partners are OTAs and hotel chains[8][9]; Booking.com, Expedia and Tripadvisor supplied the first ChatGPT apps and Claude connectors[10][11]. So far AI has extended OTA reach rather than routing around it.
3. **Infrastructure providers are positioning as the transaction layer.** Sabre, Amadeus and Travelport have launched MCP servers or agentic APIs[12][13][14]. On 12 November 2026 Travelport, Mastercard, Booked AI and Basis Theory completed a live end-to-end agentic NDC flight purchase, with the airline as merchant throughout[15].
4. **API-first suppliers are winning AI builders.** Duffel powers flight booking inside Meta's Muse agent and reports AI platforms among its fastest-growing customer segments[16][17]. Amadeus closed its Self-Service developer portal on 17 July 2026, keeping only contract-based Enterprise APIs[18].
5. **Value is moving to execution.** When an agent acts for a customer, errors in price, availability, payment or servicing become visible and costly. Accurate offers, agent authorisation and post-booking servicing gain value; generic inspiration content and price-comparison pages lose it.

1. AI platforms: the new front door to travel

Each platform is approaching travel differently. The table separates what is generally available from what is limited, announced or reported.

Platform	Status	What is confirmed
	Live Building	Apps in ChatGPT since October 2025 with Expedia and Booking.com among the first partners[10]. Instant Checkout scaled back in March 2026[6]. ChatGPT Ads passed a $1bn annualised run rate in under 200 days[19] and reached 89 countries by October 2026[20]. Acquired AI travel agent Odessia in November 2026; its founder now leads a travel team[21][22].
	US only	Hotel booking in AI Mode launched 27 August 2026 in English in the US; the hotel or booking platform is merchant of record[7]. Flight price tracking in 180+ countries[7]. Flight booking described as a future possibility[8]. Universal Commerce Protocol for Lodging is on a waitlist[23].

Platform	Status	What is confirmed
	Live	Model Context Protocol (MCP) donated to the Linux Foundation's Agentic AI Foundation in December 2025[24], with 10,000+ published MCP servers at the time[25]. Booking.com, Tripadvisor and Viator connectors added in April 2026[11]; Booking.com bookings complete on Booking.com[26].
	Preview	Copilot Actions with Booking.com, Expedia, Kayak, Priceline, Skyscanner and others[27]; Web Actions asks for confirmation before booking or buying[28].
	Live	Native hotel booking since March 2025 through Selfbook, with Tripadvisor content[29].
	Rolling out	Hotel search, booking and management with Expedia inventory, announced December 2025[30]; Alexa+ has adopted MCP with Priceline, Viator and Virgin Atlantic among early builders[31].
	US only	Personal agent launched September 2026; flight booking runs through Duffel's API, issued under Duffel's agency with post-booking support[16][17].



Consumer adoption is rising fast while AI-attributed bookings remain small. Sources: Phocuswright[1], Skift Research and McKinsey[32], Booking Holdings[2]. The measures differ and are not directly comparable.

2. OTAs are distributing through AI, not waiting to be replaced

Company	AI strategy (confirmed)
	Assistant users at Priceline and Agoda convert at about twice the rate of non-users; Agoda assistant users book roughly 20% higher values[33]. Launched AI-native offerings Lola and Vayo[34].
	Q3 2026 B2B revenue up 23%, B2B gross bookings up 19%[35][36]; about two-thirds of bookings come through direct channels[36].
	TripGenie AI-assisted orders up about 400% year on year (March 2026)[37].
	Myra 2.0 completes bookings end to end, including by voice in eight languages, Bengali among them[38].
	First listed Indian travel company live in ChatGPT Apps (April 2026)[39].
	Its AI agent handles about a third of support issues in North America[40]; an AI travel agent is planned for the first half of 2027[41].

Two patterns stand out. First, the clearest return on AI so far is inside each company's own funnel and service operation, not in external AI channels: AI referrals remain well under 1% of Booking.com room nights[2]. Second, regional OTAs are setting new expectations for conversational booking in local languages, which smaller agencies will need to match without building it themselves.

3. Travel infrastructure: aggregation still matters

The infrastructure layer is reorganising around one question: who makes an AI request bookable, payable and serviceable at scale?

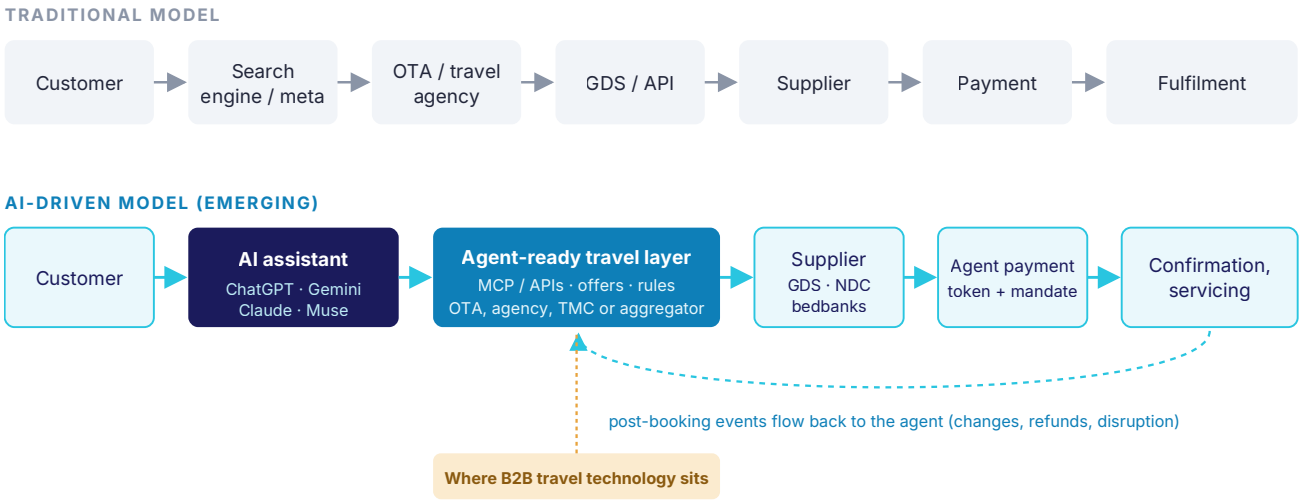
- **Amadeus** presented a Leisure MCP server at ITB Berlin 2026[13] and expanded agentic commerce for hotels in June 2026[42]. Its CTO argues that MCP adds no intelligence of its own and that aggregation remains essential: one booking averages about 4,000 background transactions over EDIFACT and closer to 20,000 over NDC[43].
- **Sabre** launched agentic-ready APIs and an MCP server on SabreMosaic in September 2025[12].
- **Travelport** is building an MCP layer over Trip Services with Anthropic and Cognizant[14] and completed the first live agentic NDC purchase[15]. Its CTO's view: an agent can interpret intent, but it cannot own the consequences[44].
- **B2B marketplaces** are moving the same way. HBX Group signed a seven-year AI-led partnership with Dida[45]; Emerging Travel Group reported $4.8bn GTV for 2025[46]; RateHawk now has 1,800 API partners[4].
- **MCP is becoming table stakes**: Kiwi.com[47], Apaleo[48] and BCD Travel[49] have all launched MCP interfaces.

Our reading: global distribution systems remain essential infrastructure, but their value will increasingly be reached through MCP and agentic APIs rather than terminals and EDIFACT messages. The intermediary does not disappear; it moves behind the assistant.

4. Protocols and payments for agentic travel

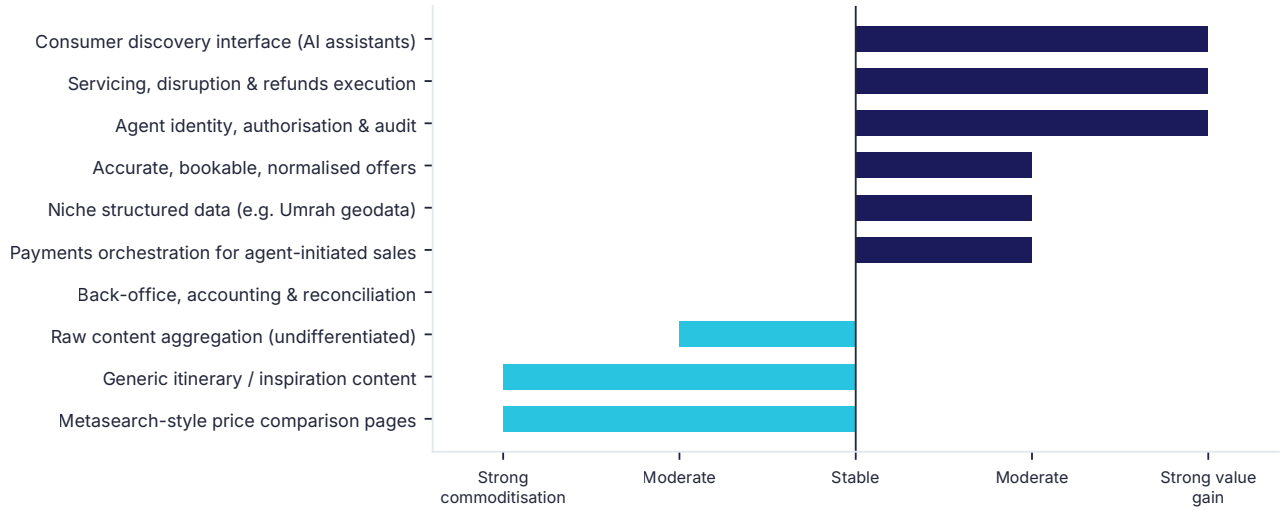
Standard / programme	Owner	Role in travel
	Agentic AI Foundation (Linux Foundation)	Standard interface between AI assistants and travel systems[24]
	OpenAI and Stripe	Product feeds and checkout; now infrastructure for app-based checkout[5][6]
	Google	Agentic lodging booking where the property stays merchant of record; works over APIs, MCP or A2A[23]
	Visa	Accepts agent-initiated payments across TAP, MPP, ACP and UCP in one integration[50]; live agentic transactions in Europe, including travel[51]
	Mastercard	Tokenised payment checked against the customer's recorded approval[15]

5. How the distribution model changes



The intermediary is not removed: it is re-positioned behind the assistant as the layer that turns intent into a valid, payable, serviceable order.

Dimension	Direction of change to 2030
	AI assistants and conversational ads become a major top of funnel[19][7]
	Conversational and multimodal; AI is nearing parity with general search for travel research[52]
	Assistants raise conversion inside owned funnels[33]
	Machine-to-machine distribution grows[45][49]
	Still unsettled: who is paid when an agent books remains open[6][53]
	Tokenised, mandate-based agent payments with the supplier as merchant[15][50]
	Suppliers want to remain merchant of record and own guest data[23]
	First-line servicing increasingly automated[40]
	Shift toward advice, exceptions, groups and complex trips
	Contested; EU AI Act transparency duties apply from 2 August 2026[54]



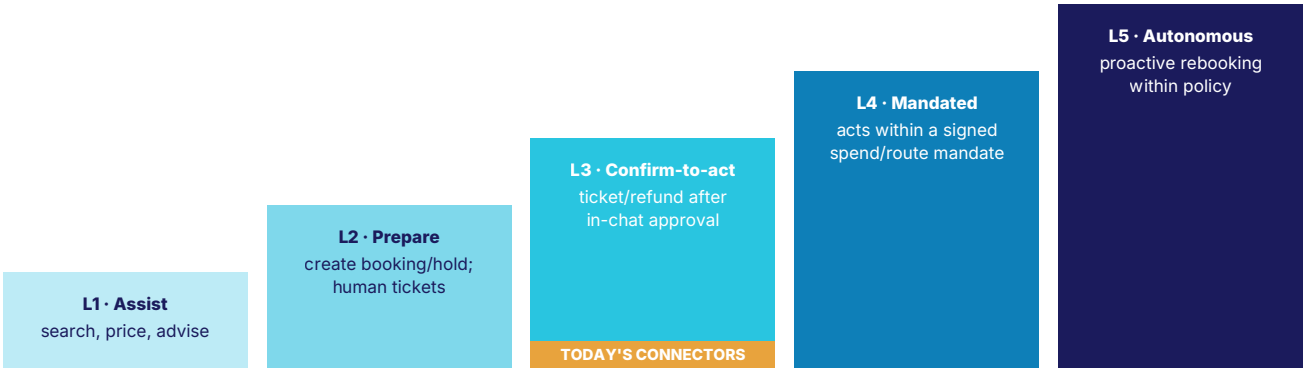
Expected value shift by layer, 2026 to 2030. Innovate Solution analyst assessment based on the evidence in this report, not a quantitative forecast.

6. Four plausible scenarios to 2030

Scenario	What it looks like	Plausibility (our view)
	Assistants own demand and book natively, with suppliers behind them	Medium
	OTA assistants raise conversion; AI platforms route demand to OTAs	High in the near term
	GDS and aggregator MCP becomes the default transaction layer	Medium to high
	Platforms, OTAs, GDSs and specialists coexist through shared protocols	Highest to 2030

Across all four, the capabilities that hold value are the same: inventory that an agent can reach through a standard interface, offers that stay correct through payment, and servicing that works after the booking.

7. What must be true before AI books on its own



Five levels of booking autonomy. Innovate Solution's connectors operate at level 3: the AI prepares the booking and a person approves ticketing, cancellations and refunds[55].

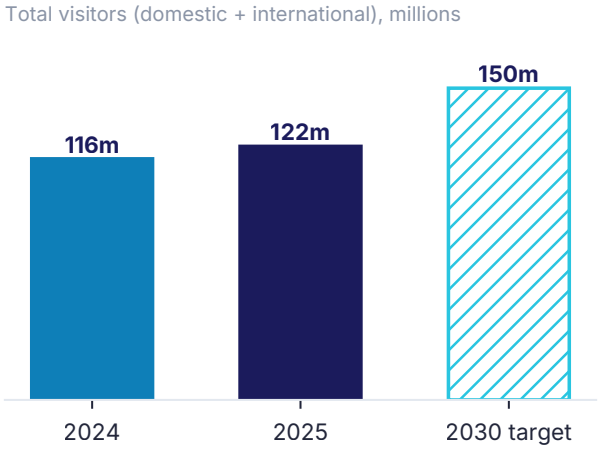
Moving from human approval to autonomy within a customer's limits requires the system to do what the approving person does now:

1. A verified agent identity, bound to the user, the business account and the session.
2. A machine-readable mandate (amount ceiling, routes, dates, fare conditions, expiry) stored with the order.
3. A mandatory re-price and fare-rule check immediately before payment.
4. Tokenised payment, so the agent never sees card data, as in Mastercard's Verifiable Intent and Visa's Trusted Agent Protocol[15][50].
5. Exactly-once booking with compensation for partial failures, and a published servicing commitment.
6. A tamper-evident audit trail of every tool call and approval, ready for disputes.

8. Spotlight: pilgrimage travel to Saudi Arabia

Saudi Arabia recorded an estimated 122 million domestic and international visitors in 2025, up 5%, and targets 150 million by 2030[56]. Overseas Umrah pilgrims exceeded 18 million and the government's Nusuk app passed 51 million users[57].

Pilgrimage logistics (group bookings, visas, hotel allocation, ground transport) remain operationally heavy and poorly served by global OTAs. Proximity matters too: a pilgrim's first question is often how far the hotel is from the Haram. Structured, machine-readable data, such as walking times from 800+ hotels in Makkah and Madinah to the nearest gates on UmrahMap[58], is exactly what AI assistants need to answer such questions reliably.



Total visitors, millions. Source: Saudi Ministry of Tourism via Arab News[56]; 2025 is preliminary.

9. What travel sellers should do in 2027

1. **Make your inventory reachable by agents.** Expose search, pricing, booking and servicing through MCP or agent-ready APIs on top of your existing platform, not a parallel one.
2. **Keep humans in the loop for money-moving steps** until identity, mandates and re-pricing are in place.
3. **Invest in servicing first.** It is where AI already delivers measurable savings for the largest OTAs[33][40] and where errors cost the most.
4. **Structure your content** (policies, fare rules, amenities, proximity) so AI assistants can read it accurately.
5. **Plan payments around tokenisation** and the card networks' agent programmes rather than building your own rails.
6. **Measure it.** Track agent-initiated bookings, price-mismatch rates and servicing completion so you can show partners the channel works.

How Innovate Solution approaches this

Innovate Solution's Travel MCP Connectors are live for InnoTravelTech, ReservationHub, UmrahCore and TransferArc, tested with ChatGPT, Claude, Gemini and Muse. They run on each agency's own OAuth sign-in, inherit its roles and credit limits, log every tool call, and wait for a person before ticketing, cancellations or refunds[55]. For businesses without their own airline or GDS contracts, TripGic provides GDS, NDC and low-cost-carrier content through one API.

Methodology

Desk research up to 20 November 2026 across company announcements, product documentation, earnings releases and call summaries, regulator publications and specialist travel-technology press. Capabilities are labelled by evidence: **Live** generally available; **Limited** beta, preview or single-country; **Announced** stated plans. Forecasts are reported as forecasts and never as company strategy. Secondary sources are marked in the source list. Figures describing Innovate Solution come from its own published pages.

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