Emerging Markets Queries in Finance and Business

Study about customer preferences in using online tourism products

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**Abstract**

Holidays and leisure services are usually bought without experiencing them first, so buying them online is not so different from offline experience. For this reason, Internet has become an essential marketing tool for the tourism industry. The purpose of the study is to find why Romanians use Internet, if they practice tourism recently and what type of tourism, reasons for using the online for different types of tourism products, their preference for the online or offline tourism based on different criteria, the share of online consumed tourism. The results of the paper have implications for target marketing strategies designed for business environment, travel destination areas, services, and facilities and also for tourism organizations.

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*Keywords:* online tourism, online customer behaviour, online customer preferences ;

# Introduction

The accelerating and synergistic interaction between technology and tourism in recent times has brought fundamental changes in the industry and on our perceptions of its nature. In the book *Successful Web Marketing for the Tourism and Leisure Sectors* 2001:30, Bringgs suggested that holidays and leisure services

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are usually bought without experiencing them first, so buying them online is not so different from offline experience.

The revolution everyday lives, including the way travelers search for information and plan trips. Several studies show that the Internet has become one of the most important information sources for travel information acquisition D.-Y. Kim et al. 2007.

The growing acceptance and use of the Internet as an increasingly valuable travel tool has tourism and hospitality businesses taking a critical look at their business-to-customer online environments Mills and Law, 2004. -shopping offers not only time/ place convenience and enhance value through price comparisons, but also hedonic consumption possibilities as shopping experience themselves can also be rich in consumer value Sigala, 2004. Christou and Kassianidis 2002 study indicated that the advantages and disadvantages of physical efforts and time pressure related to traditional in-store travel agency shopping positively influence consumer's perception of the characteristics of e-shopping. Consumers' perception of the relative advantage and compatibility of electronic travel shopping positively influence their intention to adopt e-shopping.

Buhalis and Law 2008 made a review on the transformation on tourism globally because of the developments of Information Communication Technologies ICTs. The main changes comparing to offline tourism are: ICTs enable travelers to access reliable and accurate information; assist in the improvement of the

time; changed tourism consumer behavior dramatically; information search is a significant part of the purchase decision process and was revolutionized as a result of the Internet; not only reduce uncertainty and perceived risks but also enhance the quality of trips; the Internet have changed trave behavior; tourists who searched on the Internet tended to spend more at their destinations as compared to those who consult other information sources; virtual communities are gradually becoming incredibly influential in tourism as consumers increasingly trust better their peers, rather than marketing messages; introduced the concept of social networking/virtual communities and applies it to the tourism industry; increased the number of choices for consumers; provide a very effective mechanism for consumers complaints; lead to better personalization, customization, and interaction between consumers and tourism organizations; changed dramatically the market conditions for tourism organizations; provide new tools for tourism marketing and management; re-engineer the entire process of developing, managing and marketing tourism products and destinations.

European Commission report for the tourism industry, published in March 2012 suggests that 24% of Romanians consult Internet when planning a trip or holiday. Romania is among countries that use the least this source of information, together with Serbia 7% and Macedonia 21%. Most Romanians take into account the recommendations of friends, colleagues and family in deciding travel destination 51%. However 26% of Romanians have used the Internet when planning a trip <http://evisionturismdotcom.wordpress.com/> 2012/03/19/rezultatele-eurobarometrului-si-tendinte-pentru-piata-romaneasca/. The recently published yStats.com reports highlights that in 2015, there are expected to be nearly 3 billion Internet users worldwide, up from 2 billion in 2011. Global B2C E-Commerce sales reached between USD 400 and 600 billion between EUR 300 and EUR 450 million in 2010 and between USD 700 and 950 billion is expected for 2013. Until 2013, Asia's share on global B2C E-Commerce sales is projected to increase. [http://ystats.com/en/reports/preview.php?reportId=887.](http://ystats.com/en/reports/preview.php?reportId=887) Central Europe and Western Europe are advanced B2C E-Commerce market. In Eastern Europe, there is huge potential for growth. Czech Republic, Poland and Russia all recorded double-digit growth rates in B2C E-Commerce between 2009 and 2010. According to Eurosta [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=isoc\_ec\_ibuy&lang=en,](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=isoc_ec_ibuy&lang=en) nearly 60% of Internet users in Europe shopped online; the proportion of e-shoppers among Internet users ranged from 79% in the United Kingdom to 9 % in Romania. Even during economic instability, the online trading industry has kept a growing rate of two-digit and remains a developing market, exceeding 150 million euro per year in Romania.

The purpose of the study is to find why Romanians use Internet, if they practice tourism recently and what type of tourism, reasons for using the online for different types of tourism products, their preference for the online or offline tourism based on different criteria, the share of online consumed tourism. The results of the paper have implications for target marketing strategies designed for business environment, travel destination areas, services, and facilities and also for tourism organizations.

# Research Methodology

The present study is focused on identifying features and motivations of online customers and behavioral characteristics of users of online tourism products. For investigations it was used exploratory and descriptive research. Secondary data were obtained through published and statistical studies and extensive web sites analysis. Primary data were gained through survey conducting personal face to face interview based on a questionnaire. The questionnaire was structured in two parts. The first one contains eleven questions which offer specific information. There were used structured questions for basic information for the research and unstructured questions for Chinese portrait technique of online versus offline tourism and respondent features. The second part include questions used for the classifications of the respondents the age of the respondents; the gender; their education; their occupation; their monthly average income; residence.

Because the aim of a study is primarily explorative, qualitative and descriptive, the research uses snowball sampling that offers practical advantages Hendricks, Blanken and Adriaans, 1992 such as social networks of identified respondents to provide a researcher with an ever-expanding set of potential contacts. Snowball samplings is a more formal methodology for making inferences about a population of individuals who have been difficult to enumerate through the use of descending methods such as household surveys Snijders, 1992; Faugier and Sergeant, 1997.

The authors used an online research portal in order to collect the data. iSondaje.ro is a popular web site support created to sustain research in different academic fields. The questionnaire was registered to [www.isondaje.ro/sondaj/237236817/.](http://www.isondaje.ro/sondaj/237236817/) For data collecting the authors chose to encourage students to respond and use their social network to fill in the online questionnaire including friends and relatives to assure the age and gender, personality different buying habits and behavioral diversity. The research was conducted during November 2011. A number of 252 questionnaires were collected using this sampling technique, but only 173 were valid full completed.

The main goal of the conducted study was to identify the characteristics and attitude of the Romanian people in using the online tourism products.

# Results and discussions

The study reveals that almost 90% of respondents have benefited of a tourism product in the last 3 years. This figure is very encouraging due to the fact that Romania has passed through a difficult economical period in these years. The research shows that respondents prefer to buy offline Romanian tourism product 54.34% than online 36.99%, but for international tourism product the main buying method is shopping online 42.77% comparing with 27.17% offline. As figure 1 shows most of the respondents practice weekend tourism, followed by leisure and cultural tourism. These figures explain the reason why almost 90% of the respondents have benefited of a tourist product in the last 3 years in a difficult economical period.

All these types of tourism mention above weekend, leisure and cultural are among the cheapest tourism products at least in Romania.

From the respondents point of view the Internet became a useful and important tool starting from 2005.

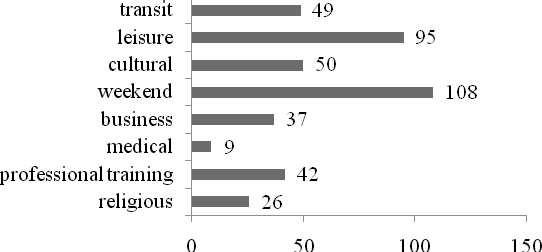


Fig. 1. Preferred type of tourism

As the table 1 shows the online is used especially for searching information, followed by comparing tourism offers and only at the third place is shopping online tourism products. The majority of the respondents are searching online information for accommodation, making comparisons for the same services accommodation and shopping online especially transport services

Table 1 Use the online for tourism products

|  |  |  |  |
| --- | --- | --- | --- |
|  | Searching information % | Offers comparison % | Buying % |
| Accommodation | 93.64 | 63.58 | 35.26 |
| Entertainment | 84.66 | 46.82 | 20.23 |
| Transport | 80.92 | 51.45 | 38.15 |
| Rental services | 81.5 | 38.73 | 17.52 |
| All inclusive products | 83.24 | 51.45 | 33.53 |
| Average | 84.79 | 50.40 | 28.93 |

The online is preferred to offline in term of each criterion from tourism product. Searching information and convenience in purchasing were the higher evaluated for the online so those could be considered the main advantages for online tourism. For offline, convenience in purchasing is by far the highest ranking criterion. The authors explain this result due to the fact that some of the respondents may look for personal contacts of tourist agents and the advice of experts.

Table 2 Comparison between the online and the offline

|  |  |  |
| --- | --- | --- |
| Criteria | Online | Offline |
| Information | 4.42 | 2.82 |
| Offer comparison | 4.3 | 2.52 |
| Finding the best offer | 4.35 | 1.97 |
| Price of tourism product | 4.07 | 2.87 |
| Time | 3.77 | 2.62 |
| Convenience in purchasing | 4.42 | 3.24 |
| Average | 4.22 | 2.68 |

The profile of the Romanian online tourists is

He benefit from a tourism product in the last 3 years

He prefer to buy international tourism product

He practice especially weekend and leisure tourism

He uses the online especially for searching information, followed by comparing tourism offers and only at the third place is shopping online tourism products

He is searching online information for accommodation, making comparisons for the same services accommodation and shopping online especially transport services

He starts using Internet as an important tool from 2005

He prefers the online in term of each criterion generally used in buying decision for tourism product More than half of the purchased tourism products are online

He is male or female almost equal, young, has a higher education and a medium revenue and lives in urban ar a

Demographical figures of the sample are presented below:

**<20**

**50-65**

**5,23%**

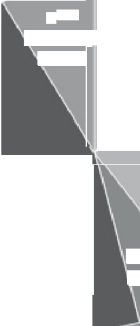
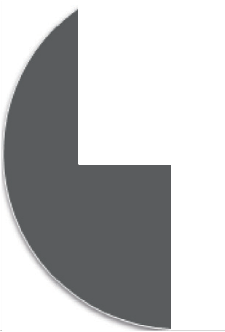
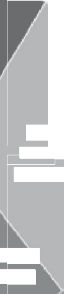
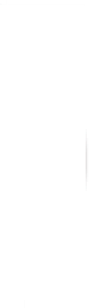
**8,74%**

**35-50**

**20,35%**

**20 35**

**65,69%**



**universit 8,72%**

**8,72%**

**post**

**basic**

**hig**

**university**

**45,35%**

**l**

**30,81**

**colleg 6,40%**

* 1. Age
  2. Education

**>2500 lei**

**18,02%**

**< 500 lei**

**21,51%**

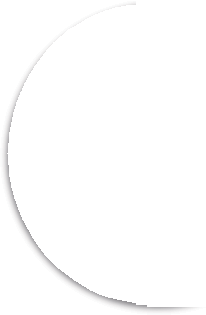
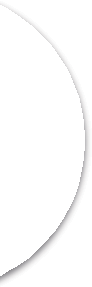
**1500 2500**

**lei 23,84%**

**500 1500**

**lei**

**36,63%**



**Se ies 1, ,**

**97,**

**Series 1, F,**

**76,**

**43.9**

**56.0**

* 1. Reven (d) Gender

Fig. 2. Demographical figures (a) age; (b) education; (c) revenue; (d) gender

# Conclusions

During the recent years all assi ted to the emergence of a new, highly complex and global tourism market with a lot of consumers and companies worldwide, coming from the traditional environment onto the digital n The Internet globalization has diversified the demand as well as the specific offer, generating at the same time new global standards in tourism. The high mobility of the modern tourism client and the flexibility of his or her prefer nces have imposed upon tourism companies a rapid adaptation to these changes as well as a response time that would reach the real time level. The amazing growth of the number of worldwide online users has also automatically generated the growth of the online demand for products and s rvices that are being marketed digitally, thus transforming them in e consumers; in recent years in the searches of cyber

consumers there have more and more been included keywords related to tourism and its specific elements; tourist customers' orientation towards the digital environment is determined by: a large and rich range of profile information, the permanent availability of the digital environment, the easiness and speed of finding information, the possibility of rapid and globalized comparison, the access to online packages with substantial discounts etc.

The present study may be considered as being part of a reduced series of studies regarding the consumer behavior of online tourist products; this appreciation may be made from the perspective of the digital market of the kind as well as from that of the segment of the online Romanian consumers of tourist products. The results of the study identified different attitudes and behaviors of the consumers of tourist products in the digital environment.

The findings offer managerial implications for business environment, travel destination areas, services, and facilities and also for tourism organizations. The study concludeed that the majority are using Internet for online communication and for searching information. In the last 3 years almost 90% of respondents have benefited of a tourist product practicing especially weekend tourism, leisure and cultural tourism. Respondents prefer to buy offline Romanian tourism product and online international tourism product. For tourism products, the online is use especially for searching information. The most searched information is about accommodation, but the most bought tourism service is transport, followed by accommodation. Almost one third of the respondents buy tourism product using the online comparing with 9% offered by Eurostat data of e-shoppers in Romania, sustaining the idea of Bringgs that buying tourism products online is not so different from offline experience. For different common criteria used in buying decision for a tourism product, - other than personal sources the online is preferred to offline

Thus the results of this study may be considered as being useful for those who have the mission to identify the needs of the tourist e-consumer and to personalize the online tourist products/ services by following them up and adapting them to the modifications of the e-consumer's behavior as far as the tourist products are concerned.

Also all the information gathered in the above study allows to make new correlations between the identified variables and gives the perspective of extending the study to other digital market segments in order to establish some behavioral comparisons and to identify specific segmentation of to tourist product consumers.

The limitation of the present study lie in the difficulty of reaching statistical representativeness, but also of capturing all the typologies of consumers from a demographical, behavioral or psycho-graphical perspective.

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