Role of Online Travel Agents in increasing the frequency of traveling habit in Gen Y

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Abstract

The synergistic interaction between internet and travel sector in recent times has brought revolutionary changes in the function of travel industry & also in the ways of seeking out information to plan the journeys. Online travel portals have grown remarkably in India due to varied socio-demographic and other changes. In present scenario, some online travel agents such as Make My Trip, Yatra.com, Trip Advisor Media Group, Clear trip, Expedia, Travora Media, and Must see India are booming in Indian market. The purpose of this study is to pinpoint the contribution to the growth of traveling habits in youth (especially Gen Y) and their role in increasing the traveler’s habit. The present research design is descriptive in nature and youth survey technique is used to collect the data. To conduct survey a structured self-administered Questionnaire is being used and a convenient sampling method is being followed for the administration of the survey. The collected data is being analyzed using both descriptive as well as inferential statistical techniques. The finding of the study can provide a valuable source of information to travel organization which can improve their service and quality to convince youth in increasing their travelling habits through online initiatives.

Keywords: Online travel portals, Gen Y, socio-demographic.

Introduction

An online travel agent is more like an online booking resource. It is any website that you can go to and make travel arrangements, were you can log in, do multiple searches...
for flights, hotel rooms, car rentals etc. and place your order online - very conveniently. Online travel agent booking sites are helpful in many ways; people can explore all of their different options for travel right in one spot. If you are looking for a flight to Europe, for example, and your route is flexible, users can map out different itineraries online. Then, the user can pick which works best for them and make a decision about what they want to do. Also, the user gets exposed to options that they may not have thought of before; therefore broadening their horizons of what type of travel arrangements are available to them. Another pro for using an online travel agent website is the wide variety of products that they offer. Not only can a customer browse airfare, car rental, and hotel options, but also travel insurance, airport shuttles, and tour tickets are available for purchase. This is very helpful to an online travel planner, as they can cover most of their travel planning needs in one visit to a website.

The domain of online travel Agent has gained significant strength with the arrival of internet. In a short span of time, Internet has proved its worth successfully in tapping tourism opportunities utilizing modern communication technology. It has led to electronic marketing popularly known as e-marketing or internet marketing. Online travel Agent is one such natural outcome of online marketing that boomed in last two decades. The concept has gained much attention among modern business organizations. Savvy organizations are observing their every move while marketing services to their customers and are combining traditional business acumen with new technology for forging stronger ties with customers. These organizations have started using online marketing tactics for five main reasons that can be expressed with 5 Ss viz. sell, serve, speak, save and sizzle (Smith and Chaffey 2001). These 5Ss equip tourism organizations in increasing sales, adding value, getting closer to customers by creating a dialogue, saving costs, and extending the brand respectively. It has been found that a strong network of online technologies helps in developing an environment of spontaneity and convenience. Customized websites, value-added services, focused marketing, easy-to-use self-service tools, and sophisticated contact-center solutions attempt to provide higher user awareness, accessibility and autonomy. This further provides several ways to build loyalty. Companies that develop a well-conceived strategy for boosting customer loyalty through technological advancements can achieve impressive outputs resulting primarily in reduced customer turnover, cultivated (high-margin) customers, and long-term relationships all set to benefit the bottom line (Samuel 2003). In addition, internet marketing also embraces information management, public relations, customer service, and sales under the broader umbrella of e-commerce. Online travel Agent has caused several changes in the tourism industry out of which the main impact has been on the interrelation between service providers and traditional intermediaries (Antoioli & Baggio, 2002).
It has offered Tourists, across the globe, a tool to express their needs, to seek details on destinations, facilities, availabilities, prices, geography, and climate information for diverse tourism products and services. Moreover, it has given an upper hand to travel agents while looking for information or details about tourists, market trends, service providers, destinations, facilities, availabilities, prices, tour packages and also in maintaining direct contacts with their partners. With its virtue, it has become increasingly convenient for tourism offices to search for industry trends, size and nature of tourism flows, policies, and plans for the developmental concerns. Unarguably, Online travel Agent has successfully emerged as a platform that enables direct bookings, electronic payments, Business to Business (B2B) and Business to Consumer (B2C) trading among product marketers, travel agents, resellers and customers. Internet and related developments have been quite instrumental in growth of online travel agent and online economy. For securing better propositions, emerging technology has always given big leaps to tech savvy organizations from time to time. Its contribution in Computerized Reservation System (CRS) of 70’s, Global Distribution Systems (GDS) of the 80s and the most flexible internet and intranet based systems of the present days is highly significant (E Business Watch March 2005). Internet enabled portals launched by various government as well as private organizations have offered a wide range of tourism products and services, viz. airlines, hotels, restaurants, adventure tours, activity centers, concerts, festivities, shopping and many more assortments of services.

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flexible internet and intranet based systems of the present days is highly significant (E Business Watch March 2005). Internet enabled portals launched by various government as well as private organizations have offered a wide range of tourism products and services, viz. airlines, hotels, restaurants, adventure tours, activity centers, concerts, festivities, shopping and many more assortments of services. More advanced technologies and developments, e.g., Interactive Digital Television (IDTV), Mobile Networks and Intranets have helped modern organizations in carving new interfaces on consumer services in tourism industry. With the increasing popularity of GPRS (General Packet Radio Services) and GIS (Geographic Information Systems), the efficiency and effectiveness of tourism processes have significantly increased. With these capabilities, tourism is going to incorporate advancer dimensions such as M-commerce (Mobile commerce stands for electronic commerce made through mobile devices) and L-commerce (Location-commerce is the practice of using technologies which provide location information such as GPS for business purposes). The diffusion of these technological advancements has, however, not been similar geographically or nationally.

**Literature review**

Information technology has led to changes in travel behaviors (Kamarulzaman, 2007, Amaro & Duarte, 2013) and it is important to analyze factors that influence them (Brown, Muchira, & Gottlieb, 2007, Amaro & Duarte, 2013). The functional interrelationship between internet and travel is widely acknowledged (Bennett & Lai, 2005; Hsu, Chang, & Chen, 2012). Online travel agencies have an enormous potential to bring fundamental changes to the way the business have been carried out in past and the way the travel companies compete in the market place today (Alvarez, Martin & Casielles, 2007; Hsu et al. 2012, Kuom & Oertel, 1999). Online travel agencies are critical to the tourism industry (Mamaghani, 2009) and researchers have proposed that quality of online travel purchase does influence customers purchase intention (Bai, Law, & Wen, 2008). Use of internet in tourism has brought significant changes to conventional value-chain, affecting every entity in the travel business, be it the suppliers, customers, or the agencies themselves, it has provided new frontiers of competition, brought more up to date information and choices to the customers (Kuom & Oertel, 1999). Wen (2013) examined traveler’s attitudes toward online travel portals suggested convenience and value as important dimensions. Safety and privacy are pertinent for the customers while browsing online travel websites or executing transactions for travel packages. Ku & Fan (2009) emphasized in their study that customers that buy travel products online are more cautious about privacy, quality and safety issues.

Gen Y has been raised in an environment that gives it more occasions and reasons to
make purchase and technology has acted as catalyst to such motivations (Huang & Petrick, 2010). Gen Y links to those born post 1980’s and early 90s; it is comprised of youngsters who are driven by numerous factors in deciding travel and choice of destinations. It is natural to have both innovative and less innovative travelers in Gen Y. however it is observed that highly innovative traveler are more optimistic in adopting online travel purchase compared to their counterparts who show inclination toward referrals (Lee, Qu & Kim, 2007). For youths, like in colleges the online travel portals are convenient because of the availability of payment options like credit cards (Bai, Hu, Elsworth, & Countryman, 2004) for transactions, availability of information and time saving factors to name a few. Gen Y has gained attention of researchers due to its greater spending potential (Kueh & Voon, 2007, Huang & Petrick, 2010). Morton (2002) commented about the Gen Y-ers and found them to be more tolerant and increasingly aware about the service quality. Huang & Petrick (2010) researched on similarities and differences between two generations- Gen X and Gen Y, found and suggested appropriate marketing techniques in place, where for gen X travel counselling, discounts, were suggested, Gen Y could be motivated using images of places, night clubs, and word of mouth.

Research Methodology

To achieve the objective of this research primary as well as secondary source will be considered. Primary data would be collected through both Interviews and questionnaire. Secondary Data will be collected from books, academic journals and reports from professional bodies, research Institutes, online articles & tourism related websites. The paper outcomes will be conducted through survey using Likert scale of attitude measurement. A sample size of 100 was selected was selected from Jalandhar to conduct this research and the respondents are aged between 16 – 30 years. There are some limitations to the study also which are

- Late response from the respondents.
- Survey has been collected from a small proportion of people.
- Missing values are obstacle for proving reliability of research.
- Some respondents were not taking it seriously while filling up the questionnaire.

Data Analysis and interpretation

After the data collection we analyzed, how online travel portals increase the frequency of travelling habits in Gen Y with the help of statistical package for the social sciences (SPSS). A complete part of the respondents all are young (especially Gen y). 19 respondents are of 23 year old. 17 respondents are of 21 years old. The age mean of the respondents are 23.
Findings from the Study

The entire respondent have a habit of travelling and some are frequent traveler for leisure or personal purpose and some use to travel very rarely. As majority of respondents use online travel website and 21 of respondents don’t use online tourism portals, it means they might be using travel agency or other sources. As 26 out of 100 access online tourism portals mostly whenever there plan their trip hence it shows interest for using it and according to data all the respondents are using and aware of online tourism portals for their tourism related information weather directly or indirectly. From the survey it’s clear that all respondents are using online tourism portals and most of them are using from the last 1 to 3 years and some of them have recently started.

According to the survey Majority of 66 travelers are turning to the internet for information, many are still hesitant to book online because of the perceived lack of a secure payment method, a lack of confidence in the technology and a need for a personal service and human interface. Travelers prefer booking their international trips from a travel agent rather than booking online, due to the advantages of travel agents in social interaction and expertise. Most of the respondents use online tourism portals for purchasing services from them. And very few mentions as other like state tourism official website indirectly it related to online portals. 10 percent of respondents are not using and not aware of online tourism portals. From the data analyses for motivational factor, majority of respondents agree to following factors:

- Time Saving: Modern lives have become very busy, with work and leisure activities quickly taking over all the hours of the day. In present scenario youth don’t have time as they are too busy with their Studies or work. This is where online portals is increasing traveler’s habits and its important as it saves valuable time which can be put to better use elsewhere.
• Convenience: Travelers like the convenience of booking online, where they can enjoy the comfort of their familiar environments, fast responses on travel-related requests and multitasking.

• Fast and effective: In fact websites are fast and effectively becoming the first source of information about any commodity a customer is looking for and tourism is no exception.

• Virtual tour: It is believed that when users visit a tourism website, the website features enhance tourism product presentation in terms of interactivity and vividness, which create the feeling of presence so that users can have a simulated direct experience on the Internet, and decide for visiting that particular destination.

Conclusion

Online tourism portals are significantly important channel for tourism sales these days. The outcome of this research also helped us in understanding the behavior of youth towards using online travel portals for traveling purpose. From the three stages of online tourism portals, we summarize the findings as how tourism portals can increase and what are the benefits and obstacles that occur while accessing the same. Since the habit of youth is increasing towards travelling due to the factors like Promotional offers, Customer care, Holiday packages, Information content and Virtual Tour which are influencing youth towards it. The main benefit includes time saving, convenience, Fast and Effective services, and Variety of products which caters to the demands of every individual. From the extraction of primary research we found out the following obstacles of online travel portals are faced by the youth today…

• Connectivity: Server problem, website traffic and load of data.

• Lack of Knowledge: Respondents lacking in tourism knowledge and advance technology services on websites.

• Unreliability: While travelers are increasingly turning to the Internet for information, many are still hesitant to book online because of the perceived lack of a secure payment method, a lack of confidence in the technology.

• User Registration: Processing of registration de-motivate user to access online tourism portals.

References


