# THE DEVELOPMENT, SUCCESS AND IMPACT OF ELECTRONIC TOURISM IN THE DIGITAL AGE

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## ABSTRACT

*Electronic tourism allows customers easy access to accurate information, to make a reservation in the shortest time, at low costs and without other inconveniences.*

*From a strategic point of view, tourism revolutionizes all business processes and relationships between tourism organizations, fostering their interaction with all interested parties. The key to success consists in satisfying the needs of customers through their rapid identification, and in attracting customers with tailor-made, modern products and services.*

*The management of an electronic business entails that its initiators should constantly re-examine the strategies, techniques and instruments used and to bring them up-to-date to the standards of the new technologies. This is why a good strategy in the electronic business world in tourism is followed by ongoing action that is in line with the level of evolution of a tourism agency.*

**KEY WORDS:** *electronic tourism, electronic business, information, SEO*

## INTRODUCTION

The tourism industry is considered a top one, due to the perspectives offered to marketing and online selling. This sector has managed to bring on the market a wide range of opportunities and to make the most of these so that every company should be able to interact with the consumer directly, without resorting to intermediaries. This unmediated interaction allows companies in the field to react to changes on the market in real time. Although it has made its presence known on the online market, the tourism industry is dominated by SMEs which are still reluctant to adopt all the functions made available by the new communication and information technologies. These SMEs are facing a problem as far as both the possibility to procure technology and the implementation facilities are concerned, but, with the help of innovative websites, they can gain equal access on international tourism markets via Internet. A report from the United Nations Organization highlights the losses that companies may undergo unless they offer a gateway to these on

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the online market: "it is not the cost of being on the online market that needs to be emphasized, but the cost of not being on it".[1]

Electronic tourism comprises all the tasks for all the branches of the tourism industry, some of these being: electronic commerce, online marketing, finances and electronic accounting etc.

The evolution of this field of tourism and of technological progress have changed business practices and strategies, the manner in which the information is introduced and offered, ultimately leading to the globalization of tourism.

We need to acknowledge the fact that in the past 20 years progress has been made, but starting with the year 2000, a major transformation was witnessed in the technological area, while we expect new instruments and services that foster global interaction to develop.

Electronic tourism allows customers easy access to accurate information, to make a reservation in the shortest time at minimal costs and without other inconveniences. This progress is due to the fact that tourists have become more sophisticated and experienced. Those in the main areas have become frequent travelers, are well acquainted with foreign languages and specific traditions pertaining to the visited places, and technologically literate.

Although this progress in information communication can provide so many advantages, the activities which are specific to electronic tourism entail the existence of tour operators, of tourism agencies and of other entities in the field of traditional tourism, the online environment creating a connection, a portal between tourism product suppliers or service providers and their consumers.

E-tourism offers increasingly diversified products. Besides the fact that tourists can reserve a vacation online, they can also pay for it through the same means, not to mention visit the destination in a virtual environment along with the hotel, tourist attractions and sights in the area. Sales in tourism often take place close to the departure date. Those agencies that appear as reliable and which offer prompt services and appealing costs to the tourists can develop their business to the detriment of other efficient companies.

## 1. E-TOURISM SUCCESS IN COMPARISON WITH TRADITIONAL TOURISM

The key to success consists in satisfying the needs of customers through their rapid identification and drawing the customers' attention with personalized services at competitive prices.

Consumers of the modern world can rarely enjoy a spare moment in which to relax and unwind, mainly because of the hectic and active life that they are leading. That is the main reason why most of them want to enjoy their leisure intervals exploring their interests for their personal and professional development.

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[1] http://www.devbusiness.com/content/pdf%20docs/un_business_guidelines.pdf

Most clients are willing to spend fairly big amounts of money when they are planning their holidays with the family or friends, as these holidays are some of the most expensive items that they purchase in a year.

Besides the desire to spend their free time and holidays in a place that is as different as possible from the one where they unfold their daily activities, an important role in changing consumer behavior is held by access to information via the Internet.

Although tourism is an ancient practice encountered worldwide, technological advancement in it has been easily accepted, since it brings along a series of advantages and benefits. According to an ITB Berlin study from 2016, the Internet is the leader in tourism sales, with a percentage of 24%. Hence, every successful business, in tourism and not only, needs to be digitally promoted as well.[1]

The Internet is an access means available anytime anyplace, thus providing clear and concise information and representing a significant, decisive element in the purchase. A well-informed consumer is an educated one as well, regarding the language and culture of the country that is going to be visited, (s)he knows the products and services that answer his/her needs and where and when to find the special offers and prices that the market supplies.

Tourism products have a distinctive feature, which placed tourism at the forefront of the e-commerce revolution: upon their sale, they are more than information products. A consumer receives information regarding the tourism product from the media, from friends and from tourism agencies[2].

Besides the fact that it influences and changes tourist behavior, the Internet allows direct interaction between consumers and providers, thus contesting the role of the intermediaries. Research shows that, from one year to another, there is rapid increase in the number of consumers who make online reservations directly on the hotel website, in that of independent travel arrangements to the detriment of organized ones or of package tours. This being said, the role of intermediaries still stands, but to the extent to which they will know how to offer plus value to their services.

Once technology advances and changes, tourist demands aim higher as well, as tourists mean to get good quality products and services and are willing to look for them somewhere else in case their expectations are not met. High relevance is borne by product design and significance, as well as the combination between products and services, which should offer a unique experience to the clients. Customers are looking for naturalness more and more, along with originality and authenticity when they choose a tourism product, which involve revealing the values, traditions and the interpretation of these in a distinctive way.

Nowadays we are witnessing an increase in the percentage and role of IT systems within information systems overall. Great tour operators, which specialize in international travel transportation, especially tourism transport, have introduced the use of information

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[1] https://de.myclimate.org/de/news-presse/news/datefilter/2016/07/
[2] Fresenmaier D., Klein S, Buhalis D., Information and Comunication Technologies in Tourism, Springer-Verlag, Vienna, 2000

systems that are specific for certain actions that correspond to their profile of activity[1]. There are illustrations of this idea in countless figures: "Most people, young and seniors, are these days familiar with using the Internet and searching online for information on Google, Facebook, Yahoo, Twitter, and so on. So the clients have now the opportunity to book on-line, by-passing the traditional high street distribution channel. See for example the Booking.com portal, hosting more than 607,000 accommodation possibilities over the world. Each day, over 800,000 room nights are reserved on Booking.com. On the other hand, the travel agencies' reservation systems have evolved and transformed into high technology performance by booking and selling in an instant tourist packages." [2]

## 2. BUSINESS MANAGEMENT

It is well-known that the Internet has become, in time, the most important and accessible information center for buyers. More and more people feel the appeal of the ease and efficiency of online buying, the Internet becoming in this way a sales instrument. As far as costs are concerned, companies that choose online promotion have the advantage of spending a smaller budget as a result of economies on brochure prints, television or radio commercials and the management of a call center.

The management of an online business presupposes that the initiators constantly re-examine the strategies, techniques and instruments that they use and upgrade them to meet the standards of the new technologies. For this reason, a good strategy in the world of electronic business in tourism is to be accompanied by ongoing action taken in synchronization with the travel agency's pace of evolution (launch, consolidation, growth, maturity) and with its environment. Re-thinking the organization and the business processes in order to increase productivity may constitute a great challenge for any enterprise, be it from tourism or another domain of activity; however, through the use of the Internet it can make its presence known on the global market.

An online company needs to be able to create itself rapidly, taking into consideration the new opportunities, and to dissolve just as quickly the moment these cease to exist. From the point of view of managerial information, the communication of industrial information in an online business raises many challenges[2].

Information systems have a crucial role in the management of an online business in tourism, as, in the area of services, especially in tourism, such a system comprises more than 90% of all the information elements. These information systems may perform an impressive number of tasks and can be used as instruments in the research, development and planning of activities: "In the current business environment and the new information technologies, the informatics systems designers are searching for and are suggesting new informatics solutions for the most diverse demands. One of these demands is the designing and implementation of a Web application for mobile devices." [1]

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[1] http://tts.com/blog/how-technology-changing-role-travel-agents
[2] http://www.management.ase.ro/reveconomia/2009-1/10.pdf

## 3. EFFICIENT MEANS FOR ONLINE PROMOTION – SEO OPTIMIZATION

There are a series of elements that can help tourism agencies and travel business to appear as high as possible in online searches and on social networks, i.e. to be more visible for tourists. These businesses target a prospective market of approximately 70 million searches per month, the peak of the interest being in the month of July, according to the SEO agency[1], **DWF[2].**

The agency noticed that in the first three months of 2016 the number of views from the mobile versions of the tourism websites increased by 48% in comparison with the same period the previous year, whereas the average time spent on the sites decreased by 7% (potential causes being shorter loading time and better user experiences that lead to a more efficient navigation).

In the end, the search volume using key words from the tourism category in this period increased by more than 50% in comparison with last year.

In 2016, a lot has been discussed on the video content that people consume, and employees in the travel industry should know that YouTube is used by 42% of the people who document themselves online for holidays. The video content is particularly impactful during the first stages of the search. Romanians are undecided when it comes to brands (tourism agency) while planning for a holiday, so that 77% take into account at least two sources.

While buying plane tickets, 57% of the leisure type travelers do not notice significant differences between agencies that offer them, the percentage being similar, although a little smaller, in the case of business travelers. Another important aspect is that 21% of the business travelers are willing to give up the travel agency which they normally purchase from in favor of another in case the other service provider makes them recommendations that are more suitable for their preferences.

Within this framework of consumer behavior, DWF advises tourism agencies to mind customer preferences at the level of all four categories of micro-moments which appear throughout the process during which the holiday-goer makes his/her decision for a holiday. These are: I-want-to-get-away (the decision to go on a holiday), I-want-this-trip-to-be-perfect (planning the trip), I-want-to-book-it (actual purchase) and I-want-to-make-the-most-of-it (when people look for new experiences during their vacation). In this context, the agency should offer plus value at every and all of these steps.

Naturally, travel agencies and agents need to make sure that the online interface raises up to the best standards in all aspects from mobile optimization to usability, and that the information supplied is enough and makes the offer worth considering. What helps is freeing contact or additional information request forms from redundant details.

Moreover, customers appreciate prompt feedback and notifications through text messages or e-mail when they require extra data. When it comes to promotional materials, the emphasis now falls on video content and agencies may fully benefit from the new online

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[1] https://www.targetweb.ro/studii-de-caz/

[2] https://www.dwf.law/about-us/approach/

trend. Finally, the after sale or after holiday elements are important as well, such as asking for feedback from the customer or the testimonials that will appear on the website in the future.

DWF is a digital agency specialized in SEO (Search Engine Optimization) and Online Reputation Management (ORM).



Figure 1. Search Engine Optimization process
Source: skyinfotech.in/seo_training_courses.php

Any business, irrespective of the fact that it is in tourism or another field of activity, aims at the number 1 position on Google, or at least at the first page of this search engine. Hence, we need to follow a number of steps in order to understand how the SEO optimization functions.

If it takes into account how search engines work, the business can improve its presence online.

Millions of people are involved in online searches every day, looking for various things, from plane tickets to zoos. This means that there are millions of opportunities for businesses to become visible before their potential clients. For instance, in the case of a small hotel that wants to appear in the virtual environment and to expand its business by selling online, SEO techniques help search engines to better understand the offer. This means that, the moment somebody looks for words associated with your business online, such as "accommodation", your chances to appear among their search results are better. A

search engine returns paid results (ads) and unpaid results (these are also called organic results).

Search engines use formulae or algorithms that order search lists. They constantly search the Internet for new content. The words that you use on the website influence its position among these results. In the case of the hotel from our example the words that would bring it up on the list would be the phrase "your dream holiday". There are other factors which count in this process, such as the number of websites with links to the respective hotel.

## 4. HOW DOES IT WORK?

In order to return the best results, search engines gather as much information about websites as possible. They may track how popular certain websites are or what people or other websites say about them. They can also take into account the words that appear on certain pages or key words from the source code of the website. Each of these components will help the search engine find the most suitable match for a given search.

Search engines now take into consideration the geographical position as well. A search in the United States will display local results. The chances are great that a similar search in Spain should return different results. Moreover, search engines also mind the type of mobile device used in the search. How can the hotel in our example be appealing for a search engine? Search engines appreciate the most the content that is unique, relevant and exciting.

This is more or less the way things stand. Searches are easy to use and most people resort to them on a daily basis. However, what goes on behind the curtain is continuously changing. In order to promote a website online, one needs to know what search engines find relevant and the website needs to fulfil those criteria. The platform called "Digital Workshop" was created by Google in order to provide the necessary tools to those interested in learning more about the digital environment. This workshop offers training in the digital world in the form of free video courses in a variety of domains: from how to build online presence to marketing campaigns in the social media or the use of the mobile environment to attract new customers.

Some efficient means to sell online are:

1. **Appealing to the customer's emotional side** – the website needs to contain a representative image and text that would touch the customer emotionally and at the same time address the pragmatic side of her/his personality as well. The creator of the website has to identify and decide on the images and texts that are to appear on it, as, since it is a presentation page, in case it is optimized, it can increase conversion rate.

2. **The need for an analysis of Google searches linked with the service provided by the business**, an analysis of what it is that people look for so that, from the first seconds, the website should answer the prospective customer's questions. The answer that he is looking for should be present on the website, because online the attention span of the visitor is very short.

3. **Great amount of information in very brief wording.** The message sent by the website should be as short as possible, as people do not have a lot of patience to read everything that the website wants to present and explain; the prospective customer needs to be able to understand from one glance what the website promotes and how the website can help her/him.

4. **The text needs to be short in order to be read quickly**: a large-font title in bold letters, a concise descriptive text structured with the help of bullets highlighting the advantages that the client has if (s)he resorts to the services promoted on the website (the advantages can be implicit in discussions with the customers during offline meetings).

5. **Display of testimonials**, i.e.: the customers' opinions are references that persuade the clients to buy further, helping with the subsequent sales as well.

6. **Publication of contact information is essential for the clients to find you.** This category includes the e-mail address, phone number, address and location on the map, the work hours and perhaps the manner in which an appointment can be set, through which the client has the opportunity to set up a meeting and even to pay in advance using a credit card. This gives you the possibility to have an electronic agenda and appointments are much simpler to handle by both service provider and customer.

7. **Flexibility as far as customer demand is concerned.** Upgrade the website according to the news on the market and to customer demands. The moment the clients demand something new in the area of available services, adaptation is crucial, both in what regards the website and concretely.

Therefore, what needs to be considered is the fact that SEO procedures refer to internal improvements and are used when the functionality, appearance and structure of the website have to be optimized so as to correspond to the demand of the targeted public, to stimulate an upgrade in the position occupied among the Google, Yahoo or other search engine results, which obviously holds a lot of advantages for the business.

## CONCLUSIONS

In what regards the purchase of tourism products and services, consumers bring about an important transformation in the industry, by becoming more and more interested in acquiring online offers while progressively giving up the traditional ones promoted by airline companies, tourism agencies or tour operators.

According to a study on the American tourism market, the forecast is that, in 5 years' time at most, traditional companies will lose ground before the online ones and tourism will become the biggest online industry. As it was to be expected, those who made the estimate are also leaders on the online tourism market. Another fact that is worth mentioning is that the rate of individuals with online access in the United States of America was 90% in 2013.

The probability that online tourism package tours should be cheaper than traditional ones is 70%, according to a Goldman Sachs research study. On the north-American market,

70% of the total sales of plane tickets are the result of online purchases. Hence, consumers no longer need a traditional agency to check new offers or to receive information or answers to their questions. In the past three years, the number of tourists who obtain the information they are interested in online individually has doubled, thus forcing the providers of traditional services to ask themselves: How many clients are they about to lose?, Have clients become more confident in their ability to organize their holidays by themselves?

Having mentioned all of the above, we conclude by saying that the market is currently going through fundamental changes, and thus operators find themselves forced to rethink their position. Online reservations allow customers to make more flexible, cost-effective travel arrangements.

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