An Assessment of Online Travel Shopping Among Young People

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Abstract

Online shopping has been validated globally, and in tourism the phenomenon has expanded with extreme rapidity. Analyzing the features of the online tourism distribution is necessary for shaping future decisions, both in the activity of traditional travel agencies and online travel shopping. The article presents the results of a quantitative marketing research conducted amongst students and master students from the Faculty of Economic Sciences and Business Administration, Transilvania University of Braşov which focuses on the main advantages and disadvantages identified during online travel shopping process. The conclusions revealed pointed out that young people appreciates easiness and reduced risks for online travel shopping and supports, at a high extent, the development of this form of tourism distribution.

Key words: online travel shopping, travel agencies, tourism distribution, young people.
J.E.L. classification: M31, O33, Z32

1. Introduction

Information Communication Technologies favored definitive changes in tourism which essentially influenced the tourism industry. The technological revolution in tourism began in the 1960s, the period which witnessed the beginnings for using computers in managing and selling air tickets. Starting with the computerized reservation systems, the technological advance generated the development of the global distribution systems (Saber, Amadeus, Galileo, Worldspan) in the 1980s. The 1990s and the Internet have revolutionized the tourism industry once again, and this open road shows that innovation is, in fact, unlimited.

The paper focuses on online travel shopping amongst the younger generation. These members of our society have grown up alongside the technological evolutions which first and foremost are addressed to them addressed them, a generation who will shape behaviors and actions in every economic and social sector. Assessing today their opinions, needs and preferences will favor a solid and sound reform in the future, especially in the tourism sector which tends to be highly influenced by technological changes.

2. Theoretical background

Tourism distribution allowed tourism companies, operational at a certain tourism destination, to find consumers worldwide. The role of intermediaries in tourism is recognized as crucial for the development of the tourism sector. Their presence throughout the distribution channel, however, generates additional costs that increase the selling price of the tourism product and, at the same time, diminish the service providers' revenues.

The newly distribution opportunities allowed tourism suppliers to reach customers directly and to avoid commissions' payments to travel intermediaries. The emergence of online travel agencies (such as Expedia and Priceline) in the second half of the 1990s, revolutionized the way travel services were purchased (Amaro *et al,* 2015, p. 65). Nowadays, the e-concept in tourism has two main applications: the use of Internet in tourism services and second, the use of mobile applications

in tourism (Ukpabi *et al,* 2017, p.620). Information technologies and the Internet offer companies new possibilities to achieve performance through innovative ways to communicate, promote and to distribute their products and services (Silva *et al,* 2016, p.5512). The adoption of this new alternative distribution channel brings benefits to both consumers and tourism providers (Tan *et al,* 2018, p.1617).

Online, the customer has access to more varied information and in different formats, elements which have a decisive influence on customers' attitudes and behaviors (Rose *et al,* 2011, p.37). A different combination of antecedents: customer satisfaction, trust, perceived value, and perceived quality is the foundation for customers' loyalty, and online shopping has no exceptions (Silva *et al,* 2016, p. 5516).

Attitude towards online travel shopping is highly influencing intentions to purchase travel online, and that is why travel marketers need to pay a closer attention to factors which determine a favorable attitude (Amaro *et al,* 2015, p. 74). Developing risk reduction strategies, among which to provide travellers with information on their consumer rights and personal data, to use security approval symbols, to provide contact information, to offer money back guarantees, to use high security standards, and so on, are important steps in the online travel shopping expansion (Lin *et al,* 2009). Online travel providers should provide effective ways to reduce users' perceived risks to enhance Internet users' willingness to purchase travel online (Amaro *et al,* 2015, p. 65).

The members of today's young generation already have experience in using m-devices so they have sufficient knowledge needed to use Internet means to shop travel online (Tan *et al,* 2018, p.1635). At the same time, their shopping decisions are highly influenced by the opinions of their friends, families and colleagues (Tan *et al,* 2014).

With the rapid development of e-tourism industry, understanding the online purchasing behavior and defining, in accordance, prediction strategies for e-application improvements are of substantial interest for decision makers (Navio-Marco *et al,* 2018). Transforming e-visitors into online buyers is an essential element for the big e-commerce platforms (Zhu *et al,* 2019, p.11). As it was stated "technological development has forced the tourism industry to completely transform a large part of organizations and their brands. We are witnessing alliances between companies to reduce investment costs in technology and innovation and even creating own investment funds to develop emerging technologies" (Navio-Marco *et al,* p.466).

3. Research methodology

The findings were obtained out of a quantitative marketing research which was organized with students and master students from the Faculty of Economic Sciences and Business Administration, Transilvania University of Brașov. The chosen method was the survey based on questionnaire. The research was conducted between 3.09 - 5.10.2019. The questionnaire used in the research included 9 questions, out of which 3 were identification questions. The questionnaire was distributed online to all students and master students, a number of 408 valid questionnaires being recorded. Female respondents represent the majority within the sample, i.e. 72%, the average age of the sample members is 21.9 years old and 97.3% of the subjects are Romanian citizens.

4. Findings

Subjects pointed out which was their preferred method in the buying process for tourism products and services. It was highlighted an interesting finding, those who prefer to consult online offers first, and then decide to purchase all through online means, represent 41.7% of the responses, while those who indicated they usually use a combined solution (both online and offline) represent 41.8% out of the recorded answers. 16.5% of the respondents indicated they consult and compare offers from different travel agencies, and, in the end, they decide to purchase from one of the visited travel agencies. Another question highlighted subjects' trust in online travel shopping. The overwhelming part of the sample, i.e. 91.7% out of the respondents, declared they consider online shopping as reliable.

Forwards, the respondents who indicated they trust online travel shopping were asked to mention the advantages of this method. They had the possibility to indicate more than one advantages, and the total of recorded responses gathered 952 answers. The options were the following: it is easier compared to traditional purchase (E), it saves time (ST), it saves money (SM), multiplies the possibilities to consult various offers (VO), own control on purchase process is higher (OC), it is a more interesting and funny way to purchase (IF), the transparency is higher (T) and, also, the level of trust compared to traditional purchases from the travel agency is higher (LT) (Figure no.1).

*Figure no. 1. Advantages of online travel shopping*
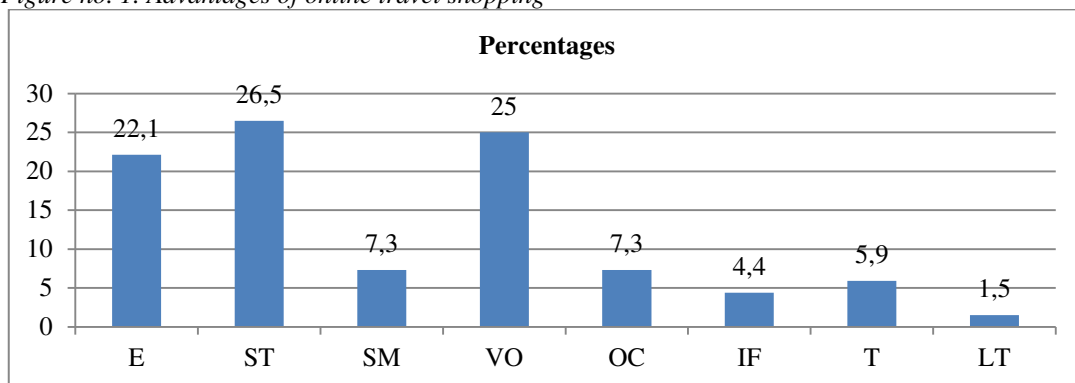
Source: Author's own research

The most important advantages offered by online travel shopping are considered to be the time savings (26.5% out of total responses) and the possibility to consult numerous offers (25%). At the same time, online purchases were appreciated as easier compared to the traditional purchases by 22.1% of the recorded responses. The other advantages were appreciated to a lesser extent. Saving money and the higher control on purchase process were considered advantages only by the 7.3% of the responses, each of them. Transparency was obvious only for 5.9% out of the recorded answers, the funny moments offered by online travel shopping recorded only 4.4% out of total answers, while the higher trust by comparison to traditional purchase was indicated through 1.5% of responses.

Respondents were asked to rate all these elements with notes from 1 (not important) to 10 (extremely important) (Figure no 2).

Figure no. 2. The assessment of advantages offered by online travel shopping
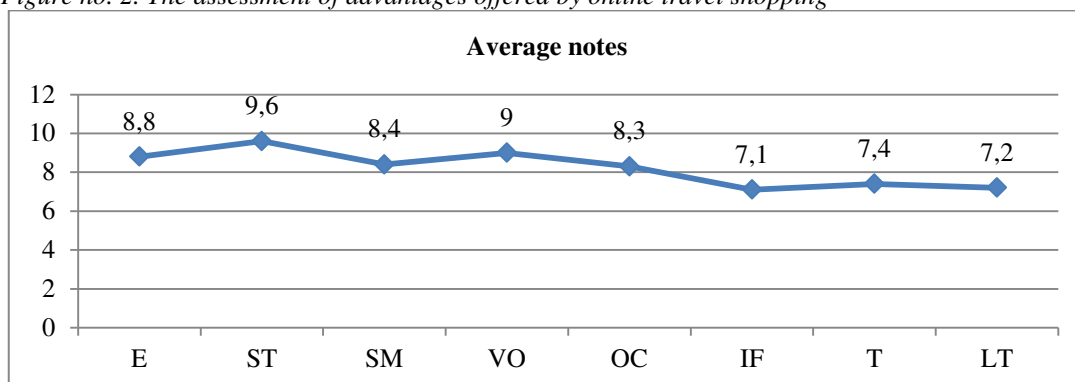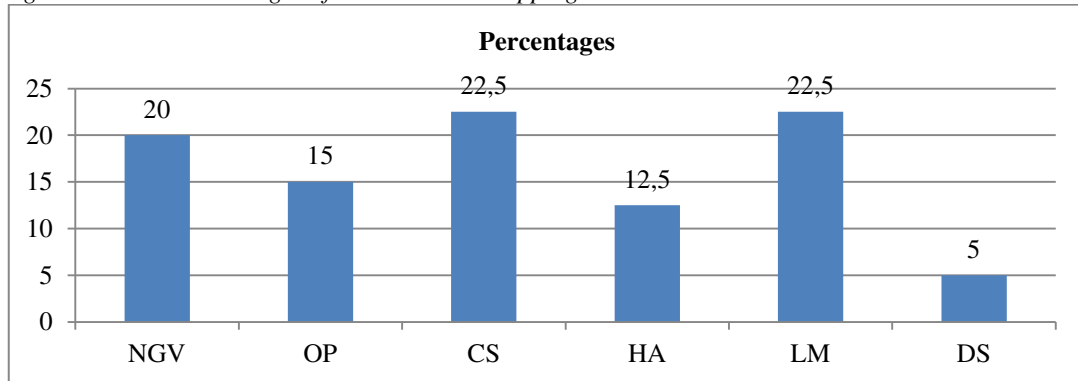

Source: Author's own research

Analyzing the responses, it was demonstrated that the best rated advantage was time savings which recorded an average of 9.6, out of a maximum of 10. The possibility to consult a bigger range of offers was rated second by the subjects (with 9 points), followed by easiness of purchase process (8.8 points), money savings (8.4 points) and a better control (8.3 points). Advantages rated with the lowest notes were transparency (7.4 points), a higher trust compared to traditional purchases (7.2 points) and interesting/funny moments offered during the purchase process (7.1

points).

All sample's members highlighted the disadvantages of the online purchase process for tourism products and services. The recorded answers were the following: higher risk for not going on vacation (NGV), the risk associated to insecurity of online payments (OP), impossibility to consult a specialist (IS), the impossibility to hold someone accountable in case there are problems during the tourist consumption (HA), the loss of money if I cannot leave (LM) and the difficulty to select among the multitude of online offers (DS) (Figure no.3).

Figure no. 3. Disadvantages of online travel shopping

Source: Author's own research

The most important disadvantages in the online travel shopping were considered to be the impossibility to consult a specialist and the possibility to lose money in case of problem that arise during tourism consumption, disadvantages that both recorded 22,5% out of answers. The risk of not going on vacation is the third acknowledged disadvantage (20% out of the recorded responses), insecurity of online payments is the fourth perceived disadvantage (15%), followed by the impossibility to hold someone accountable in case of various problems (12.5%), and the least considered disadvantage was the difficulty to select from the offers (5%). Asked about their intentions to buy online tourism products in the future, respondents pointed out their trust in online travel shopping, 79% indicating their determination in this direction, 17% declared they don't know, while only 4% declared firmly their completely lack of interest in online travel shopping.

5. Conclusions

The results indicated a majority of responses pointing out online use both for gathering information on the desired purchases and for completing their purchase, 83% out of the sample's members being included in this segment of consumers for tourism products and services. Online travel shopping was considered reliable, at a great extent, but an important element to mention is that respondents are all part of the younger generation, keen to use internet applications.

The major advantages for online travel shopping were the possibilities to save time and to consult numerous offers and, also, easiness of purchase process. When rating these advantages, results showed the same hierarchy. As about disadvantages, the results highlighted the risk to lose money in case of problems during consumption and the impossibility to consult a specialist as the most relevant disadvantages. The future of online travel shopping is promising, the majority of respondents highlighting commitment to this process.

Technology development will continue. Tourism companies need to adapt, to undertake major changes and to constantly try to develop their activities and innovate in their information, communication and distribution activities. Analyzing constantly consumers' needs and consolidating the segment of loyal buyers will ensure company's survival.

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