

## **CONSUMER BUYING BEHAVIOR TOWARDS ONLINE TRAVEL AGENCIES**

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### **ABSTRACT-**

The internet provides an innovative way of conducting business in all sectors. The Internet technology provides high quality and efficient operations in all economic sectors, including tourism industry. The Websites are an important part online marketing in creating and maintaining an online presence. Customers are increasingly turning to the websites to satisfy their travel needs. Starting from the trip relation information, price, shopping and booking customers are finding the convenience of the website to satisfy their personal and business travel related needs. With the increasing number of websites, it is essential to differentiate one's business. This study is based on both primary and secondary data. The primary data was collected regarding the perception and experience of consumers from the online travel website users through field survey. A self-administered questionnaire served as the survey tool. On each item in the questionnaire, the mean, standard deviation, percentage, and frequencies were measured, and the descriptive statistics were analyzed to generate results. The findings suggest the Most of the respondents are using travel website for purchasing any product. The important reason for choosing the website for booking and fulfill the travel need is it's easy to use application

**Keywords: Consumer Behavior, Tourism, Internet etc.**

### **Consumer Behavior**

We all are ultimately consumers. We tend to use the products and also make a purchase of them in accordance to our own wants, preference and also if we have the capacity to buy them. These may be durable goods, consumable goods, specialty produce and many more. What product do we buy, from where do we buy, how do we make purchase, from where and what time do we make purchase and further in what quantities do we buy is dependent on our opinion, personality, our social and cultural environment, age, family life cycle stage, attitude, way of life, motivation etc. In the process of buying, a customer also considers whether to buy or not and also what should be the source for purchase or the vendor to buy from. This is the reason why the marketers therefore aim to comprehend the needs and wants of diverse consumers and once they have understood their behaviours, they put together their plans for the process of marketing. Amongst the sciences Management is supposed to be the youngest and Consumer Behaviour in the study of management is in turn a very infantile discipline. The marketing concept was developed during the 1950s, and consequently the need to study the behaviour of the consumers was acknowledged. The study of Marketing initiates with the needs and wants of the customers and ends with his satisfaction. Consumer behaviour may be defined as the process of making decision and also the activities taken up in acquiring, analyzing, consuming and disposal of commodities and services. It is not only the process of acquiring of goods or services which receives thought in consumer behaviour but, its process starts earlier and way before the goods have been bought or attained. The Consumer behaviour of each and every person is poles apart from the other which actually depends on the choices for buying which is impacted by purchasing habits and preferences that are affected by the sociological driving forces that impact the buyer decision process of purchase

### **Tourism and Internet**

The Internet is changing the face of the entire marketplace, impacting every unit on both the sides of the value chain of a business which are the demand side and the value side. Internet has changed the approach in which the companies, customers and relate with each other, which in turn creates a number of opportunities. This technology has helped in bringing businesses nearer to the consumers, in turn giving an interactive via media for a direct touch between parties that are actually quite distant. It has turn out to be an essential instrument in bringing together the market intellect,

business deals, giving out of products and networking of trade partners. The Internet and tourism are heterogeneous, intangible and perishable product and they distinguish themselves from other industries, further they explain the importance information has in this industry. Owing to the very important role information plays in the process of promoting, describing, distributing, amalgamating, organizing and delivery of tourism products, the Internet technology has developed into a very important foundation for sustainable development, competitive advantage and an important strategic alternative. The growth of tourism and e-commerce is capable of allowing organisations to reach new clientele, far-flung or niche markets and also give options of a different way to reach the traditional customers. The concept of e-marketing holds attraction for the tourism industry, the reason being that travel happens to be a product that is based on information and the medium of Internet is overflowing with information. As compared to consumer durable goods, the intangible tourism product which are services cannot be actually put on a display or checked out at the point of sale prior to its purchase.

The tourism product is purchased before it is to be used and also distant from the place it is likely to be consumed. In the midst of these intrinsic features, the tourism industry is all the more in entirety reliant upon the availability of information and also on its accessibility, illustration, portrayal and exchange so that it can help the tourists to make a decision about purchase. The key to the satisfaction of tourist demand lies in the availability of well-timed and precise information, which is significant to consumers' needs. The tourism industry has learnt pretty rapidly that the Internet has the capacity to gratify these marketing imperatives much more than and better than any other existing technology. The Internet which is information intensive and also the related technologies make accessible the very wide-ranging support system of information which further, in turn facilitates tourism product. There are very few other economic activities wherein the production, congregation, dispensation, function and communication of information happens to be as imperative as in tourism for the purpose of every day functions. The Internet and Tourism are considered to be perfect partners (WTO, 2001b). In favour of tourism enterprises, the Internet offers the potential to make their products available to a large number of tourists at relatively low cost. Furthermore, tourism provides a means for integrated marketing strategy in the course of developing relationship and communication and relationship tourism suppliers and also the intermediaries, not to forget the customers as well. Amongst a range of different channels to the market for the consumers of tourism, the Internet for that matter has in all probability got the maximum interest and has generated the utmost expectations of impact and acceptance. We know that the present-day consumers are a lot more directed on saving time and are more to be expected to access a larger propagation of product information, today the Internet gives out quite a lot of advantages for information search and also for shopping online. The above-mentioned factors have now resulted in the tourism industry and its products captivating a pretty large share of e-commerce worldwide.

## **REVIEW OF LITERATURE**

Dr. Anubha & Jain, Ajay. (2019). The aim of this study is to determine the effect that travel website features have on online user engagement. Additionally, the study investigates the effect of online consumer interaction on the purchasing intentions of customers who visit travel websites prior to making any travel arrangements. The current study accesses the hypothesized model through CFA (Confirmatory Factor Analysis) and SEM (Structural Equation Modelling). 339 customers who are accustomed to visiting different travel websites prior to making any purchase plan to purchase travel were surveyed. The study confirms that a variety of travel website characteristics, such as perceived information accuracy and interactivity, have a major effect on customer engagement. Additionally, the study shows that online user participation has a sizable effect on travel purchase intentions.

The current study has significant implications for travel companies operating in the web2.0 period, when consumers can access the websites of several travel companies with the click of a button. Additionally, the role of consumers on social media makes it important for travel companies to build their websites in such a way that they engage their customers. The current study is unique in that no other study to the researchers' knowledge has attempted to examine the influence of website features on customer interaction and the effect of online consumer engagement on travel purchase intentions.

Singh et. al. (2019) The internet revolution altered the landscape of the travel industry by making travel products easily available to mass consumers through their virtual rather than physical presence. The online travel portal (OTP) is also referred to as an online travel agent, electronic travel agent, or virtual travel agent (VTA). Travel agents were incorporated into the definition as a connecting

Connection between supplier and customer. In the last five to ten years, technologically savvy travelers have increasingly preferred to purchase travel services online, much as they do with physical products. The OTP has created numerous opportunities for travelers to purchase travel directly online, bypassing conventional travel systems, such as travel agencies. While the internet acted as an intermediary between service providers and visitors, it diminished the importance of the traditional intermediary (travel agents) or, to a large degree, the traditional part became quite uncommon in contemporary practice. Web-based services can ultimately result in the de-intermediation of the travel industry, as suppliers of travel facilities and products may sell directly to travelers. Nonetheless, traditional travel agencies retain the advantage of providing customized services, especially in terms of providing personalized advice to travelers. The aim of this paper is to explore the perceptions of tourists from eastern Uttar Pradesh who have not only used conventional methods but have also booked their itinerary via at least one travel website and Web Portal, which can provide information about their experience with them and their opinion on disintermediation. The research would ascertain tourists' preferences for services based on their length of stay, demographic, and socioeconomic characteristics, as well as their buying behavior.

Arora, Shivani. (2019) This article summarizes the arguments and counterarguments made during the scientific debate about the Online Travel Industry in India, its evolution, and demand. The empirical research demonstrates that consumers value some factors significantly more than others, and therefore the online travel industry should use these results to prioritize the most critical factors and possibly reduce spending on the less important ones.

Datta et. al. (2018) The study examines travelers' attitudes toward online travel purchases and the factors that influence travelers' online travel purchases. The results indicate that travelers' online purchasing attitudes are influenced by their income and age group. Additionally, it ascertains if there was a disconnect between Expectations and satisfaction regarding online travel product purchases made via Online Travel Portals in the Delhi National Capital Region. There were no statistically significant mean discrepancies between perceptions and experiences of a competent grievance redressal system and refund timeliness.

Dutta et. al. (2017) The aim of this paper is to determine the factors that influence customer satisfaction for Indian online travel agencies. It will assist current online travel agencies and new entrants in developing a thorough understanding of customer satisfaction and loyalty in their respective domains. Additionally, it will assist them in optimizing their company processes and investment focus, which will result in increased customer satisfaction and loyalty. Customer satisfaction is described in this document. It aids in the comprehension of the antecedents and implications of customer satisfaction, with a particular emphasis on online travel agencies and their relationship to one another. The author proposes a model to classify the factors influencing customer satisfaction based on an exhaustive analysis of the literature. This study employs an online survey technique. The model's proposed hypotheses are validated using structural equation modeling. Cronbach Alpha is used to determine the reliability of collected data. The research sample consists of 384 customers who have used online travel agencies in India. The findings of this study corroborate six previously proposed hypotheses. As a result, this study significantly contributes to the advancement of the theory and definition of customer satisfaction for Indian online travel agencies. Additionally, it enables managers to direct their investments scientifically against the variables that have the greatest effect on consumer satisfaction. The first time a researcher has considered defining and evaluating the factors influencing customer loyalty in the online travel agency industry is with this report. Additionally, no academic study has been done in India for online travel agencies.

Monga, Nikhil. (2016) The e-commerce industry is mushrooming. India's online industry has grown exponentially in the last few years, transforming the way travel goods are distributed and influencing how tourists search for and buy those products. The emergence of online travel booking operators has become a global phenomenon, accounting for a sizable portion of global travel revenue. Online travel intermediaries provide consumers with numerous options and comparisons of hotels, tourist goods, travel destinations, brand selections, costs, and most importantly, convenience. This research enables us to better understand online Consumer behavior and the motivations and intentions of consumers who search for and book hotel deals through online travel intermediaries. A quantitative research approach was used to assess the cognitive, emotional, and social factors that affected motivation, as well as the way motivation mediated these factors in the direction of booking intention. The findings suggest that consumers' attitudes and perceptions played a significant role in their desire to book hotel deals online, which in turn affected their future intention.

Amaro et. al. (2013) Due to its rapid growth, online travel shopping has attracted researchers, and there is an increasing body of literature in this area. However, a comprehensive analysis of the literature reveals that research on what motivates consumers to buy travel online has historically been fragmented, with a dearth of studies that incorporate well-established hypotheses to better understand online travel shopping. The chapter is confined to literature and previous observational studies since it is a philosophical document. However, it establishes a solid foundation for

future study by analyzing prior empirical research on the model's proposed constructs and elucidating potential structural relationships between those constructs. The results will contribute to the body of information about online travel purchases.

### **Methods**

The empirical sources of the study were reports and analytical articles characterizing the state of the tourism industry, as well as consumer reviews and the results of quality marketing research. An important direction in the study of unorganized tourism is the development of digital technologies for collecting and processing data on the actions of Internet users. While tour operators underestimate the segment of unorganized tourists, Internet companies are actively developing their service. The work analyzes data from the researches by Google, PayPal, Booking.com. In 2017 Google conducted a study of the needs and actions of Internet users in the field of vacation planning. Booking.com analyzed over 163 million guest reviews and conducted a survey among 21 500 travelers from 29 countries to identify the main travel trends for 2019. Issues of the consumer research based on the conceptual model of consumers behavior by Roger D. Blackwell, Paul W. Miniard, James F. Engel [25]. The model including the stages of make buying decision: awareness of need, searching for the information, alternatives selection, purchase, estimation of the correctness of the choice. The model is oriented on the purchasing of goods process. The authors suggest its adaptation to the process of travel choice. This conception has been used for the Customer Journey Map creation. The Customer Journey Map includes the possible touch points with costumers for impact (communication) and help meet the need at different stages of the make buying decision. Studying the characteristics of digital travel services, the authors applied an online survey of 100 consumers aged 18-35. Respondents were asked about the used travel applications, the desired benefits and the degree of customer satisfaction with an available service.

### **ADVANTAGES OF ONLINE TRAVEL AGENCIES**

Ultimately, OTAs give you instant access to a **large number of potential customers**. Possible **advantages** of using an online travel agent to sell your service include:

- It's a low cost way to list your property and its rooms.
- Reductions in your online marketing spend. OTAs will invest in marketing and advertising to attract potential international customers.
- A reduction in your website costs. OTAs are keen to provide a positive online experience for customers through good website design and functionality.
- Online travel sites are popular with customers who like to compare accommodation costs and the services offered by individual providers.
- Impartial reviews on online travel sites may give new customers the confidence to book.

### **DISADVANTAGES OF ONLINE TRAVEL AGENCIES**

There may be some **disadvantages** to using online travel agents. These include:

- Online travel agents can charge commission on every sale. This can range between 10-20 per cent of the gross cost.
- There may be restrictive terms and conditions imposed by OTAs such as guest cancellation and automatic room reselling policies.
- You may need to find a way of managing room availability across a range of OTAs, your own website, front desk and telephone sales. This can be time consuming and labour intensive. There are software options to help you manage this.
- Using OTAs does not reduce the need to have your own website with booking engine.
  - You may still need to invest in a balanced multi-channel marketing strategy. Although online travel agents can help you fill rooms, it is important to **maximise your most profitable revenues** through sales on your own website. You should continually work on your search engine optimisation tactics and other digital Marketing techniques. Focus on customer retention tactics. Directly target your existing customers (including those gained through OTAs) through email and direct marketing.

### **THE IMPACT OF TECHNOLOGY ON TRAVEL AGENCIES**

**The high-speed Internet allows for fast communication** with all of an agency's travel partners, so booking a trip takes just minutes, not hours. Productivity is increased, customer satisfaction is improved, and partners receive reservations fast, so they can plan their staffing accordingly.

**The downside of high-speed Internet** is that customers are now acting as their own travel agents. Internet booking

engines can do pricing comparisons in a matter of seconds, and travel plans for surrounding dates and locations can be checked quickly.

**One additional challenge** travel agencies now face is that some customers will do their research online first, then come book with an agent. Being able to address this modern-day consumer, requires some skill to recognize the existing knowledge of your customer and still enhance it all while completing their reservation. People love having an expert help sort out the complexities of multiple stops and multiple modes of transportation. It became imperative for traditional travel agencies to modify and alter their strategies in order to adapt and survive in the changing markets. The modern-day e-Commerce driven environment helps them enhance their personalization, content, and efficiency. More than half of the travel agents believe that despite all its problems, technology has actually proved to be a boon since it helps to influence the personal touch and manage travel transactions.

Despite constant pressure from third parties and direct vendors having more access to the modern day traveler, travel agency business is neither dead nor in the state of Dying. In fact, **travel agents are still responsible for almost 77% of the total cruise bookings, 55% of air travel bookings and 73% of travel package bookings.** According to travel agents, the growth and advancements in technology have helped to enhance communication, convenience, productivity, the speed of business and marketing.

## CONCLUSION

Travellers continue to seek authentic experiences. The tools they use to research and book these experiences are constantly changing due to innovations in technology. Destinations are also challenged by limited financial resources and strong competition for tourist dollars from other iconic and even lesser known locations. The personalisation of travel suggests that independent travel will have a stronger presence than group travel; however, we must always consider the type of traveller. The travel services sector is being forced to innovate at a startling rate.

In the past, face to face consultations with a travel agent was paramount for booking both leisure and business travel. Technology and global circumstances, such as pandemics, financial collapses, and terrorism, have put pressure on tourism and travel services. With the development of OTAs and emerging and disruptive technologies, the travel services landscape is constantly changing.

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