

# THE IMPACT AND PERSPECTIVES OF THE E-TOURISM AT A GLOBAL LEVEL

PhD Lecturer Sion Beatrice  
Professor Cezar Mihălcescu, PhD

Department: the Economy of Domestic and International Tourism  
University: Romanian-American University of Bucharest  
beatrice\_sion@yahoo.com  
cezar\_mihalcescu@hotmail.com

## Abstract

*The tourism has become one of the largest industries in the world and its development shows a continuous grow every year. The World Tourism Organization estimates that until 2020 the arrivals of world tourists will increase by up to 200%.*

*This way, the tourism has become an economic branch extremely competitive. Its competitiveness is no more natural, it is leaded more and more by science, information technology and innovation.*

**Key words:** e-toursim, e-tourist, e-information, e-booking, electronic commerce

## 1. Introduction

Along with the exponential growth of extension and using the Internet and the World Wide Web, both at home and at work, have increased also the opportunities for travel providers to distribute information and to process bookings for potential buyers.

The development processes within the information technology, communications and Internet, have revolutionized the entire tourism industry, creating new business models, changing the structure of distribution channels of the tourism and reprojecting all products of this industry and last but not least, influencing the touristic packages suppliers, destinations and stakeholders. (Organism or group of people with major interests in the conduct and results of the company).

Some hotels have implemented a fully automated check-in process, stepping back from personal contact and relying on an electronic process to meet the customer's needs.

As long as the small tourism operators can be reached on the Internet, the trend will grow up in their direction, because the Internet is similar to a "playground" in which with a well done web site, the small businesses can advertise as professional as their larger competitors.

In this context, we assist to a more and more emphasized development of the electronic commerce, hence of the electronic tourism (or e-tourism).

## 2. E-tourism around the world

The electronic commerce is defined as the activity of sale and marketing for products and services through an electronic system such as, for example, the Internet. It involves the electronic data transfer, the distribution management, e-marketing (online marketing), online transactions, electronic data changes, the automated inventory of used management systems, and automated data collection

E-Tourism (electronic tourism) is a part of electronic commerce and unites one of the fastest development technologies, such as the telecommunications and information technology, hospitality industry and the management / marketing / strategic planning.

The specific activities of the E-Tourism assume the existence of the tour operators, of the travel agencies and other entities with interests in tourism field in virtual space through a specialized portal. The phenomenon itself, has implications for both travel consumer and for tour operators, travel agents.

E- tourism involves for the final consumer the following aspects: e-information, e-booking (hotels, transportation, etc) and electronic payment.

### 2.1. E-information

E-information stage involves providing information in specialized portals, electronic brochures, audio travel guides, photo albums (still images and panoramas), real-time images or videos, and even travel diaries through blogs or specialized virtual communities, such as Virtual Tourist, and why not, the guides offered through virtual cities.

Figure 1: Example of electronic information method using www.booking.com

The screenshot shows the Booking.com search results for hotels in Berlin. The main header includes the Booking.com logo, currency (RON), and navigation links for 'Rezervări' and 'Autentificăți-vă sau creați un cont'. Below the header, there are breadcrumb links: 'pagina principală → germania → berlin (stat federal) → berlin', with associated search counts: '21227 unități de cazare', '1027 unități de cazare', and '993 unități de cazare'. A search filter for 'rezultatele căutării' is also present.

The search results are displayed in a grid format. The first result is 'Mondrian Suite Hotel Berlin am Checkpoint Charlie' with a rating of 8.5 and a price of RON 308,30. The second result is 'Eurostars Berlin' with a rating of 8.9 and a price of RON 330,64. Each result includes a photo of the hotel room, the hotel name, location, and a brief description.

On the left side, there is a sidebar titled 'Căutați hoteluri' (Search hotels) with the following search criteria:
 

- Destinație/numele hotelului: Berlin
- Distanță: selectați...
- Data Check-in: S 14 septembrie '13
- Data Check-out: D 15 septembrie '13
- Camere: 1
- Adulți: 2
- Copii: 0

 A 'Căutare' (Search) button is located at the bottom of the sidebar.

Source:www.booking.com

## 2.2. E-booking

Online bookings are mostly used in hotel area, airline and car rental services. Online booking services, as informational society services, must comply with the legal requirements which have their source in the regulations that refer to Internet services in general, and the e-commerce and distance contracting, in particular.

Figure 2: Example of electronic solving method using [www.booking.com](http://www.booking.com)

**aletto Kudamm Hotel & Hostel** ●●●○○👍  
 Hardenbergstr. 21, 10623 Berlin  
**Check-in:** sâmbătă, 14 sept 2013, (începând de la ora 15:00)  
**Check-out:** duminică, 15 sept 2013, (până la ora 11:00)  
**Pentru:** 1 noapte, 1 cameră, max. 2 persoane.

Camera € 74,67  
 TVA (7%) inclusă € 5,23  
 Plățiți azi € 79,90

**Costuri totale RON 357**  
 € 79,90  
 (toți oaspeții)

Fără surprize! Nu încasăm niciodată taxe suplimentare de rezervare sau pentru plata cu card de credit.

Detaliile dvs. Rezervați mai rapid autentificându-vă

Titlu: Dna  
 Prenume: Beatrice  
 Nume: Sion

Adresă de e-mail: beatrice\_sion@yahoo.com  
 Veți primi un e-mail de confirmare

Confirmați adresa de e-mail: beatrice\_sion@yahoo.com

**Cameră:** Cameră twin Buget - Nerambursabil / Mic dejun inclus  
**Numele complet al clientului:** Beatrice Sion  
**Persoane max.:** 2 persoane  
 Exclusiv nefumători

Mic dejun  
 Bucurați-vă de un mic dejun gratuit în timpul sejurului dvs. **GRATUIT**

Condițiile rezervării  
 Veți plăti în moneda locală a hotelului (€)

✓ Cel mai bun preț garantat

Source:www.booking.com

## 2.3. Electronic payment

The consumers can use credit cards, electronic checks, digital cash or even microcash (when payments amounts are only a few cents). Many electronic payment systems on the internet are the electronic equivalent of systems used every day, such as credit cards or checks.

The effectiveness of Internet marketing can be determined pretty fast and accurate by providing statistics, obtained through online technologies, which helps to create the profile and actions of the customers, finally leading to a better knowledge and adaptation to the target's necessities.

Figure 3: Example of electronic payment method using [www.booking.com](http://www.booking.com)

Garanția rezervării dvs.

**Fără taxe de rezervare!** Cardul dvs. de credit este necesar pentru **garanția rezervării dvs.**  
 aletto Kudamm Hotel & Hostel poate debita cardul dvs. de credit odată ce ați confirmat rezervarea

**Tip card de credit**  
 Visa

**Vă rugăm să introduceți un număr de card de credit valabil**  
 12345678

**Nume titular card de credit**  
 Sion Beatrice

**Data expirării**  
 01 / 2013

**Nu pierdeți ofertele speciale minunate trimise direct în inbox-ul dvs.!**  
 Da, vreau să primesc e-mailuri cu oferte exclusive doar pentru membri

Rezervând această cameră, sunt de acord cu [condițiile de rezervare](#) și [termenii generali](#).

**Rezervați această cameră la prețul de RON 357**

*Fără taxe de rezervare sau pentru folosirea cardului de credit!*

Source :[www.booking.com](http://www.booking.com)

E-Tourism is first of all based on the distribution of information, but the main purpose is direct selling, eliminating the physical and time barriers turning to e-commerce technologies.

For example, in hotel industry we can talk about the booking methods using the functional booking systems, also about the real time booking systems. The potential of the direct sale is large, based on a series of *advantages* for the tourism suppliers, such as: automatization, eliminating the travel agents commissions, reducing the reservation costs through internet booking to the traditional methods, in the same time increasing the reservation volume due to the new access methods of the Web (PDAs, mobile phones etc.)

The benefits of e-Tourism:

- it is the most efficient way to communicate with target markets and disseminate the information
- it is a quick and easy way for the consumers to buy touristic packages
- it offers the opportunity to improve services to consumers
- keeping consumers' individual references in terms of promoting the touristic products.
- it reduces costs and increases the efficiency for internal functionality and procurement
- encourages the cooperation between traditional competitors by providing hypertext links. The links are cheap; there are also quick ways to increase the sites profiles and can easily pass over difficulties, by permanent updating the information at a local level.

Including links in tourism websites offer benefits to both parties, once to the users and to the service provider. The service provider can offer a greater variety of information on touristic products without inserting them in the contract, this way the user has immediate access to information and opportunity to purchase online.

The advantages of e-tourism for e-tour operators:

- ✓ Reducing the costs of:
  - distribution (low cost)
  - promotion (printed materials, brochures)
  - communication and booking
  - invoicing
- ✓ contact with potential customers anytime and anywhere in the world
- ✓ better understanding and knowledge of customer needs
- ✓ a more competitive business environment
- ✓ higher profits

*Advantages for e-tourists:*

- ✓ access to various tourism products without restrictions on the location
- ✓ the possibility to easily buy different touristic products and their prices
- ✓ the opportunity to buy personalized touristic products
- ✓ the possibility to easily communicate with the touristic services suppliers

*eTourism has a few disadvantages:*

➤ tension between the growing demand of personalized services tailored to individual needs and interests and the lack of willingness of consumers to release such information on the Internet

➤ choosing many customers to make complicated transactions in a "face to face" environment (e.g. large agencies placed in commercial areas)

➤ the possibility that a travel agent to be fired

*The critical factors for online procurements:*

- ✓ credibilitatea și notorietatea web-site-ului
- ✓ the credibility and reputation of the web site
- ✓ acuratețea informației
- ✓ the accuracy of information
- ✓ adaptarea tehnologiei la specificul afacerii
- ✓ adapting the technology to the business specific
- ✓ securitatea plății
- ✓ payment security

### 3. The behavior of e-tourist

At this moment, the tourist is at the stage where we can say that he can become a leader of the electronic commerce. The world's sales thorough Internet, grouping the purchase tickets on flights, rails and maritime, voyages purchases have registered significant increases. This growth of the online sales is justified by the huge investements and by maturation all of the actors which are offering touristic services through Internet.

In the same time, the offer adapts both from commercial, as for technical point of view. E-tourist's features have evolved as a result of maturation of purchasing behavior and confidence in payment security.

Using the market information, the consumers build their ideal images about the touristic products and the providing companies, trying to break into what today we call positioning the product or service tourism offer company.

*Positioning* represents an ordering of objects in a multidimensional space, the considered vectors allowing the evaluation or, where applicable, measuring by using unmetric scales or objective characteristics in discussion and its figurative representation, to each other.

By studying *consumer's behavior* on e-tourist market it is considered, firstly, understanding the causes that lead to the necessity to adapt the request more and more mature to the characteristics of the Internet era.

Example: A study made on a sample of 1350 tourists and 1200 business travellers has lead to the following conclusions regarding the etourist's behavior:

-39% of the interviewed tourists said that using the Internet is easy and much faster in order to find the suitable product, than the services of a travel agency.

This number shows a positive evolution of the sites after several years where the rich content of the offers allowed the tourists to rather prefer the web services than the travel agencies. The number is huge compared to the number of people connected to the internet – 58.5%.

-32% of the interviewed tourists have made a booking for a vacation through Internet in the last 12 months and 33% of them were for business. The number tourists who have booked online tourism product is impressive. *E-Tourism represents the future in the tourism area.*

It can be said that the main reason for which the tourists are using the Internet is the opportunity for tourists to obtain lower prices for flights, hotels, car rentals. The study has showed that the tourism sites offer functional services at lower prices than the travel agencies.

*There are three online consumer categories:*

-the infidels that are using a maximum number of sites. Their criteria are about *finding the lowest price* that matches exactly to their application and that comes with a special offer;

-*the curious* that investigate a lot of web sites and *make bookings only related to what they know best*;

-*the faithfuls* that check and *make bookings only on a single site*;

The segment of the curious and the faithfuls is based on the relation with the reference web sites that helped them to find the lowest prices using previous positive experiences.

Online agencies are the ones that less suffer because of the chronic unfaithfulness. The large range of products offered on these sites incites the Internet users to search whatever they are interested in on a single site. It is the super market voyages phenomenon.

Instead, the airlines that sell their online services, suffer from customer's infidelity and cannot compensate the promotional offers provided by points – bonus system.

*The tendencies of the european e-tourists:* population aging, a noticeable reduction of the families' number, sensibilisation of the tourists for the environment, a higher attention to health, for green sustainable products. There is a high sensibilisation of consumers to price, to the locations where they travel, to the using of Internet to inform themselves, to compare and to buy.

E-tourists will pay more attention to the products they are buying from the touristic market, meaning that they follow to benefit of a larger space, intimacy, personalized and quality services. They will pay more attention to the immaterial and mental in choosing destinations and products.

**The consumers' expectations** are multiple and various. These refer to the following points:

➤ **demand for increasing the personalized solutions** - consumer behaviour is more enterprising and accompanied by a multi-specialty consumers' expectations, the needs are directed more to a personal openness. Moving from individual to a person is the standard of customization. The bidder will not propose different products, but a product with different options, creating the possibility to the customer to establish himself a travel, based on different proposed services.

The new technologies represent a tremendous help in developing customization, because it is possible to perform computer simulations of various products. Customization involves several constraints for the bidder:

- proposing a low cost of the products and services, also board circuits to meet individual needs;

- A larger flexibility and a flexible organization to meet the needs of each consumer.

➤ **checking for global solutions** – with a promising future, the customization can be organized around an offer of goods and services associated as a bouquet of service offerings. The client does not consume a given product, but a set of products and customized services that meet a specific need.

This evolution is already noticed in the relation consumer – business in the tourism sector where tour operators and distributors propose global solutions of voyages that integrates transportation, housing, animation.

➤ **The need of “connection”** – to be permanently connected to others. The growth of the consumer's autonomy trains a permanent need to contact with other operators, the access to information and communication means constituting, in this sense, an essential aspect of their behavior. This need is translated through a massive utilisation of the new information and communication technology.

➤ **different levels of maturity depending on each country** – use of the newest technologies is rapidly growing in most of the Western countries. The USA has a great advance over Europe and Japan in terms of access and use of fixed Internet (computers), but in the mobile Internet (mobile phones) the situation is reversed.

In Europe, the rate of equipment with Internet access varies considerably from one country to another. Northern European countries are much better equipped with mobile phones and Internet access, this resulting in more mature attitudes in the use of the Internet. Southern European countries are more interested in using the Internet to inform and communicate, instead the northern parts have a more utilitarian vision of the Internet: shopping, information on products.

At this moment few information are available about the habits and needs of consumers or the professionals in the tourism sector of technological innovation. Should first "to start from the client" and not from technological advances, from the customer needs, from their wishes because the client is the one who determines the rate of diffusion.

The objective is to meet the growing needs to inform the customers, ever more demanding and more mobile, according to the "place" and "time" before, during and after their stay.

## Conclusions

*Conclusions* that can be drawn about the e-tourism are the following:

- The sites offer diversified through dynamic partnerships with a large number of potential bidders;
- Online agencies must extend the range of services with additional products and services;
- The Portals must concentrate also on some aspects less known by consumers, such as weather information, atypical landscapes visits or monuments.

## Bibliography

Dimitrios Buhalis, 2011, *E-Tourism*, Published by Goodfellow Publishers Limited, Woodeaton, Oxford

Cezar Mihălcescu, Beatrice Sion, Cristina Titrade, 2009, *E-Tourism, Tehnologia informației în firmele de turism*, Editura Pro Universitaria, 316 pagini, ISBN 978-973-129-390-5

Laura Cristina Maniu, Andreea Marin Pantelescu, 2012, Managing the Hotels Service Products and E-Services, Case Study: Researching Tourists' Satisfaction Regarding the Hotels Services in Romania, *Journal of Knowledge Management, Economics and Information Technology*, pg.234, ISSN2247-7756

Jolly, D. & Dimanche, F. (2009). Investing in technology for tourism activities: perspectives and challenges. *Technovation*, 29, 576-579

Lee, M.-C. (2009). Factors influencing the adoption of internet banking: an integration of TAM and TPB with perceived risk and perceived benefit. *Electronic Commerce Research and Applications*, 8, 130-141

Buhalis, D., and Law, R., 2008, *Progress in information technology and tourism management: 20 years on and 10 years after the Internet – The state of eTourism research*. *Tourism Management*, 29 (4), 609-623

East, R., Hammond, K., & Lomax, W. (2008). Measuring the impact of positive and negative word of mouth on brand purchase probability. *International Journal of Research in Marketing*, 25, 215-224

Kucuk, S.U. & Krishnamurthy, S. (2007). An analysis of consumer power on the Internet. *Technovation*, 27, 47-56

Beldona, S., Morrison, A.M., & O'Leary, J. (2005). Online shopping motivations and pleasure travel products: a correspondence analysis. *Tourism Management*, 26, 561-570

<http://www.digitalcenter.org/pdf/2008-Digital-Future-Report-Final-Release.pdf>.

[http://www.emarketer.com/Reports/All/Emarketer\\_2000670.aspx](http://www.emarketer.com/Reports/All/Emarketer_2000670.aspx).