

STUDENT MOBILITY – DRIVER OF GROWTH IN THE TRAVEL AND TOURISM INDUSTRY; CASE STUDY: ERASMUS STUDENTS' TRAVEL PREFERENCES

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Abstract:

International students represent a substantial growing market to the global economy with a significant impact on the tourism industry. In this context, tourism organizations, travel agencies and transport providers started to focus on attracting this segment. According to World Tourism Organization (2016), it is estimated that this market will rise to 370 million young travelers by 2020. Therefore, it became important for tourism organizations to identify, understand and concentrate on the typology of international students, in order to better respond to their needs. The purpose of this paper is to highlight the importance of student mobility in tourism development and to emphasize the noteworthy role that tourism companies have in supporting this trend. The article's research was based on an analysis of secondary data from different scientific publications and a primary data collection using a survey applied to both incoming and outgoing Erasmus students from the Romanian-American University.

Keywords: Erasmus, Student Mobility, Internationalization, Tourism, Travel.

JEL Classification:

1. Introduction

This article investigates the connection between international student mobility and tourism growth as well as the travel preferences of international students, given the premise that most people from that age group are interested to purchase cheap tickets, sometimes choosing options that are more costly effective than looking for an increased quality of services. This market represents a good opportunity for airline companies to focus on, in order to create a steady influx of customers for the next five to ten years, which can be accomplished by creating a good relationship of trust and familiarity. Throughout the information gathered from secondary data (scientific articles, books) investigating the dynamics of the travel industry, we discovered numerous connections between student travels and

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tourism growth but also how relevant comparison websites are in today's market and the factors of choosing a specific airline. The youth and student travel market is worth around \$165 million dollars and 20% of all global travel. These figures show that international students represent a major growth market to the global economy (WYSE Travel Confederation, 2013). Approaching the year of 2020, it is speculated that the market will rise to 370 million young travellers (World Tourism Organization, 2016). The statistics put forth give indication as to which direction the travel sector is progressing.

2. Literature review

This section of the article investigates the existing literature following several directions: the relationship between international students and tourism development, the expectations of young travellers in terms of airline ticket prices and services offered, as well as the characteristics of one particular category - mobility students.

2.1. Youth and Tourism

There is a symbiotic relationship between transport and tourism. Tourism cannot happen without readily available transport options that take tourists to their destinations. Travelling to and from a destination can be a quintessential part of the tourist experience, that is why the key emphasis on quality service is fundamental (Prideaux, 2000). Looking at the range of tourism transport modes, travelling by airplane no doubt is the most widely used mean of transport for globetrotters and is an essential component for international travel to work in general. (Bieger & Wittmer, 2006). Moreover, air travel is vital for international students, allowing them to connect easily with friends and family while being abroad for studies and also visiting new places. International students definitely represent a market for educational institutions but they can easily become a pertinent market also for transportation providers, tourism organisations or travel agencies.

2.2. International Students expectations towards air travel

Previous research has investigated the expectations of international students in terms of ticket prices and air service quality.

Students from many different backgrounds tend to expect different ticket prices based on their financial class or country of origin (Chiou & Chen, 2012; Jager, Zyl, & Toriola, 2012). Gaining an understanding of their financial background and the quality of service they desire is relevant information for tourism agencies, in order to stay competitive and adjust accordingly to the customer demands (Sherwin Shenwei Lim, Aaron Tkaczynski, 2017).

The quality of airline services also represents a key element. Service quality showcases an attitude around the supremacy of a service. Customer expectations

play an imperative role in the evaluation of service quality (Parasuraman, Zeithaml, & Berry, 1988). International students will collate their assumptions of the service quality with what they have encountered in the past. Customer happiness will be achieved if the highlighted service quality surpasses what customers expect (Gronroos, 1984; Parasuraman et al., 1988). A multitude of studies measuring airline service qualities from the perspective of the international students have been conducted. In spite of increased growth in travel, it is conceived that the converge of airline business models and the competition for attracting the same consumer will notably impact how airlines make their services affordable and convenient (Dieter, 2012).

International students are not left with many options when purchasing airline tickets due to the limited number of offers affordable to them. In a more demanding tourism market with fierce competition from many airlines, the method of operations for airlines has changed. Rather than focusing on a competitive pricing scheme, they chose to pivot their attention to better marketing and service quality (Eldad, 2006). A competitive tourism market sparked the need for consumer-friendly policies. The move to strive for greater service is well-renowned as a crucial advantage in gaining customer satisfaction, although for international students, it is more important to have access to an affordable offer, rather than luxury service (Tiernan, Rhoades, & Waguespack, 2008).

2.3. Low-cost ticket options for students

Few comforts and luxuries are offered by low-cost carriers (LCCs) with the known benefit of lower fares being available for international students (O'Connell & Williams, 2005). The notion of a budget airline was first conceived by an American airline. Southwest airlines brought forward the idea first back in the early 70's as an alternative option to existing price models (Franke, 2004). Airline customers are starting to become more self-aware about the market that is presented to them when choosing a specific airline. With the growing trend of comparison websites, customers are utilising these sites to find the cheapest possible route to their destination. They are one click away from finding the best cost-effective model for them. This dichotomy in the market has forced airlines to strategize their plan. First on their agenda is thinking about the levels of services they would provide for the price models advertised (Dolnicar, Grabler, Grun, & Kulnig, 2011; Forgas, Moliner, Sanchez, & Palau, 2010). Although it may seem that customers tend to be enticed by cheaper fares, service quality remains supreme in customer satisfaction and is the decisive factor in a customer airline choice (Chiou & Chen, 2012, Jou, Lam, Hensher, Chen, & Kuo, 2008).

2.4. Erasmus Students and financial logistics

In 2017 Ryanair announced their partnership with the Erasmus Students Network (ESN website news 2017). They included discounts and free bag checks for all students that are part of the ESN. It is expected that this partnership stirs more aviation companies to realise how lucrative the Erasmus students are to the tourism industry and associate themselves with ESN. Increased academic mobility is encouraged with this affiliation. Building for the next generation of Erasmus students is the key principle here. According to WYSE Travel Confederation (2015) and World Tourism Organisation (2016), Erasmus students are the key element in an ever-growing tourism market. They can be a vital money source for many local economies which rely on the tourism industry. Despite Erasmus students garnering attention from researchers as a collective, they have been neglected and are coupled together with youth travellers in most research studies. (Gallarza & Saura, 2006; Litvin, 2003). Several studies have looked into why students study abroad. Common reasons like increased employment prospects, less educational options back home and a need for cultural integration internationally are some of the many responses from the conducted research (World Tourism Organization, 2016). The emerging number of Erasmus students vacating to holiday destinations is testimony to the importance of the international student market (Thrane, 2015; World Tourism Organization, 2016). Students who benefit of increased mobility are more than likely going to attract more visitors such as family and friends. (Bischoff & Koenig-Lewis, 2007; World Tourism Organization, 2016). If we look at the literature detailing the international student experience, it reveals a strong connection between students and finances. As stated by Forbes-meweet, Marginson, Nyland, Ramia, and Sawir (2009) and World Tourism Organization (2016), international students rely on a medley of sources such as funding from relatives, scholarship funds or paid employment studies. A key point to add is international students may incur some level of difficulty with their financials, with notable factors being currency volatility, restricted access to reasonable resources and insufficient knowledge of knowing how to cope with a foreign financial climate (Abu-Ein, 1995; Forbes-meweet et al., 2009). It is highly envisaged that Erasmus students will travel multi-nationally outside of normal semester periods due to time-sensitive celebrations like the end of semester holidays and cultural celebrations within their place of origin (Bicikova, 2014; Thrane, 2016). The Erasmus students predominantly use air transport as their preferred travel method. For many years, this routine has been a costly option for the international students travelling frequently by air.

3. Methodology

The method of choice used was conducting a questionnaire with several questions designed for Erasmus students. The study was conducted by collecting data from thirty-two Erasmus students of the Romanian-American University

coming from various countries around the world. Personal data from the students was collected (gender, country of origin, degree level, field of study). Students were also asked if they travel accompanied or not, in order to gain a better understanding of the mobility process.

4. Results

Most of the subjects were from Western Europe (most of the students came from Italy with 21%, followed by Germany with 15% and after France with 9%. The remaining students were from countries such as Spain 6% and Russia, Poland, Belarus, Turkey, Kyrgyzstan all of which share 3%. From the group of students from whom data was collected, the majority was made up of women with 66% and men with 34%. The students were asked about their university and what degree they were pursuing. From here we could conclude that most of them were getting their bachelor degree and only a couple were in a Master programme. The most common field of study was International Business with 30%, followed by Finance with 9%, Tourism 6%, but also Marketing, Management, Computer Science.

The countries where most of them were doing their Erasmus mobility are Romania 24%, Spain 12% and Netherlands 9%, followed by Finland, Romania and UK. When asked about the number of occasions they had to travel during their Erasmus semester, 59,4% answered “more than 7 times”, 21,9% from 4 to 6 times and 18,8% between 1 to 3 times. This indicates that Erasmus students are highly interested to travel while studying abroad and therefore, that they represent an important potential market for tourism companies.

The majority of 75% travelled accompanied and only 25% travelled alone. When referring to what kind of transport students have used frequently, 53% chose airplane, 25% train and 22% car. The high percentage of students choosing air travel over other means of transport is related to the accessibility of air travel nowadays, both in terms of connectivity and affordability. It also constitutes an argument for airlines to start focusing on developing offers for international students and attracting them.

The airlines they mostly preferred were Ryanair, Blueair, Wizzair, Lufthansa, Pegasus, which shows that most international students choose low-cost airlines over traditional carriers, mostly because of the ticket prices. Moreover, this can also be a result of the strategy adopted by Ryanair, offering discounts to Erasmus students.

The average cost of the airplane fare during their mobility was 35,5% 51-75 EUR, 32,3% 21-50 EUR, 16,1% over 101 EUR and 6,5% less than 20 EUR. The results confirm international students' choice for low-cost airlines, usually not spending over 101 EUR for a plane ticket.

Erasmus students mostly benefited from discount when purchasing train tickets 51,7%. Only 3,4% benefitted of discounts when buying airplane tickets,

showing that most airlines do not have special offers for students, unlike other means of transportation.

5. Discussions and conclusions

The results of our research suggest that students who benefit of educational mobility can contribute to more money being fused into the tourism market. Our collected data indicates that a vast number of students travel to various different countries during their mobility. The data collected from these questionnaires indicate that the most frequent use of travel was air transport. An important aspect here is that, although the preferred mean of transport is air travel, most of the subjects didn't receive discounted fares. From this angle, nothing differentiates this group from the mass population in terms of price ranges for the ticket fares. Broader dialogue between airlines and international students is needed for this issue to be rectified. The partnership between Ryanair and ESN is a first step in this direction but with the market value worth, it shouldn't be long until more airlines start paying more attention to this share of the travel market.

Conclusion

As a conclusion, international students are active travellers while being abroad for studies and they also generate travels from family or friends who are visiting. This trend is supported by the development of low-cost airlines, which made air travel accessible and affordable. But this can go both ways: while academic mobility generates travel, at the same time, affordable travel can also become a factor in students' decision to travel abroad for studies. This angle can further be investigated. Low-cost carriers made travelling by airplane more accessible, therefore determined a rise in the number of students willing to travel globally.

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