

ANALYSIS OF CONSUMER BEHAVIOR IN PURCHASING TOURIST SERVICES

Gina Gilet (Lefter, Sztruten) Dobrotă*

Abstract

Being intangible, tourism products don't provide the option to be verified before consumption, therefore only the analysis of potential tourists' behavior in planning a vacation, can offer a proper image. The way consumers are perceiving the tourist products and its accordance with the reality, are highly influenced by the presentation of tourist destinations, before purchasing the tourist services. During the process of obtaining the necessary information for decision making, the potential tourists can contact a touroperator or do a research online, by themselves. It is well-known that touroperators can provide the resources and infrastructure required in order to offer important, documented information. On the other hand, especially during the pandemic, the activity of traditional touroperators has been challenged by the potential, independence and flexibility that represent the online environment. As a result, more and more tourists worldwide are purchasing tourist services online. From this perspective, this paper tries to underline the importance of researching the consumers' behavior in acquiring tourism services.

Keywords: touroperator, consum behaviour, tourism services

JEL Classification: Z30, Z31, Z32, Z33

According to Market Research Future (MRFR), the online travel market is projected to grow from 658.38 billion USD in 2024 to 955.41 billion USD by 2032, reflecting a compound annual growth rate (CAGR) of 4.8% during the forecast period 2024–2032 [www.marketresearchfuture.com].

It is well-known that there was a time when the phenomenon of online shopping was neither as popular nor as widespread as it is today. Consumers were hesitant to purchase consumer goods online, making the idea of buying vacation packages, tours, or accommodations unthinkable, as travelers lacked trust in online travel portals.

However, with the development of e-commerce, booking a vacation without the help of a travel agent started to become increasingly appealing and convenient for travelers. Today, no one can deny the convenience offered to the modern traveler by booking a trip through an online travel agency (www.travelos.ro), as opposed to using a traditional travel agency.

Regardless of the industry, the internet has made offers increasingly accessible, allowing consumers to find a growing number of tools online that

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meet their needs and facilitate the purchase of products and services at lower costs. This phenomenon is also evident in the tourism industry, where travelers have online access to any desired destination, can explore multiple travel options—sometimes combining different modes of transport for various segments of the journey—and discover a wide range of activities available at their destination. This is possible thanks to the dynamic, unlimited, accessible, flexible, and innovative support mechanism known as the internet [Claudia Bobâlcă, coordinator].

Nowadays, it is important to acknowledge the involvement of AI in booking travel services. While the process of booking a trip has evolved from manually purchasing plane tickets and hotel rooms to online transactions, AI can now handle all the booking details on behalf of the traveler.

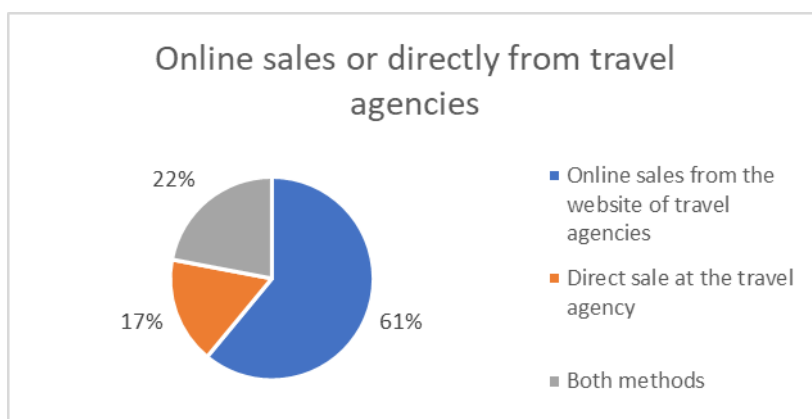
From this perspective, the phenomenon of booking travel services and packages can be studied by analyzing consumer behavior in purchasing these services either physically or online. A quantitative research study was conducted using a questionnaire distributed online via mobile applications like WhatsApp. Among the respondents, 62% were women and 38% were men, indicating that women, across all age groups, are more concerned with and allocate more time to vacation planning. The age distribution of respondents was as follows: 8% under 18, 28% between 18-24, 33% between 25-34, 30% between 35-44, and only 2% over 65.

Respondents predominantly came from urban areas (95.9%), with only 4.1% from rural areas, suggesting that urban residents not only have greater access to online platforms but also to devices that facilitate bookings. From a psychological standpoint, they are also more inclined to travel, as they tend to have more disposable time.

The responses revealed that respondents travel relatively infrequently. About 16% travel less than once a year, 55% travel 1-2 times a year, 22% travel 3-5 times a year, and only a small percentage, 7%, travel more than 5 times a year.

When asked about their preferences for purchasing travel packages—online or directly from agencies—most responses favored online purchases (61%). Meanwhile, 17% preferred purchasing directly from a physical agency, and 22% used both methods.

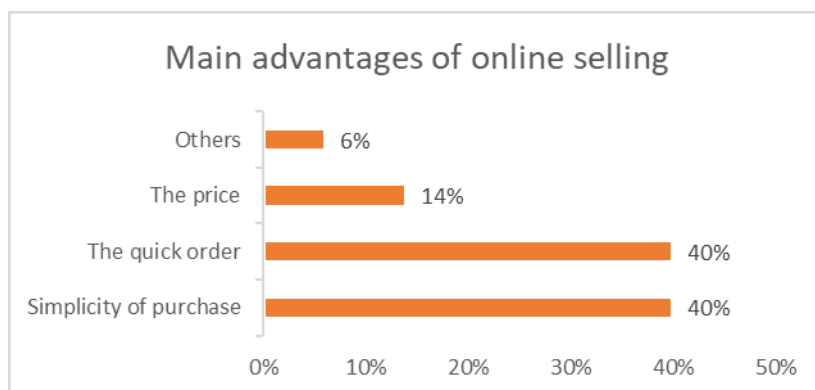
Figure no.1 Online sales or directly from travel agencies



Source: author

Considering the advantages of purchasing a travel package online compared to buying directly from a physical agency, the top three most important benefits were listed as follows: simplicity of the purchase (40%), speed of the order (40%), and financial advantage (lower prices) (14%).

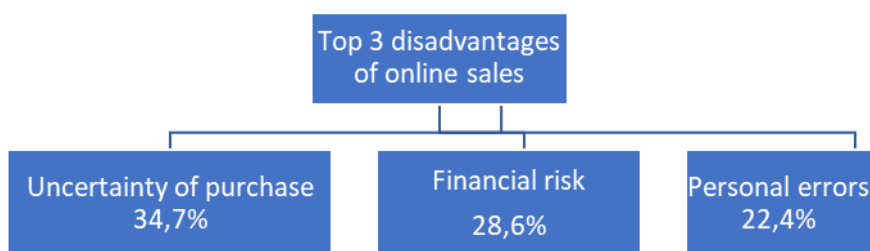
Figure no.2 Main advantages of online selling



Source: author

Although they prefer online purchases, the interviewed individuals acknowledge certain disadvantages of this method. Among the top concerns they listed were: insecurity in purchasing directly from service providers (34.7%), a higher financial risk compared to using an agency (28.6%), and the possibility of errors when booking transportation tickets or accommodation reservations (22.4%).

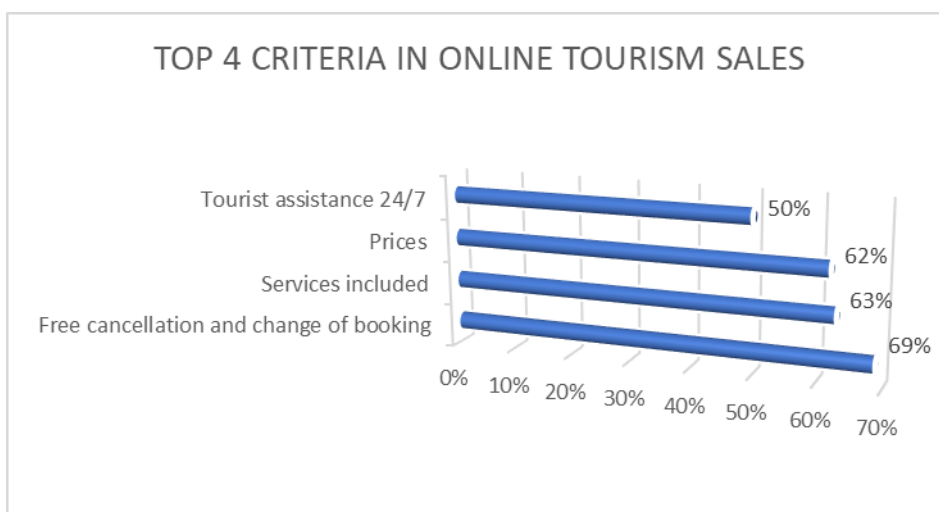
Figure no.3 Disadvantages of tourism online sales



Source: author

Among the key criteria considered when booking a travel package online, respondents ranked **"the ability to cancel and modify the reservation"** as the top priority (64%), followed by **"the complexity of including multiple services in the package"** (transport, accommodation, activities, etc.) at 70%. The third most important factor was **"prices"** (62%), and the fourth was **"24/7 customer support"** (50%).

Figure no.4 Top 4 criteria in online tourism sales



Source: author

When making online bookings, the majority preferred the websites of travel agencies (64%), followed by direct bookings on hotel or airline websites (36%).

Consumer incomes are predominantly average, with 46% earning between €600 and €1200, 38% earning less than €600, and only 4% earning over €1500. This income distribution helps explain the preference for road travel, the desire

for flexible bookings, and the search for low-priced travel packages. It also accounts for the low annual travel frequency, as about 71% travel infrequently, 55% travel 1-2 times a year, and 16% less than once a year, while 22% travel 3-5 times a year, and 7% travel more than 5 times a year.

Among the reasons why consumers have migrated from physical purchases of travel services and packages at travel agencies to online platforms are [explodingtopics.com]:

- **Visa Acquisition:** Many countries now allow tourists to obtain visas directly, eliminating the need for travel agencies to mediate the process with consulates or embassies before travel.
- **Navigation Technology:** Tourists can use their phones with apps like Google Maps or GPS to navigate destinations independently, without the need for tour guides.
- **Increased Travel Frequency:** Modern travelers, especially younger generations, travel much more frequently than previous generations, who often traveled only once in a lifetime. This frequent travel fosters independence and self-sufficiency in planning.
- **Preference for Independent Travel:** Young travelers tend to avoid organized group trips offered by physical agencies, perceiving them as outdated and not appealing.
- **Time Constraints:** Potential customers with full-time jobs often lack the time to visit travel agency offices, opting instead to book travel packages online during work hours or late at night.
- **Social Media Influence:** Consumers are curious about visiting destinations they see on social media, which may not be included in traditional travel agency offerings or may not align with their vacation schedules.
- **Blending Business and Leisure:** Many business travelers extend their trips for leisure purposes, often making reservations directly online with service providers rather than through local travel agencies.
- **Preference for Smaller Accommodations:** Tourists are increasingly interested in smaller accommodations that are not typically featured in travel agency brochures or websites, which usually focus on larger hotels offering various services.

One reason physical agencies are falling behind trends is that they continue to operate in the same way as decades ago. Adopting new technology is essential for survival and can help agencies expand into a larger market. Online sales platforms save time and reduce the need for human resources in physical transactions.

There is also a growing demand for online services due to the increasing number of international students [www.marketresearchfuture.com] who prefer

online access for reasons like language barriers, time constraints, and convenience. Additionally, consumer awareness in developing countries is rising, fueled by internet access and IT development, contributing to growth in the online travel market.

Furthermore, the internet offers virtual representations, such as interactive 3D tours, providing a clearer impression of travel destinations, which enhances the customer experience beyond traditional travel agencies. The online travel market has become a multi-billion-dollar industry in about 30 years, revolutionizing how tourists plan and book vacations—a trend that continues to grow, especially with the rise of artificial intelligence.

The online travel booking market has become a multi-billion-dollar industry in a relatively short period (around 30 years since the advent of the internet) and has completely revolutionized the way travelers plan and book their vacations. This evolution shows no signs of slowing down, especially with the emergence of artificial intelligence (AI). However, even though the internet has transformed the world, there are still regions globally that do not rely on these online sales channels. At the same time, certain segments of the travel market targeting older audiences, such as the cruise industry, cannot be overlooked. In this sector, physical agency sales still account for up to 75% of total purchases in 2023. [www.statista.com] This is often because travelers prefer to speak with an agent rather than booking a cruise online by themselves, as the booking process can be more complex due to the variety of options available.

Conclusions

This study concludes that, regardless of income levels, **consumers have shifted to online purchases**. Although they travel infrequently, when making online reservations, they prefer to buy from agency websites rather than directly from service providers (hotels and airlines). A direct and dynamic relationship exists between the evolution of tourism and the changing consumption habits of potential customers. Additionally, factors such as changes in consumer behavior, social media influence, increased disposable income for vacations, a rise in international students, consumer awareness in developing markets, individual travel preferences, easy navigation with smartphones, and simplified visa acquisition contribute to the growth of the online travel market.

Consequently, the traditional method of booking through physical travel agencies is becoming obsolete. Traditional agencies must adapt to these changing consumer behaviors, which can be achieved through information and communication technology, as well as rapid strategic transformations.

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