

THE ROLE AND IMPORTANCE OF THE INTERNET IN CONTEMPORARY TOURISM IN TRAVEL AGENCIES BUSINESS

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Abstract: The increasing competitiveness in the global tourism market encourages tourism operators to invest more in promotion, resources, knowledge and quality in order to achieve satisfactory growth. Therefore, it is extremely important to be in touch with the latest technological trends and have the knowledge required to effectively respond to the challenges of global competition. Internet technology provides high-quality and efficient operations in all economic sectors, including the tourism industry. In this paper, the changes in tourism industry caused by the introduction of Internet technology and advantages and disadvantages of using the Internet in contemporary business travel agencies were analyzed. Through this work, the impact of the Internet technology on marketing activities of contemporary travel agencies was also analyzed.

Keywords: the Internet, tourism, travel agency, marketing, user

set of networks around the world, represents the biggest computer system which allows receiving, process and exchange of information to millions of computer users. A huge amount of data can be accessed at any time and any place allowing the user of the Internet a global access. The Internet technology provides a new way of conducting business in all electronic sectors. The Internet technology has become an important source of information according to which various business strategies of subjects in tourism industry are formed. With the help of the Internet, a new possibility appeared for subjects in tourism industry to successfully promote and sell services and products to comply with demands, needs and desires of consumers.

1. INTRODUCTION

Any commercial relationship between subjects of production and consumption is established by specific communication technology. From oral transmission, through fairs, printing press, telephone to television and electronics, i.e. information technology, technology of the communication market has been changing, and consequently the market relations character has changed. Electronic technology has allowed for the first time in history for market participants to simultaneously communicate at a distance, which introduced a new era in the field of marketing communications. The network of communication satellites has enabled the fastest information transfer among all parts of the world, i.e. the Internet. The Internet, as a

2. THE ROLE OF THE INTERNET IN CONTEMPORARY TOURISM

The appearance of the Internet and the incredibly rapid development of highly sophisticated computer and telecommunication technology have made the world a global village in a real sense. 'Communication network satellites provide the quickest and the cheapest data transfer to all parts of the world, a great agreement among thousands of computer systems that communicate with each other is represented by the Internet.' (Kent, P. 1994). Development of information technology and the creation of computer networks and the Internet have enabled a new way of communication. The internet provides a better access to numerous sources of information around the

world, as well as direct communication with all users. 'The Internet is a collection of computer networks around the world and as such is the largest computer system that millions of computer users can use and share all kinds of information: numbers, text, sound and image.' (Gates, B., 1999).

The Internet has become a support to more complex and critical functions in tourism and hospitality industry and it contributed to its significant innovation. Due to the appearance of the Internet, there have been some changes in the tourism subjects business and those are the following:

1. Each serious subject in the tourism and hospitality industry has a website that can be classified into four broad groups: 'holding corporation identity websites, chains, concession and membership websites, websites of individual sites and facilities, and portals and vortals.' (Koelzer, W., Cox, B., 2005). 'Portal can be defined as a vehicle that offers a rounded set of services for specific well-defined group of users.' (Kalakota, R., 2002). 'Vortal is a website that provides information and resources about a particular and specific industry.' (Webopedia - On line Computer Dictionary for Computer and Internet Terms and Definitions).

2. 'The Internet offers the possibility of expansion, rapid data transfer and flexibility (websites can always change, the changes are immediately visible and are not limited to space and time).' (Raza, I., 2006).

3. 'Contemporary business in tourism market is characterized by the implementation of various booking systems into business systems of travel agencies, hotel chains, airlines, car rental companies and other participants in tourism product formation.' (Dobre, R., 2005).

4. Organization and distribution costs are decreased in various tourist subjects business conducting (travel agencies, hotel chains, independent hotels...).

5. New intermediaries on the Internet are created and traditional ones must change their role.

6. The Internet allows high-quality and effective market research and 'industrial espionage'.

3. ADVANTAGES OF THE INTERNET USAGE IN CONDUCTING BUSINESS IN CONTEMPORARY TRAVEL AGENCIES

1. In contemporary travel agencies and tour operators business, the Internet has shown to be a profitable medium of tourism promotion and sales.

2. 'The Internet represents an interesting and useful distribution channel for collecting clients and it provides the ability to identify their desires.' (Čavlek, N, 2000).

3. Promotional visualization of tourism services and products through multimedia technology leaves greater impression on potential customer than standard brochures, catalogues and leaflets.

4. Overbooking has become almost impossible because all communication problems that may cause it are removed.

5. The Internet allows the improvement of travel agencies and tour operators by speeding up communication and providing all the necessary information.

6. Product distribution and services of agencies do not depend on the quantity of printed catalogues anymore and information about them can reach millions of the Internet users.

7. The Internet provides selling services of travel agencies on demand.

8. CRS/GDS systems allow better and more efficient business with clients to contemporary travel agencies.

9. 'Greater added values which agencies, by using the Internet, can provide to clients are high-quality information, quick offer of services related to travel,

fast order, express delivery and human personality.’(Ruelcke, W., 2000).

Use of the Internet in contemporary travel agencies business has certain drawbacks such as: web information is not always complete and reliable, payment security is still not on the satisfactory level, and the sale of certain products and services demands direct communication with the travel agent.

4. THE INTERNET AND MARKETING ACTIVITIES OF CONTEMPORARY TRAVEL AGENCIES

Marketing is an integral part of conducting business in contemporary travel agencies, with the Internet becoming an essential part of media planning. The Internet provides readily available information to potential customers from around the world and it represents an important ‘marketing and communication channel’ that can effectively connect the subjects of offer and demand in contemporary tourism. The increasing competitiveness in the global tourism market demands of the tourist agency exceptional efforts and investments in promotion, resources, knowledge and quality in order to achieve satisfactory growth. Therefore, it is extremely important for each travel agency to follow new technological trends and to have the knowledge required to effectively respond to challenges of global competition. In order to implement the marketing concept in business of travel agencies, it is necessary to meet certain requirements:

Firstly, it is necessary for marketing to be understood and accepted first by governing bodies of the agency, its individual organizational units and then all employees of the agency.

Secondly, marketing applied as a business concept operates through its functions. The content of these functions in the agency should be precisely defined before

implementing marketing organizations and setting up marketing services. Marketing activities of contemporary travel agencies, which greatly enhance business through the Internet, can be highlighted in the following areas: (Dulčić, A., 2005)

1. Promotion of tourism services – current assets: TV, radio, newspapers, catalogues, pamphlets, posters, the screen technique; it is improved with promotional text, drawings, photographs and sound, 3D space, 3D photographs, media interaction.

2. Tourism services sales – unlimited database and unlimited capacity of digital media allows instant access to the tourist market free products to every potential tourist.

3. Tourist services booking – instantaneous communication between all participants of the sales process; it allows ‘booking on demand’, i.e. avoids excessive sales (overbooking).

In order to perform these marketing activities, particularly in selling travel packages, use of the following technologies stands out:

1. World Wide Web (the system of linked pages) use

2. Mail connection (for sending and receiving e-mail)

3. Multimedia – ‘a combination of different media: text, sound and images, all computer-controlled.’(Colin, S., 1993).

4. Databases

By using the Internet, multimedia and databases it can be achieved the following: a rational and fast online communication, direct contact with the market and its business partners, integration and automation of business process, delivery and access of information

5. CONCLUSION

Internet technology is an important ‘communication channel’ between offer and demand in modern tourism. With

the help of the Internet, there is an opportunity for all operators in tourism industry to successfully promote and sell services and products and to act in accordance with desires and needs of modern consumers. In modern travel agencies business, the Internet has proven to be an effective medium for tourism promotion and sales, so distribution of products and services no longer depends on the quantity of printed catalogues and brochures, but information on tourism products and services can reach millions of Internet users, and overbooking has become almost impossible because all communication problems have been removed. Marketing activities occupy an important place in the business strategies of modern travel agency, where the Internet has recently become an essential part of media planning. It can be concluded that modern Internet technologies help travel agencies in creating a unique identity, increasing efficiency and developing value-added services.

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