A VIEWPOINT ON ECONOMY STUDENTS' PERCEPTIONS REGARDING THE PROMOTION PROCESS OF TOURISM PRODUCTS USING ONLINE MARKETING

Silvia, Muhcina¹ Andreea-Daniela, Moraru²

Abstract:

Among the tools that are used in promotional activity in tourism, the online marketing opens the possibility to promptly create offers, meet buyers' demands, and strengthen customer relationships. The online marketers consider that the Internet is a modern technology that allows firms to connect business partners, to identify more rapidly the consumers' needs, to understand and answer on individual demand. The aim of this paper is to emphasize the importance of online marketing in the process of promotion and distribution of tourism products, starting from an empirical research conducted among economic sciences faculty students. The results of this work may provide a partial image of the young people's opinion about online marketing as a tool of marketing communication, and may be approached as a modest guide for tourism marketers in the process of creating, promoting and distributing tourism offers.

Key words: marketing, tourism, on-line, promotion, products.

JEL Classification: M31

1. Introduction

Nowadays, the tourism world is changing very rapidly. Apart from classic destinations, people wish to see new and different tourism destinations. In a world with fewer boundaries, guided by the media or the Internet, tourists want to spend their vacations in destinations varying from mass-destinations to exotic, isolated or adventure places. For marketers, this tendency is, on one hand, a real possibility to extend the business, increase the profit, and the market share, and on the other hand, a challenge to offer new products, according to tourists needs. Marketers have multiple possibilities to identify tourists' needs, to create appropriate products, and to communicate them to consumers.

In tourism activity, the market conditions are continuously modifying. For a prosper future, the companies must appropriate new competences, use new technologies, modify their way of doing business in the direction of consumers' needs.

The marketing specialists (Kotler and Jain, 2009) consider that the Internet, the technology and the globalization have contributed to the rising of a new economy, based on the logic of information management and information industry. In the same opinion, the Internet has given the consumer the possibility to be informed about the offers and, at the same time, to inform the companies about their needs, about the prices and terms of delivery, and to decide if they want to receive information or any other marketing communication material from companies. Therefore, the companies must take into consideration, and the marketing must be the key in the strategy of companies. In these authors' opinion, it is necessary to operate with the new concept of holistic marketing, by integrating three types of management: demand's management, resources management and relationships network management.

The direct communication and on-line marketing are specific marketing tools, which will allow firms to achieve success in digital era.

¹ Professor, PhD, Faculty of Economic Sciences, Ovidius University of Constanta, <u>muhcina@gmail.com</u>

² Lecturer, PhD, Faculty of Economic Sciences, Ovidius University of Constanta, <u>amoraru@univ-ovidius.ro</u>

The marketing specialists consider that, in the digital era, the accent falls not on mass-marketing (as in the industrial era), but on the individual client, and the battle for market share is replaced by the engagement for client share, the place of confrontation is taken by the creation of relationship networks, and the asymmetry of information is replaced by open dialog (Rohner, 1999).

Websites, social networks, instant messages, e-mails, blogs etc., are important marketing tools that allow getting rapid answers from users: sales, registrations, downloads etc. For example, one of the e-mail marketing specialists considers in one of his books that e-mail marketing is an appropriate way to establish brand loyalty, having as a real benefit the development of long-term relationships (Simms Jenkins, 2009). Based on several studies and analyses presented in the book, the author underlines that e-mail marketing delivers the highest return on investment (ROI) compared to any other marketing approach available, for every dollar spent on e-mail marketing the expectation of estimated return being of 46 dollars.

In tourism activities, communication through direct marketing is very important due to several reasons:

- It informs all participants in the marketing channels (tour-operators, travel agencies, tourism services suppliers, tourists, etc.) about the tourism products that can be offered (vacations, tourism destinations etc.);

- It informs business partners, media, local community authorities, stakeholders, etc., about their present and future actions, about their global or marketing policy that can have significant influences on local people's actual or future life and preoccupations;

- It contributes to the process of creating, maintaining and consolidating the organization or product brands;

- It influences the consumer's perception about tourism products, it can modify attitudes, it can enhance the sales process, etc.;

- It has a great contribution to the consolidation of a relationship, mostly because, as marketing specialists consider, the customer wants a relationship, not a one-night stand (Solomon, 2009).

2. Promotional Policy in Tourism Marketing: Key Conceptual Elements

Following the marketing segmentation and target selection, the marketers must establish the mixture of marketing policies, in correlation to the marketing goals (Balaure et al., 2000).

Important component of marketing mix, the promotional policy has a significant role in the communication strategy of organizations.

The marketing communication activity is realized through two major categories of techniques: promotional communication techniques (advertising, sales promotion, public relations, marketing events, sales force, direct marketing) and continuous communication techniques (brand, design, package etc.) (Popescu, 2003). Based on this opinion, the promotional communication techniques are used in a planned process, with financial and time budget, as a campaign.

As a continuous marketing communication technique, the brand has an important position in the communication strategy of the tourism organizations, because it gives identity to the organization and its' products, differentiates the offers, and guarantees their quality. From the marketing point of view, image has a strong relation with the concept of product. All the tangible (natural or human attractions, tourism infrastructure and equipment etc.) and intangible elements (tourism services) of the tourism product together with communication elements deliver the tourism product and its image. A favorable image delivered to the target market is one of the most important goals of the communication policy of tourism organizations, and the image cannot exist in the absence of communication. The essence of the image is often expressed by brand.

Brand's image is a synthesis of the organization's image, is a patrimonial element, and in many cases is considered as brand image of the organization's products or services.

In tourism activity, the marketing communication process is more complex, because there are more important players and stakeholders that have individual goals and objectives, but must act according to a common interest: creating, promoting and distributing the most appropriate offers, informing tourists, attracting tourists, satisfying tourists' needs.

All the direct and indirect participants to the tourism activities must act in a homogeneous manner as to express the most appropriate message which contains information about the tourism destinations, to stimulate the motivation and to influence tourists' choice, to increase the interests of tourists and business partners for their offers.

The tourism services suppliers (accommodation, food & beverage, transportation, entertainment services suppliers), travel agencies and tour operators, or local and central authorities, representatives of local communities etc., all these factors must collaborate and coordinate their objectives as to obtain the most equilibrate decision and the best results in the process of promoting and valorizing the tourism destination.

Generally, the most communication tools used in tourism activity are: printed materials (catalogues, guidebooks, brochures), marketing events (travel fairs), travel magazines and TV spots, public relations (press conference, interviews), sales promotion (special offers, gives, fidelity prizes etc.), direct marketing.

3. The Online Marketing - Tool of Direct Marketing in Tourism Activity

One of the most used techniques in tourism marketing communication is direct marketing, because on one hand, it allows promoting the tourism offers, and, on the other hand, it allows to get a measured answer from tourists.

The evolution of direct marketing concept was strongly connected to the evolution of technology.

Until the end of the '80s, direct marketing was considered as another way for products distribution, and the specific activities were integrated in sales or commercial departments of the organizations (Veghes, 2003).

Sales correspondence, mail ordering and delivery are considered as the origin of direct marketing (Popescu, 2003).

According to the American Direct Marketing Association (DMA), the direct marketing was considered as an interactive marketing system, using one or several advertising media to determine in a certain place a measurable answer (Smith, 1999; Popescu, 2003).

Among recent definitions, in the DRI-WEFA studies, direct marketing is considered as direct communication with an individual or organizational consumer aiming at generating an answer as an order (direct order), an information demand (sale preparing) and/or visit a shop or another place to buy a certain product or service (traffic creation) (DMA, Economic Impact: US Direct and Interactive Marketing Today, 2002).

According to another opinion, direct marketing can be defined as an assembly of marketing concepts, techniques and instruments, materialized into a direct oriented step, personalized and interactive to consumer, which follows to generate measured reactions from its part (buying a product or a service, requiring supplementary information from the organization, information supply about the characteristics and consumer's behavior, interaction with the organization's traditional marketing and sales points) and to create a marketing relationship platform, on a long term (Veghes, 2003).

In the same opinion, the direct marketing campaigns must take into consideration the following elements: creating and using a data base, direct communication with the

consumer (in a personalized and interactive way), and stimulating a direct and immediate answer from the consumers.

An important aspect in direct marketing is choosing the media and the communication supports.

Some opinions argue that in direct marketing there can be used with good results "traditional" media, such as (Bird, 2000):

- Direct mail, because it is selective, flexible, has a great capacity to generate favorable financial results and cheap solutions;
- Door-to-door drop/Door-to-door-delivery or Mail-drop represent a cheaper way to deliver information than other direct marketing supports, but generate very modest results;
- Press (daily or periodical);
- Audio-visual Media;
- The telephone;
- Out-door advertising;
- The special publications or periodicals addressed to organization clients.

Next to these "traditional" media the author considers that there are some future media supports in direct marketing, such as:

- The Fax;
- Video-mailing;
- Interactive television;
- The Internet.

In time, due to the developments in technology the ways to communicate in direct marketing will probably become more complex and diversified.

Websites and e-mail marketing are the most used vehicles for information. Many people navigate the Web, but the real problem is how to organize and filter information, in such a way that consumers can easily and efficiently identify the best alternative. Among the most utilized forms of cybermediaries there can be considered (Solomon, 2009):

- Directories and portals like Yahoo!
- Web site evaluators, which are reducing the risk to consumers, by reviewing sites and recommending the best ones;
- Forums, fan clubs and user groups offer product-related discussions and are helping customers sift the options.

4. The Research Methodology and Main Results

The research conducted is an empirical study that aims at grasping the students' opinions regarding the process of tourism products promotion through online marketing, as part of the direct marketing communication process.

The research tool used was an 18 questions questionnaire, which was distributed among students of the Faculty of Economic Sciences, "Ovidius" University of Constanta, between 3 and 31 March 2014. The questions were aimed at obtaining information about the reasons which are important in the tourism products buying decision, the factors that influence the selection of tourism destinations, the way travel agencies promote their offers, the sources of information used when deciding to buy tourism products, the security of acquisition through Internet, the price level for online purchases, the kind of tourism services are most often bought online, and the most relevant elements in a website presentation and utilization process.

More than 200 questionnaires were handed out, however only 154 were filled in and returned, and subsequently subject to analysis using SPSS (Statistical Data Analysis, version 20).

The sample

Most of the respondents were females (79.2%) while only 20.8% were male respondents; also, the vast majority of the respondents, 83.1%, live in urban areas. The distribution of the sample by monthly average family member income is presented in figure 1.

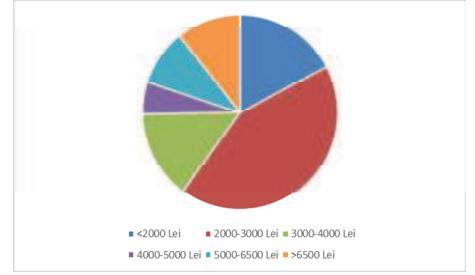


Figure 1. The monthly average family member income

Research results

Following the conducted analysis, several important aspects were revealed.

Half (48.1%) of the respondents declared that are usually going in vacation once a year, while regarding the duration of the holiday, the majority (50.6%) indicated one week.

Further, the reasons for choosing the holiday destination were investigated, and the reasons were (in order): the natural resources (30.1%); the quality price ratio (16.9%); entertainment possibilities (16.5%); the cultural and historical attractions of the area (14%); the adventure tourism possibilities (10.6%); shopping (8.5%); and food (3.4%).

Regarding the factors that influence their assessment and choice of holiday destination, the respondents indicated: friends and colleagues (31.2%); family (27.8%); the Internet (18.2%); TV (9.1%); magazines (8%); and tourism agents (5.7%).

The study took the respondents a step further, in order to investigate also the process of acquisition of tourism products in the online environment. 49.4% considered that Internet proved to be a cheaper environment to buy tourism products. As online information sources, they used (multiple answers were allowed): tourism agencies websites (58.44%); hotels websites (41.55%); tourism blogs (35.06%); transport companies websites (12.98%); online guides (32.46%); forums (22.07%); and direct mail (5.19%). Regarding the tourism services they would buy online, the respondents indicated: lodging and food (81.8%); transport (11.7%); and entertainment (6.5%). In order to assess the perceived safety of Internet tourism transactions a five point Likert scale was used (from -2 "I completely disagree there is a high level of safety in Internet tourism transactions" to +2 "I completely agree there is a high level of safety in Internet tourism transactions") and the average score resulted was 0.32. The most common reasons for the unsafety of Internet transactions were considered to be the lack of possibility to verify the offer and the offer provider (45.5%) and the unreliability of the offer provider (31.2%).

The next series of questions was aimed at investigating the effectiveness of tourism agencies promotion process in the online environment. Although a rather important part of the respondents (40, representing 26% of the sample) stated they never bought tourism

products from tourism agencies, 33.8% of the respondents considered that the agencies promoted their offers in an appropriate manner, and 42.4% did in fact visit the agencies website looking for information regarding their offers.

In order to obtain a viewpoint on students' perceptions regarding the level of online promotion for tourism offers in Romania, a five point sematic differential scale was used (1 - very low level of promotion to 5 - very high level of promotion) and the average score of 3.31 indicated a satisfactory level.

As presumed, the frequency of travel and travel length were positively correlated with the income level: Pearson correlation 0.249, correlation significant at the 0.01 level, and respectively 0.429, correlation significant at the 0.01 level.

Testing the hypotheses

Several research hypotheses were formulated.

 H_1 . There are statistically significant differences between female and male respondents regarding the assessment of the importance of online offer details.

	Value	df	Asymp. Sig. (2-	Exact Sig. (2-	Exact Sig. (1-
			sided)	sided)	sided)
Pearson Chi-Square	7.559 ^a	1	.006		
Continuity Correction ^b	5.935	1	.015		
Likelihood Ratio	6.356	1	.012		
Fisher's Exact Test				.011	.011
Linear-by-Linear	7.507	1	.006		
Association	7.307	1	.000		
N of Valid Cases	144				

Table 1	Chi-So	quare Tests	(\mathbf{H}_1)
---------	--------	-------------	------------------

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 3.61.

b. Computed only for a 2x2 table

The hypothesis was tested using the Chi-Square test. In this case, the test results (table 1) indicate that the null hypothesis is rejected.

H2: There are statistically significant differences between the respondents living in urban and rural areas regarding the tourism services most frequently bought online.

The hypothesis was tested using the Chi-Square test (Table 2).

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.741 ^a	3	.003
Likelihood Ratio	11.900	3	.008
Linear-by-Linear Association	6.307	1	.012
N of Valid Cases	152		

Table 2 Chi-Square Tests (H₂)

a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .95.

The value of the Pearson Chi-Square indicates that the null hypothesis is rejected and one can therefore consider there are differences between the respondents living in urban and rural areas regarding the tourism services bought through the Internet.

H3: There are statistically significant differences between respondents living in urban and rural areas regarding the assessment of security level for online tourism transactions.

	1 ()		
	Value	df	Asymp. Sig. (2-
			sided)
Pearson Chi-Square	4.297 ^a	4	.367
Likelihood Ratio	3.963	4	.411
Linear-by-Linear Association	.294	1	.588
N of Valid Cases	152		

Table 3 Chi-Square Tests (H₃)

a. 3 cells (30.0%) have expected count less than 5. The minimum expected count is .95.

In this case, the null hypothesis is accepted (Table 3).

H4: There are statistically significant differences between female and male respondents regarding the assessment of security in the case of online tourism transactions.

	Value	df	Asymp. Sig. (2- sided)	
Pearson Chi-Square	25.527 ^a	4	.000	
Likelihood Ratio	21.696	4	.000	
Linear-by-Linear Association	3.722	1	.054	
N of Valid Cases	154			

Table 4 Chi-Square Tests (H₄)

a. 5 cells (50.0%) have expected count less than 5. The minimum expected count is 1.25.

The test results in table 4 indicate that the null hypothesis is rejected.

Conclusions

For tourism industry, the online marketing proved to be an important tool to inform people and companies, to increase the demand for tourism products and services, deliver messages, and obtain positive reactions from the target-markets.

The present study aimed at investigating the perceptions of economy students regarding the promotion and subsequent acquisition of tourism products via the Internet. The study was conducted on a sample of 154 students and shed light on their behavior as tourists and their opinions regarding tourism promotion and products acquisition through the Internet. As expected from the new generation, they were inclined to search and buy tourism products from the Internet rather that from tourism agencies; they consider the Internet as the most suitable and inexpensive environment to purchase tourism products and regard it as satisfactory safe for transactions. The research revealed also that there were statistically significant differences between male and female respondents regarding the importance of online tourism offer details and also regarding the security assessment of online tourism transactions; and also between the respondents living in urban and respectively rural areas regarding the tourism services most frequently bought online.

Although limitative due to the reduced sample of respondents, the present study offers a prospect on the young generation opinions regarding the promotion and sale of tourism products in the online environment.

References

- 1. Balaure, V. et al., 2000. Marketing. Bucuresti: Uranus.
- 2. Bird, D., 2000. Commonsense Direct Marketing, Fourth Edition. London: Kogan Page.
- 3. Jenkins, G. Simms, 2009. The Truth about Email Marketing. Pearson Education LTD.
- 4. Kotler, Ph., Jain, D., and Maesincee, S., 2009. *Marketingul în era digitală. O nouă viziune despre profit, cre ștere și înnoire, Bucuresti: Meteor Business.*

- 5. Popescu, I.C., 2003. Comunicarea in marketing, Second Edition. Bucuresti: Uranus.
- 6. Rohner, K., 1999. Ciber-Marketing. București: All.
- 7. Smith, P.R., 1999. *Marketing Communication. An Integrated Approach*, Second Edition. London: Kogan Page.
- 8. Solomon, M., 2009. *The Truth about What Customers Really Want*. Pearson, Prentice Hall, Pearson Education Limited.
- 9. Veghes, C., 2003. Marketing direct, Bucuresti: Uranus.
- 10. DMA, 2002. Economic Impact: US Direct and Interactive Marketing Today, Eighth Edition.