

## E-TOURISM: CONCEPT AND EVOLUTION

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### **Abstract**

*Tourism has closely been connected to progress of ICTs for over 25 years. Nowadays, the Internet and ICTs are relevant on all operative, structural, strategic and marketing levels to facilitate global interaction among suppliers, intermediaries and consumers around the world. This paper provides a review for the key aspects of ICT that influenced and influence the tourism sector activity.*

*Two themes were identified as forming the basis of researching in the e-tourism domain: the technological progress and the impact on the touristic market. The paper also presents future developments in eTourism that will influence the tourism industry structure.*

**Key words:** *e-tourism; ICT, marketing, distribution, internet.*

**JEL Classification:** *L83, M37*

### **I. INTRODUCTION**

Beginning with the 80s, the Information and Communication Technologies (ICT) transformed the domain of tourism globally. The achievements in the ICT domain changed undeniably the practices, the business strategies, but also the industry structurally. (Porter, 2001).

Beginning with the year 2000, we could observe in the ICT domain an especial emphasis regarding the development of a large series of instruments and services that facilitate the interaction between the market actors at a global level. The development of the searching engines, the transport capacities and the speed of the networks have influenced the number of tourists from all over the world that use technology for planning and documenting their journeys.

According to *www.internetworldstats.com*, in 2012, the population of net surfers in the world was 2.4 billion. Also, according to *ITB World travel trends report*, the internet has now clearly established itself as the main place to buy travel with 54% of bookings, well ahead of travel agencies which have slipped to 24%.

The majority of society accepts the fact that influences of growing Internet on customer behaviors manage and will manage today's and tomorrow's marketing models.

ICT not only offers the customer the possibility to identify, personalize and buy touristic products, but also it offers support for the touristic industry globalization, offering efficient instruments to the tourism agents in order to develop and distribute their offer globally.

Thus, a major domain of researching was born, as the researchers searched more and more to understand and transmit the meanings of the new technologies, to investigate the current modifications of the technology and to prognosticate regarding the future developments in the tourism industry but also in the ICT domain.

There is an emergent e-commerce sector in tourism, the so called e-tourism. e-Tourism is a way of establishing commercial relationships (mainly sales) using the Internet for offering tourism related products: flights, hotel reservation, car rental and so on. Concerning e-commerce applications, this kind of services are classified into the business-to-consumer (B2C) category, as the final customer is in the other side of the transaction. (Arturo Montejo-Ráez, 2011)

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### **II. THE TECHNOLOGICAL PROGRESS**

The tourists appeal more and more often to the sites of touristic information and especially to the sites that also allow bookings for accommodation or transport services. Thus, the tourists have the following expectations from the websites' services: the facility in using, the utility, the informational content, the security, the rapidity in operation and the personalization.

The hotel-keepers must, thus, reevaluate periodically the websites to ensure themselves that these ones are efficient and useful to the customers. Moreover, it could be seen throughout different studies that a lean design of the hotel website can lead to a loss of 50% from the sales potential. (Cunliffe, 2000).

One important area in future will be to make travel and tourism information more accessible on the internet, for example for blind and deaf people. But tourist board websites are generally failing so far on this front, according to an ENAT survey. Only 10 out of 39 NTO websites complied with web accessibility criteria in a 2011 survey, meaning a failure rate of 74.4%, while more than half failed to provide accessibility information. (International IPK, 2012)

The hospitality industry must be aware that the market segment formed of people with disabilities or aged people is increasing. Thus, the assistance technologies, as the vocal browsers can offer a higher degree of assistance to these customers who access the information online. (Puhretmair, 2004).

The information of demographic order or that regarding the life style is vital in making stereotypes of the customers. If at one moment it was thought that choosing a holiday destination represented the common choice of the adults in a family, the recent researching revealed the more and more important role of the children in this process. Thus, the managers of touristic destinations who target the young public should offer, using the online means, a content as adequate as possibly to this public, like the interactive games in order to attract this kind of public in visiting their sites. (Buhalis, 2008)

At the present, the electronic networks are widely used for communications and collaborations between organizations. Lately, some top technologies were identified and they will have an important impact on the future tourism industry. These technologies mainly offer innovations regarding the interconnecting equipment and the soft that allow the organizations the communication with the partners and the customers.

The communications through the computer networks allow the partners to interact in an appropriate way regarding the time and the cost. The ontology, that represents a series of concepts in a domain and the relationships between these concepts, allowed to constitute mediation systems that succeed in “translating” the information to the partners and, thus, it contributes to the efficiency of the electronic communications.

The multimedia technology became, too, one of the key domains of development and it influences also the tourism field. The tourism, as all different activities in the tertiary sector field, needs an extensive support using the multimedia representations in order to offer an image or a tangible experience to the customer.

In the domain of touristic promotion, an image will always have a bigger value than one thousand words. Using the 3D animation or the video clips, the interaction and the enriching of the touristic information can be done and it can also lead to the creation and the transmission of the image to the destination. The virtual tours were adopted by the online companies to attract customers and to encourage the online buying products and touristic services, in order to maintain the customer’s loyalty. (Fiore, 2005). The tourists can visualize the touristic information within the digital maps with aerial perspective in both 2D and 3 D representations. The experience mediated by the computer can simulate a real visit inside of the furthest locations. Also, locations of public alimentation can be promoted, accommodations spaces, etc.

The wireless networks, together with the mobile networks, allow the users the connection of the communication dispositive to the global network, being widely used in hotels, airports, pubs etc.

The 3G and 4G mobile telephony allowed attaining a new level within the multimedia information communication. The sales situated on an ascendant trend of the smart phones allowed the tourists, presently, to obtain the touristic information that they need without any time constraint or geographic location. In addition, the mobile services allow the tourist to book rooms before arriving to the hotel reception or to book plane tickets, to hire cars, to access information regarding the circulation program of the means of transport and to access the touristic guides of the destinations.

Presently, the smart phones users have a multitude of applications that can be installed on this dispositive, which allows the facile exploration of a space by offering information according to the customer’s geographic position. Thus, a tourist can visit a touristic destination without needing a guide. The application, according to the user’s preferences, will configure a track and, as the tourist is getting closer to a touristic objective, the application will extract from the database all the available information about that objective.

Such applications are, in most cases, preinstalled on the mobile dispositive even by the mobile telephony operator, which allows the increase of the users’ number by removing the technical barrier regarding the knowledge needed for installing such applications. A major challenge in adopting such technologies in the international tourism case was the language barrier and the inequality that appears between the moment of the information actualization and its translation.

### **III. ICT IMPACT ON THE TOURISTIC MARKET**

The information and the communication technology situates the final customer in the center of the production process. Each tourist is different, everyone having a unique luggage of experiences, motivations and solicitations.

The contemporaneous customer is less and less disposed to wait for obtaining the interest information and, thus, the key of success within the tourism organizations consists in the fast identification of the customers’

necessities and saluting the potential customers with offers as various as possible, personalized and updated to the actual tendencies. (Buhalis, 2008)

The communication technology had a direct impact on the competitiveness of the organizations; this thing determined the adjusting of two fundamental dimensions of the competitive advantage: the cost difference and advantage. Moreover, it is compulsory, presently, for the undertakers from the touristic domain to incorporate the informational technology in their efforts to improve the quality of the services, because ICT allows the organizations to make differences and to specialize in a dynamic way the series of products and services.

As a consequence, the undertakers from the touristic domain didn't need to base on the intermediates' distribution force. Thus, the internet forced the organizations from tourism to adapt their dynamic strategies.

The flexibility offered by the internet allowed the organizations from the touristic domain to be able to adapt their message for each market segment, the customers being regarded as dynamic, mobile targets towards which the specialists in marketing direct promotional specific messages.

During the pre-internet period, the undertakers from the touristic domain didn't have other choice but to base on the touristic agents' capacity of intermediation and also on the tour-operators' capacity. The final customers being thus also dependent on the completeness, the accuracy and the promptitude of offering the information by the intermeddlers.

The internet allowed the organizations to be able to distribute their products directly and also by a variety of new channels of distribution. The tertiary intermeddlers, including the online tourism agencies and the searching engines, respectively the web directors of profile, succeed in making a distribution of the information of static, but also dynamic type, as the availability or the price.

The intermeddlers from the online field put a bigger and bigger pressure on the traditional distribution. For example Expedia and Lastminute.com determine the rethinking of the business models of those from Thomson and Thomas Cook. The sites of the online public sales, as eBuy.com, those for the prices comparison or those for roving preview price evolution, represent a serious threat to the address of the potential profit of the intermeddlers.

A well informed customer has the capacity to interact more efficiently with the local resources, to find goods and services which are compatible with his demands.

(Dimitrios Buhalis, 2008) has presented the fact that the potential customers become more and more independent and sophisticated in using a large set of instruments through which they are planning their trips. Among these, the author enumerates the reservation systems and the online touristic agencies (as Expedia for instance), the browsers (as Google and Kayak), the systems of management of the destinations (as visitbritain.com), the social webs and the web search portal 2.0 (Wayn and Tripadvisor), the sites that offer the possibility to compare prices (as Kelkoo).

The virtual communities become more and more influent in the tourism domain, as long as the consumers tend to allow a higher degree of credibility to the community, rather than to the marketing messages.

A virtual community is defined as an aggregation of individuals or business partners who interact around a shared interest, where the interaction is at least supported and/or mediated by technology and guided by some protocols or norms. Virtual communities have long been understood, as well as practiced, as an Internet-based space for socialization where social aggregations emerge from the Net when enough people carry on those public discussion long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace. (Yongqiang Sun, 2012)

A virtual community in the tourism domain facilitates to the persons to get information, to maintain and develop the relationships and possibly to make decisions concerning the touristic activities.

The dramatic growth of social media platforms such as Facebook, Twitter and YouTube in recent years is increasingly being felt in the travel and tourism sector. About 40% of travellers said social network comments influenced their travel planning while 50% actually based their travel plans on other people's reviews and experiences, according to a Google survey in 2011. Bloggers cultivate trust by interacting with their readers/followers via social media, making recommendations, based on their personal experiences and views. (International IPK, 2012)

TripAdvisor ([www.tripadvisor.com](http://www.tripadvisor.com)) is one of the most successful social webs in the tourism domain and facilitates the possibility to evaluate the hotels all around the world and reunites users from the forums.

Through the analysis of the virtual communities, the tourism organizations can realize a deeper comprehension of the customers' needs and behavior and they can obtain in this way the possibility to improve their offer. Also, through the online communities they can increase the notoriety of the brand.

By understanding the way in which various categories of customers appreciate different products and services, it is given the possibility to promote some attractive products on each level. For instance, Lastminute.com collects information in order to personalize the weekly newsletters sent to the customers by identifying the sections which are accessed by them, making possible a more detailed personalization afterwards.

The Internet is one of the technologies that have managed to deeply modify the tourists' behavior, the research made (Luo, 2004) showed that tourists who get information on the Internet concerning the touristic destinations tend to spend more money on their trips than those who prefer other sources of information.

(Werthner, 2004) showed that the tourism industry offers the largest variety of applications of e-commerce. Nevertheless, considering that the most important aspect of these applications is to facilitate the online payment, the consumers are, in general, suspicious regarding the security of this kind of payment. These suspicions are the effects of the online infraction, this being the main factor which makes some consumers unwilling to communicate information concerning the possessed banking instruments. Among the most frequent online infractions we can count: the identity robbery, the spam, the rip-off. Thus, the enterprises have to allow higher attention in order to protect their own interests well as their customers' interests and to eliminate the loss caused by these infraction activities.

#### IV. CONCLUSIONS

The impacts of ICTs are becoming clearer, as networking, dynamic interfaces with consumers and partners and the ability to re-develop the tourism product proactively and reactively are critical the future of eTourism will be focused on consumer-centric technologies that will support organisations to interact with their customers dynamically. The development of new and more powerful ICT applications empowers both suppliers and destinations to enhance their efficiency and re-engineer their communication strategies. Innovative technologies will support interoperability, personalisation, and constant networking. (Buhalis, 2008)

Social media are getting more and more important to help consumers plan and enjoy travel as they switch to online and mobile technology. Travellers are socially connected not only before and after but also increasingly during their trips thanks to mobile devices. In response, the tourism industry should use social media much more intensively. (International IPK, 2012)

The marketing, the touristic services distribution suffered the most modifications, the technology allowed the organizations to develop their own basis of knowledge and to improve the management and marketing functions. Using the internet as an instrument of marketing, the tourism organizations succeed in winning advantages regarding the costs discount, the incomes increase, the marketing research and the development of the knowledge basis and the maintenance the customers.

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