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Internet in the intermediation role of travel agents: The Portuguese case: The Portuguese case.

Abstract

This article attempts to assess the impact that Internet has in the intermediation of travel agencies operating in Portugal. Firstly, the study discusses theoretical concepts related to the topic such as: tourism, internet, characterization of tourism distribution, disintermediation, re-intermediation and new integrated management systems for travel agents. Then, a questionnaire was developed which resulted in 125 valid responses. The data analysis showed that travel agencies are committed to a new type of intermediation based on new technologies, using new technology platforms to distribute their tourism products and services and to adopt new business models. The study concludes that, only this way, organisations will achieve sustainable growth.

Keywords: Travel agency, tourism distribution, internet, disintermediation, re-intermediation

1. Introduction

Travel agencies are facing a paradigm change for two main reasons: (i) the trend of tourists to contact directly companies, avoiding travel agents as intermediators and (ii) the important role of the Internet and new technologies that allow the raise of new companies with new distributer channels as presented by Martinez (2002). Management models are evolving into new forms of economic integration and global positioning. In this highly competitive scenario travel agencies should analyse how are distributing their tourism products in Portugal. Travel agencies must consider the management strategies and innovative ways to distribute their products in order to ensure market competitiveness where it is inserted as defended by Mendonça et al. (2000).

The emergence of the Internet, its increasingly widespread and frequent use had a great impact on the intermediation of tourist services provided by travel agencies. Nowadays, there is a great ease in setting up a direct sales channel between the production companies and the final consumer.

At the base is the offer of an intangible product that is observed and experienced in the place where it will be consume and that does not require elaborated and expensive distribution systems such as the tangible or physical products (Lohmann, 2007). Thus, Internet can be a major problem for the tourism distribution due to the increasing disintermediation, but may also be presented as an opportunity as highlighted by Machado and Almeida (2010).

Noticeable, while we witness the disintermediation there are new intermediaries and new structures in distribution channels. According to Bennett and Buhalis (2003), they are causing another phenomenon of re-intermediation by travel agents based on innovations in electronic media, which is also using online sales pages for communicate and distribute their products, called e-commerce. Currently, travel agencies, as a way to adapt to the tourist market reality, distribute their products through the usual way with physical branches and an online sales page where transactions are made - B2B or B2C. ICT (Information and Communication Technologies) have allowed these platforms to include simultaneously: sales functions, GDS (Global Distribution Systems), tour operator, travel agency and search engines which compare the prices of several producers providing the consumer with a lower final price. On the other hand, it incorporates various websites of travel opinion, allowing consumers to have a more precise information and more tourist products and services. Given this scenario, travel agents can overcome the growing disintermediation that has been suffering not only through investment in new information and communication technologies but also in the creation and innovation of tourism products and services that provide to consumers.

In this context, this article aims to identify and characterize constraints, impacts and trends that underlie the use of the internet in the intermediation of travel agencies in the Portuguese tourism distribution market. We also look forward to analyse the implications of the Internet and new technology platforms in travel agencies. Specifically in their strategy and how they relate to customers and suppliers as well as which implications it may have on supply of tourism products and services.

2. Background

2.1. Internet and tourism

Tourism has been closely linked to the progress of ICTs for over 30 years. "Implementation of Computer Reservation Systems (CRS) in the 1970s, GDS in the late 1980s and the Internet in the 1990s transformed the operational practices into strategic tourism practices" (Buhalis & Law, 2008, p. 609). Tourism was the first activity focused on the use of computerized systems, such as CRS and GDSs to increase efficiency in the distribution of internal information management. "Today, the Internet and ICTs are relevant at all levels, structural, strategic and operational marketing to facilitate global interaction among suppliers, intermediaries and consumers around the world" (Buhalis & Law, 2008, p. 609). But a strategy based only on electronic media is not easy to adopt for many of the companies operating in the Portuguese tourism market. Mainly due to the high investment that underpins this type of technological tools. The Internet brings with it a profound change in the way companies approach the market and the consumer. According to Buhalis (2004:59), "the effective application of ICT in coordinating and maximizing the efficiency of tourism organizations allows to highlight a range of functions, both at operational level, or at the strategic level."

Tourism, a typical activity of the 20^{th} century has been "one of the most striking and impressive phenomena of our time and none of the achievements of the twentieth century have influenced so deeply and widely human life as this activity" (Cunha, 2006, p. 67). Due to its dynamic nature, the tourism experience is in continuous changing, characterized by increasingly importance in consumer involvement in the creation of tourism products and implementation of technology. As suggested by Buhalis (1998), new technologies have provided new opportunities for management and business and can be strategically applied in at least four different ways: (i) gain a competitive advantage; (ii) improve productivity and performances; (iii) facilitate new forms of management; (iv) development of new business.

Currently, the major change seen in tourism is caused by the latest technological development of how the tourism product is distributed. Given that tourism thrives on consumer decision-making, the quality of information is essential. Even based on the inviolability of the tourism product, websites related to tourism play a major role throughout the process of promotion and dissemination allowing materialize the tourist experience. Today, technology has not only become an integral part of tourism, but also revolutionized the way consumers plan their trip, leading to a significant change in the whole tourism as discussed by Buhalis (2003).

Technological development has created new opportunities posing new challenges to all players operating in the tourism market. The integration of new technologies in tourism has changed the way of distribution caused by a greater demand and clarification by the consumer. Due to the access to information, the consumers want to try new types of tourism products and services. Thereby, the whole process of search and development of the tourism product is developed by itself. Together with new technologies new types of tourist activities have emerged, which may be turned into conventional experiences or even result in the emergence of new types of tourism experiences. According to McCarthy and Wright (2004), on the basis of these experiences, technology can act as a mediator or even as its core experience. The unique characteristics of tourism, regarding the set of services, includes: intangibility, perishability and heterogeneity contribute to huge reliance on information before use, as suggested by Abranja et al. (2012).

Internet together with other information and communication technologies has enabled organizations the opportunity to present their products more efficiently, differentiated and with lower costs. Internet also allows the tourist consumer for faster access to tourist information, a greater choice according to their preferences and obtaining tourist products and services at lower prices (Buhalis & Law, 2008). Tourism is a prime activity in using the Internet because everything may be done electronically from payment to delivery, including all documentation required for the trip. According to the World Tourism Organization (OMT - 2001: 1) "the tourism and the internet are the ideal partners."

Internet has also increased the satisfaction of tourism consumers mainly due to: convenient access to information; access to products and services from consumers' home; permanent availability; worldwide availability; and visual and interactive information regarding the destination of travel. Regarding tourism businesses, the Internet has allowed to create new communication and distribution channels. Therefore, greatly increasing their prospects and establishing partnerships in order to gain competitive advantage and global presence without significant additional costs. According to Buhalis & Law (2008), there are also problems that can harm both consumers and business, and may even represent loss of confidence among consumers and consequently sales loss because of security and privacy issues. We can say that, "one of the most worrying technological barriers is the lack of global standards of quality, safety, and reliability" (Turban et al, 2008, p. 650).

The widespread use of Internet has changed the structure of tourism both in terms of tourism organizations and in terms of consumers. Thus, it creates greater bargaining power, better and faster access to information and the ability to communicate directly with tourism organizations

(Buhalis & Zoge, 2007). However, with respect to tourist organizations the Internet has led to increased competition among suppliers, intermediaries and between them and introduced greater transparency with respect to existing products and market prices. On the other hand, the amount of products and the range of prices has created plenty of options and flexibility in the tourism market where the consumer, before purchasing a product, performs several price comparisons (Buhalis & Zoge, 2007).

Tourism activity should use emerging ICTs and develop a multichannel strategy and platform to take full advantage of emerging opportunities (Buhalis & Licata, 2002). Thus, only through creative and innovative practices (applied in conjunction with the continuous evolution of technological applications) will be possible to achieve sustainable competitive advantages.

2.2.Tourism distribution and integrated management systems in travel agencies

According to Buhalis (2000), Internet has created enormous changes in the tourism industry, particularly in terms of tourism distribution that has been one of the most dynamic elements presented in the tourism history. Currently, the distribution has a very important role in the formulation of the cost of products and the differentiation strategies with impact on all players in the tourism supply chain (Lohmann, 2007). Producers are distributing their products through direct channels, giving them a dominant position in the tourism product value chain (Lohmann, 2007). Nowadays, the traditional travel agencies in order to compete with producers and with new electronic intermediaries have to reinvent their role in the tourism supply chain (Kracht & Wang, 2010) in order to ensure their sustainability (Pearce, Tan, & Schott, 2004). In a very competitive market, where producers are more efficient and have cheaper ways to distribute their products, they look forward to dispense the middleman and are creating the phenomenon known as disintermediation. In this vein, the elimination of intermediaries in the distribution channels, driven by electronic tools, allow consumers to access and transact directly with suppliers and tourist destinations. Producers are increasingly independent of intermediaries, but continue to use them to distribute their products because they perceive that certain profitability levels require all existing distribution channels as suggested by Bennett & Buhalis (2003). The tourism distribution can be made directly by producers or through third parties, intermediaries. In both modes, the main goal of the tourist intermediation is that the final consumer, when purchasing a tourism product or service, is adding value. Travel agents should be positioned as a mediator in that bind the supplier to the final consumer (Goeldner, Ritchie & McIntosh, 2002). According to Vieira (1997, p. 192) "travel agents are the most important hinge in the tourism activity because they supply all the services in one place, by specialized staff and without additional cost to the customer, all the services that the industry provides, in one place".

Lohmann (2007) suggests that there are three functions that underlie the operation of travel agents: i) intermediation, ii) operation and iii) consulting. Currently the most important functions of a travel agency are the operation and consulting, because it is through them that travel agents show all their power of creativity and knowledge. Since travel agencts are losing business due to the disintermediation process, the challenge that currently arises is to adapt to new market realities. Thus, they need to act less and less as mere intermediaries, developing more organizational skills and advice, creating not only attractive products but also increasingly emphasize their function of advicers, providing a value added service to their customers. In the productive chain, travel agents have a privileged position to be able to provide this added value to consumers. They provide the service before, during and after the trip (Lohmann, 2007).

ICTs are essential tools for travel agents because they allow them to operate in several reservation systems, with the added value of being able to directly providing to their customers offers and reservations in real time, without the intervention of travel agencies as mentioned by Buhalis & Soo Hyun (2011). However, due to (i) a limited strategic vision; (ii) poor experience and understanding of ICTs; (iii) low profit margins that prevent investments; (iv) poor investment in human interaction with consumers, many travel agents have not been effective in maximizing the potential of ICTs (Buhalis & Hyun, 2011). As highlighted by the same authors, travel agents have to operate simultaneously online and offline, in order to be competitive.

Travel agencies have come to play a minor role in the panorama of tourism distribution. The two main factors that underlie this disintermediation are globalization and the emergence of the Internet. They are allowing companies to gain back a big role in tourism distribution in Portugal.

The Integrated Management Systems have allowed the emergence of re-intermediation, due to the ability to establish a huge amount of links to various suppliers and obtain adequate and diverse information on tourism products and services. The Integrated Management Systems allow the complete cycle of operation. From the interconnection with partners, product definition, promotion, sale and operation to the management control area. Travel agencies have been changing their value chains and supply gradually evolving into organizational forms and more global management. Thus, they are giving special attention to the drivers of the digital economy, changing its processes in order to reduce costs and response times, increasing flexibility, strategy and tactics, increasing market opportunities based on customer characteristics. For these reasons, we can say that the adoption of information systems have revolutionized the practice of management and attitudes of professionals in the travel agencies.

2.3.Disintermediation and re-intermediation of travel agencies

The emergence of ICTs allowed travel agents to expand their business to other markets. The new scenario forced a reorganization of activity by disintermediation and re-intermediation mainly caused by the bargaining transfer power of intermediaries to consumers and suppliers, both in the value chain extreme: "reducing commissions and consequently winning customers, especially because of prices" (Machado & Almeida, 2010, p.31).

Although many Internet-based computer applications had improved e-commerce and enabled the interconnection of multiple systems to support the process of selling travel leisure components more efficiently. According to Ramos, Roberts & Leg (2008), these technology programs led to a disintermediation in the tourism supply chain making the supplier more powerful, since it can sell directly to the customer, and also controls the sales process. Thus, disintermediation is responsible for reducing the number of intermediaries in the tourism value chain and a threat to traditional mediators (Buhalis, 2003). "One of the most obvious actions is the direct communication between business partners who removes intermediate layers and makes processes more efficient" (Borim, 2009, p. 86).

One of the major causes of disintermediation is the result of competitiveness, globalization and electronic market development. It allows the end user to interact directly with the producers of tourism services. On the basis of this interaction there is the price reduction by eliminating the intermediary that entailed additional costs. Before, the producers of tourism services depended on intermediaries to distribute their product but nowadays, they can distribute without being dependent on these same intermediate (Bennett & Buhalis, 2003a). The disintermediation is one of the problems that most travel agencies are struggling. However, the use of new technologies can overcome this problem. Some specific technological programs can mitigate a disintermediation in the tourism supply chain because it is based on a strategy relating to customize tour packages for mainstream. It addresses the wishes of consumers, customized according to the tastes of the traveller and still allowing flexibility in dates (Ramos Rodrigues & Leg, 2008).

The “travel agents are traditionally the key intermediary in the distribution of tourism services" (Machado & Almeida, 2010, p.32). However, they need integrated systems technologies able to develop new modules, new aspects which make them even more competitive and tackle the disintermediation caused by easy access to travel applications. Nevertheless, the concept of re-intermediation is the appearance of new intermediaries between customers and suppliers. Currently all players operating in the tourism market agree that the disintermediation of traditional distribution channel is inevitable and that the re-intermediation is the most likely outcome (Pease, Rowe, & Cooper, 2007). The solution to increase the competitiveness of travel agencies is to find value in ways that combine personal selling (traditional branches) and online sale. This combination would allow travel agents to compete with the sales of direct channels of suppliers, tapping the potential of ICTs to transform a mass market in many niche markets in order to enhance sales as suggested by Anderson (2006).

A key factor for the re-intermediation is the definition, creation and marketing of tourism products. There is certain tourism products that due to the complexity of routes and the type of services included are unlikely to be sold directly to consumer, being necessary to resort to travel agents. One of the obstacles of disintermediation is the fact that operators reorient themselves to the provision of personalized services and the fact that many consumers prefer personal contact with the travel agent in traditional travel agencies (Machado & Almeida, 2010). The re-intermediation begins to emerge when travel agents realize they are losing sales because, rather than being competing with each other, began to compete with their former suppliers (airlines, hotels, car rental companies and other tourist service providers).

This type of management systems are beyond the reach of all travel agencies, especially the smaller and less financial resources, because it implies a large financial availability, due to expensive systems costs. According to Ventura and Fragoso (2005), the implementation of these systems also requires completing redesign of the organization, processes, connecting channels to market and value chains and offers. Based on the new technology is expected that travel agents consider the issues of re-intermediation to the final consumer, adopting integrated management systems. This allows managing an integrated manner to information regarding the business processes and, on the other hand, that consumers carry out via online without intervention Travel Agents various types of reserves (aviation, hotels, cars, cruises, vacation and other reserves).

Finally, the integrated travel agency management systems allow them to offer the final consumer the same services that the suppliers offer through their direct channels. The only difference is that they have the power to combine all in one package allowing consumers to compare and combine different offers.

3. Methodology

3.1. Sample characterization

Since it is difficult to quantify the number of travel agencies, for this study, we decided to contact the APAVT (Portuguese Association of Travel Agents) who sent the questionnaire to all 726 travel agents affiliates. A travel agent who does not pay the jewellery is immediately removed from the database. Thereby, we can assure that all selected travel agents are active and operating in the Portuguese tourism market.

The questionnaire was sent during the year 2014 through a circular to the 726 travel agencies, of which 362 are offices and 364 branch offices or also called counters. We gathered 125 responses of which 37 (29.6%) are from the North, 63 (50.4%) from the Centre, 13 (10.4%) from the South, 4 (3.2%) from Madeira and 8 (6 4%) of the Azores. Moreover, 78 (62.4%) are head offices and 47 (37.6%) branches. Most of the questionnaires were answered by professionals with the position of directors (44), followed by the position of sub-director (28). In the received data we also have 22 agency managers, 14 counter managers and 17 tourism technicians. The majority of answers were given by top professionals, which can translate into higher credibility of the responses. Only IATA travel agents can book and issue airline tickets directly with the airlines. A non-IATA travel agency is very limited with regard to the possibility of providing its customers with flights and consequently tour packages (flight + hotel) with immediate availability, due to the need to connect to other tourist companies. It was concluded that most travel agencies are IATA (106 to 84.8%) compared with 19 travel agencies that were not IATA. In terms of size, we conclude that 16 (12.8%) agencies had 0 and 2 employees, 45 (36%) between 2 and 4 employees, 19 (15.2%) between 4 and 6 employees, 6 (4.8%) between 6 and 8 workers, 10 (8%) between 8 and 10 and 29 (23.2%) over 11 employees.

3.2. Analysis of results

Travel agents operate under three types of sales systems: (i) the traditional way with branches opened to the public (35); (ii) online sales systems (5) or (iii) using both sales systems. Most travel agents (85) are using the two systems to distribute their tourism products in order to take advantage of the sales potential of each one.

In terms of turnover, 8 invoiced less than 250.000€ euros per year, 22 between 250.000 and 500.000€, 36 between 500000€ and 1.000.000€, 27 between 1.000.000€ and 5.000.000€, 16 between 5.000.000€ and 10.000.000€, 5 between 10.000.000€ and 15,000,000€ and 5 more than 15.000.000€. According to the existence of their own programs, 100 (80%) travel agencies distribute tourism products developed by tour operators or develop their own tourism products, allowing higher profitability in sales. Based on the 3 types of airlines (scheduled, charter and low-cost), we analysed which sort of airline are commonly used in programming tourism products. The study concludes that regular airlines held about 33 % of responses (41). It was also found that travel agents typically operate with more than one type of airline (charter and low-cost: 29 (23%); regular and low-cost: 21 (17%) and 22 travel agencies (18%) are using the three types of airlines. As already mentioned, one of the causes of disintermediation was that the tourist producers distribute their products directly to consumers through its direct sales channels. In this context, we found that almost all travel agencies (122 - 98%) sell tourism products or services of suppliers that also distribute directly to the final consumer. These results demonstrate that the suppliers not want to relinquish their tourism products and services through travel agencies, perhaps because it represents a very important sales channel to be ignored by the suppliers.

As for booking channels used by customers, we would like to highlight the tendency of clients to use the email and booking pages. The phone and the physical presence are the channels that customers regularly use to make their reservations. These results also allow tourism organizations to check that social networks are still not widely used as a distribution channel for travel agents. Regarding the channels most used by travel agents for booking with the suppliers, agencies use e-mail; pages of online booking of suppliers; the XML with suppliers; and GDS. Phone, fax and letter are almost not used. This trend allows us to state that currently travel agencies are using new technologies to establish links with suppliers.

Regarding which channel might be an important tool in the future, the trend of responses highlighted he email, booking webpages of suppliers, social networks, mobile and digital TV networks. The telephone, letter and fax were barely mentioned.

Most travel agents have webpages on the Internet (87-70%) that enables online sales. 106 (85%) of the agencies that have implemented web page saw their sales volume increased, which shows that the internet is essential for the profitability of travel agencies. With regard to the percentage of sales from this distribution channel, the investigation concludes that most agencies (59 - 47%) receive from their online page only between 0 - 20% of its total sales, then followed by 23 agencies (18 %) with values between 20% and 40%, which allows us to affirm the online channel is not the most used by consumers to make their reservations in travel agencies. On the other hand, 6 travel agencies answered that between 80% and 100% of its sales are from online distribution channel, meaning that these agencies only invest on online distribution channel. 31 travel agencies have no online sales (25%).

3.3. Major findings

Taking into account the diversity of tourism products that a travel agency have to propose, it is important to understand which products are sold in each channel.

Table 1: Products sold by type of channel

Channel	Plane tickets	Hotels	Tour Operators Package	Dynamic Package	Rent-a-car	Train tickets	Shows tickets	Other services
Online	67	78	24	47	40	21	10	6
Offline	58	47	101	78	85	104	115	119
Total	125	125	125	125	125	125	125	125

Note: (1) Tour Package (pre-elaborated by tour operators); (2) Dynamic Packages (tailor-made package tours)

Plane tickets and hotels are the bestselling tourism products through online channels. These results may be related to the ease in binding property to a computer system. In the case of airline tickets is only necessary to make XML connection to a GDS and, automatically, travel agents provide to their customers the ability to perform (via online) searches and reservations at any organization. The remaining tourism products and services are even more sold via offline channels or also called traditional channels, which may be related to the difficulty in establishing links to some types of suppliers, the complexity of the product itself or because suppliers does not have computer systems to establish these same links. The reasons why some travel agencies still have not adopted online sales in its website are distinct and can be highlighted as: consider unreliable internet; the type of distributed products and services do not justify the investment and prefer direct contact with the customer. Most travel agencies responded that have online booking page. There are several factors that influenced the implementation of an online reservation page. The most important is related to the possibility of attracting new customers. But others factors were also relevant for the implementation of an online reservation page, such as: increased sales, provide better customer service, more effective customer information, business expansion, competitiveness, corporate image and innovation. In contrast, factors such as advertising reduction of costs and increment of the speed of processes did not have great weight in the decision.

The GDS are computer systems that allow travel agents to search and book air tickets, hotels and cars. They are essential, especially because allow to show prices, availability and service provided to customers in real time and with higher quality and speed. Most travel agencies have GDS as technological tools for their sales strategy. The study demonstrates that the GDS most widely used by travel agencies was the *Galileo* with almost 80% of the responses. Travel agencies who do not have GDS are a minority. Of 125 travel agencies, 102 have already implemented the integrated management system, which allows us to state that the tendency of travel agencies in Portugal is to implement these systems, as part of the company's strategy. Note that the integrated management systems most commonly used are the systems themselves, *Optitravel* (22 - 18%), *Nonius* (12 - 10%) and *K4T (Viatecla)* (14 - 11%). However, 23 agencies have no system (18%). Given the strong presence of these integrated management systems in travel agencies, 53 reported having experienced an increase in sales and an increase in profitability compared to 13 who reported having maintained the *status quo* (99 agencies did not answer the question). From the 23 travel agencies that do not have the integrated management system, the research shows that the most important reasons for not implementing it were: a very high cost of implementation and that the size of the travel agency does not justify the investment.

We found that most travel agents affirmed that sales from the Internet are still limited, not exceeding 20% of total sales. There are many factors that contributed to this situation: (i) problems with the payment system; (ii) consumers have difficulty when using the internet; (iii) pages are not user friendly for the consumer; (iv) problems with the content management; (v) difficulties in changing consumer habits; (vi) difficulties in maintaining updated pages.

More than 90% of the responses clearly indicate that the suppliers have started to distribute their products directly to the end consumer which had a major impact on travel agents. This was not the only reason for the disintermediation of travel agencies, but the impact was very important. Regarding the behaviour of suppliers of on the Internet (Hotels, Airline Companies, Rent-a-car and others), it was found that 60 travel agencies understand that the suppliers are having a “normal behaviour”. On the other hand, about 30 travel agencies find that the behaviour of suppliers is unfair and 30 others believe it is incorrect. Only 5 travel agencies affirm that the behaviour of suppliers is correct. This analysis leads us to believe that travel agents are resigned. Thus, even be thinking that the behaviour of suppliers is not correct travel agencies affirm that the supplier’s behaviour is normal (given the market rules regarding the behaviour of consumers together with the evolution of new technologies).

Finally, regarding future consequences caused by the impact of the Internet on travel agents, we would to highlight that: The potential loss of business from one side and, on the other hand, more effective dissemination of its tourism products, increased competition, sales growth, new business opportunities and increase the number of customers. Interestingly, travel agents are aware that the Internet will result in loss of business, i.e. the disintermediation of travel agents. But the internet also allows travel agents to be more profitable and globalized and grow further the re-intermediation.

4. Conclusions and implications

As mentioned before, the direct distribution of products from suppliers to customers, as a result of the emergence of the internet, is having an impact on travel agents. Nevertheless, there is a good relationship between travel agents and suppliers which enables travel agencies distributing their tourism products in their distribution channels. Regarding distribution channels, travel agents are increasingly investing on new technologies related to the Internet. The most used channels by consumers to communicate with travel agents have been email, online reservation page and in person. The use of traditional channel (in person) is the corollary of the characteristics of consumers who still prefer the assistance of a travel agent in the preparation of their trips or the location of many travel agencies that are located in small towns or in commercial and residential areas. The channels used by travel agents to communicate with suppliers are the ones based on new technologies allowing greater speed and efficiency in the distribution of tourism products and services. For the future, travel agents pointed out that the channels with higher potential are: online booking page of suppliers, social networks, mobile networks and digital TV. Currently, travel agents are increasingly using the Internet and the online booking channel to promote and distribute their tourism products. These new forms of distribution by travel agencies makes them more effective, with higher quality of service, increases competitiveness and enables the expansion of their business across borders. However, most agencies noted that the implementation of the website did increase costs, which will be an obstacle to the agencies which have lower financial resources. Regarding the sale of tourism products and services through various distribution channels, results indicated that the online channel is not the preferred channel of consumers. Although most travel agencies have website, 30% of travel agencies still have no website. They prefer direct contact with the client and the type of products and services that they deliver not justify the investment. Most travel agencies have implemented the integrated management system with positive results with regard to increased sales and integration with other areas of the company. The results confirm that travel agencies require management models based on strategies related to new technologies in order to achieve a new type of intermediary. However, 18.4% of travel agents still do not have any integrated management system.

The findings have some managerial implications. Managers should be aware of core benefits of an integrated management system. Also, regarding the initial question: travel agents should focus on a new type of intermediary, using new technology platforms in order to achieve sustainability? Managers should be aware that the conditions are favourable to invest on a new type of intermediary based on new integrated management systems allowing them to grow and be sustainable. But, this issue remains a challenge for travel agents, forcing them to be alert to the market and act with determination. As showed in the study there is still space for improvement, as is the case of online sales that have not reached acceptable sales levels. The internet, in particular new technology platforms, is a source of innovation where it is possible to engage with an endless number of suppliers and, at the same time, offer all types of tourism products to end users, quicker, with higher quality, more convenient and at the best price.

Regarding limitations and future avenues, some points should be attended. More data should be collected in order to explore the role of other factors as drivers for intermediation of travel agents. Also, it would be interesting to explore the consumers' perspective. For instance, how consumers are engaging in online communities and what would be the influence of word-of-mouth. We also suggest applying the same study in a cross-cultural perspective. For instance, the results may be different in other countries such as China, USA, and Brazil.

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