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# Differentiation of Tourism Online Information Channels through Information Search Activities

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#### ABSTRACT

This study argues that since information search activities of online travel planners are outcome oriented, the selection of tourism online information channels is highly predictable. Building upon this assumption, this study examined the extent to which one could differentiate tourism online information channels through the online information search activities of online travel. The results of a series of logistic regression analyses of online American travelers confirm that there are significant and meaningful differences in the core functions of the various online information channels. The online travelers select different information channels based on different needs such as booking, generating ideas. Thus, the results of this study clearly suggest that tourism marketers can develop their competitive advantage by structuring their advertising program to match the information needs of those travelers based upon information channel.

Keywords: online information channels, information search, travel planning.

### **INTRODUCTION**

With its advantages in efficiency and effectiveness, the Internet has outperformed other tourism marketing channels such as TV, newspaper, radio, and so on (Buhalis and Law 2008). In order to retain online travel planners and improve the benefits of the e-commerce, these online channels are evolving in order to maintain competitive advantage. However, the information search activities of online travel planners are outcome-oriented where the costs of information search are minimized (Gursoy and McCleary 2003). The strategic decision regarding the use of channels for communicating with potential visitors depends on understanding how travelers select online information channels based on their information needs (Pan and Fesenmaier 2006). From this, the purpose of this study is to differentiate tourism online information channels through the online information search activities of online travel planners with the goal of

providing the foundations for developing more effective strategies for online destination marketing programs.

## LITERATURE REVIEW

With the proliferation of online tourism information channels, studies on the use of information communication technology (ICT) have included the comparison of online and offline marketing channels (i.e. Beldona, Morrison, and O'Leary 2005) and the features that influence adoption of online tourism information channels (i.e. Balgolu and Pekcan 2006). More specifically, researchers have identified the factors influencing the adoption of new tourism information channels such as online travel agencies (Card, Chen, and Cole 2003), official destination marketing websites (Gretzel, Yuan, and Fesenmaier 2000), and Virtual Travel Community (VTC) (Wang and Fesenmaier 2004). Other studies (Li, Kuo, and Rusell 1999; Vogt and Fesenmaier 1998) have compared information channels in terms of their use and the different utilities perceived by users and indicate that online travel planners are selective towards the online information channels based on the utility they perceived from each channel. Thus, it is argued that online travel planners select channels based upon their specific information need to plan their trip. Also, research suggests that the cost of search in terms of time and effort is important factor affecting the extent to which travelers search online (Gursoy and McCleary 2003). Therefore, to achieve efficiency, the online travel planners select different online information channels base on their information needs. In conclusion, this study argues that online travel planners perform different search activities and therefore selectively use different information channels.

#### **METHODOLOGY**

This study was conducted using an online panel of U.S. adults maintained by Survey Sampling International in 2008. Invitations to participate in the study were sent to a random subset of panel members. A total of 3,982 adults responded to the initial Internet use and travel-related questions. Of these persons, 73.5 percent (2,926) indicated they had taken a trip 50 miles or more, one-way from home or included an overnight stay during the previous 12 months; of these, is 2,089 responses were retained as complete. The sample of online adults was weighted based upon three aspects that have been shown to significantly affect Internet use – age, race and gender – in order to represent the U.S. population of adults age 18 or over.

Questions for the specific analysis to be done were drawn from two questions that sought dichotomous (1=yes, 0=no) responses on the selected information channels (i.e. online travel agency sites, etc.) and various online information search activities (i.e. searched for information about particular destination, etc.). In the data analysis section, logistic regression was identified as the appropriate statistical method as it is suitable for predicting respond 'yes' (use) or no (not use) of a characteristic or outcome based on the values of categorical explanatory variables considered (Sloane and Morgan 1996).

#### **RESULTS AND DISCUSSION**

The results of the logistic regression analyses show that information search activities account for a range from .10 to .33 percent of the variance in the selection of online information channels and provide prediction rates between 60 and 95 percent. These finding indicate that there are significant and meaningful differences in the core functions of online information channels by which consumers that look for different information through the Internet are likely to adopt different online channels being able to potentially meet their information needs. Figure

1 shows that the selection of each online information channel can be explained by different number of information search activities. The destination marketing sites ranked first in that they appear to meet a variety of information needs, followed by online travel agency sites and social networking sites (eight categories), company sites and search engines (six categories), general travel sites (five categories), travel guidebook sites and newspaper/magazine sites (four categories). Community sites and consumer generated content sites appear to address the fewest number of information needs (two categories) in travel planning. These results indicate that there are substantial differences in the core functions of the respective channels.

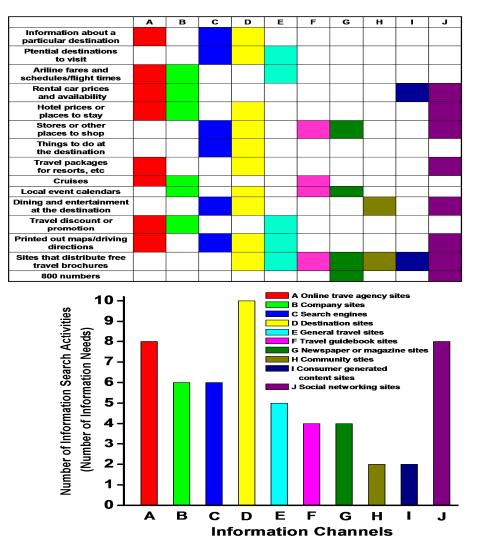


Figure 1 Use of Online Information Channels by Information Search Activities

In addition, the results indicate that when online travel planners search for information about a destination and plan destination activities, they are more likely to visit destination marketing sites or use search engines and social networking sites to look for ideas. In searching for travel discount and free travel brochures, travel planners perceived no difference in the online information channels and they will give consideration for diversified information channels. This study suggests that the online travel planners who are concerned about information search costs are more sensitive to the distinctiveness of the information channels. For example, online travel agency sites and company sites are the foremost choice of travel planners if they are looking for prices of tourism products. Thus, it appears the choice of online channels will be more focused on a limited number of channels once the aspects (i.e., destination, flight, etc.) of the trip are decided.

# **CONCLUSION AND PRACTICAL IMPLICATIONS**

This study investigated the relationship between the use of various online channels and online search activities and the findings indicate that there are distinctive relationships between those two aspects of online travel planning. Specifically, travelers who searched for information about a tourism destination are more likely to use official destination websites, search engines or social networking websites whereas ones who want to purchase travel products tended to use online travel agency or tourism industry websites such as hotel or airlines. These findings are consistent with Stigler (1961) whereby information search activities and tourism products (i.e. hotels, airfares) may be low search cost because there are distinctive information channels (i.e. search engines, online travel agency sites) catering destination and product information needs; and, searching travel discount/promotion and free travel brochures may be high search cost because online travel planners have not recognized certain information channels specially catering those needs. Thus, the results of this study provide the foundation for designing new marketing websites which can aim at lowering information search cost by identifying niche markets.

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