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Megatrends shaping the future of the tourism industry with a major focus on technology, customer behavior, and travel agencies

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THE WORLD IS A BOOK AND THOSE WHO DO NOT TRAVEL READ ONLY ONE PAGE…

St. AGUSTINE

DECLARATION

I Xheni Topi assert that this thesis has been composed solely by myself and it has not been submitted, in whole or in part, in any previous application for a degree. As a dual student, this master thesis will be only submitted at Hochschule Heilbronn University and Università Politecnica Delle Marche. Except where states otherwise by reference or acknowledgment, the work presented is entirely my own.

DEDICATION

I dedicate my dissertation work to my family. A special feeling of gratitude to my loving parents Xhire and Agim Topi and my uncle Shkëlqim Topi for always being there for me, their words of encouragement ring in my ears. My siblings have never left my side and are very special to me, my little sister Rehina brings lots of joy in my cloudy days.

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ABSTRACT

This paper emphasizes the importance and the contribution of the Tourism and Travel industry in the world economy, reviews the megatrends shaping the future of the tourism industry in general. Furthermore, it studies deeper the megatrend technology focusing on customer behaviour and travel agencies. Trends changing the future of the tourism industry are identified by both academics and tourism and travel organizations or platform like UNWTO, Amadeus, WTTC, etc. Megatrends influencing the travel and tourism industry are economic developments (such the economic development of BRIC, rapid growth in the world trade, increased business mobility, etc.), politics (such as national security, terrorism, free movement, changing powers), demographics (increased old population above 65, falling birth rates, etc.) and environmental changes (increased concerns on climate change, rising role of CSR on the corporate level, etc.) technology (internet expansion, mobile technologies, e-commerce, mobile payments, etc.). The paper seeks to answer the question: Are travel agencies still attractive to travellers and how will travel agencies respond to the needs of the continuously changing customer behaviour and how technology can help? For this purpose, an online survey was conducted. From the survey, 75% of the respondents indicated that they prefer to arrange their trips and book on the internet and not through a travel agency. Indeed, travel agencies are not that attractive to the tourism customer as they were 20 to 10 years ago. Some even consider travel agencies as not able to provide a superior booking experience and doubt their expertise. Technology developments are pushing away the travel customer from travel agencies, nowadays everything can be found on the internet and the online booking system are easy to use for everyone. On the other hand, technology can also bring the customer to travel agencies by using these trends to attract customers and prompt sales. Some technological trends that will change the future work of the travel agency and how they could get advantages of these trends are identified in this paper. It is hoped this study will notice to travel agencies the changed customer behaviour, their preferences, and their stand to travel agencies.

RIASSUNTO

Questo documento sottolinea l'importanza e il contributo dell'industria del turismo e dei viaggi nell'economia mondiale, analizza i megatrend che modellano il futuro dell'industria del turismo in generale. Inoltre, studia in modo più approfondito la tecnologia dei megatrend focalizzata sul comportamento dei clienti e sulle agenzie di viaggio. Le tendenze che cambiano il futuro dell'industria del turismo sono identificate sia da accademici e organizzazioni turistiche e da turismo o piattaforme come UNWTO, Amadeus, WTTC ecc. I megatrend che influenzano l'industria dei viaggi e del turismo sono principalmente tendenze economiche (come lo sviluppo economico del BRIC, una rapida crescita nel commercio mondiale, una maggiore mobilità delle imprese ecc.), Tendenze politiche (come la sicurezza nazionale, il terrorismo, la libera circolazione, il cambiamento di poteri), demografia (aumento della popolazione anziana sopra i 65 anni, calo dei tassi di natalità ecc.) e cambiamenti ambientali (aumento delle preoccupazioni sui cambiamenti climatici, aumento del ruolo della RSI a livello aziendale ecc.) tendenze tecnologiche (espansione di Internet, tecnologie mobili, commercio elettronico, pagamenti mobili ecc.). Questo studio cerca di rispondere alla domanda: le agenzie di viaggio sono ancora attraenti per i viaggiatori e in che modo le agenzie di viaggio risponderanno alle esigenze del comportamento dei clienti in continua evoluzione e in che modo la tecnologia può aiutare? A tal fine è stato condotto un sondaggio online, dal sondaggio il 75% degli intervistati ha indicato che preferisce organizzare i propri viaggi e prenotare su Internet e non tramite un'agenzia di viaggi, in effetti le agenzie di viaggio non sono così attraenti per il cliente turistico in quanto erano 20 a 10 anni fa. Alcuni considerano addirittura le agenzie di viaggio non in grado di fornire un'esperienza di prenotazione superiore e dubitano della loro esperienza. Gli sviluppi tecnologici stanno allontanando il cliente dei viaggi dalle agenzie di viaggio, al giorno d'oggi tutto può essere trovato su Internet e il sistema di prenotazione online è facile da usare per tutti, ma la tecnologia può anche portare il cliente alle agenzie di viaggio sapendo come utilizzare queste tendenze per attrarre clienti e vendite rapide. Alcune tendenze tecnologiche che cambieranno il lavoro futuro dell'agenzia di viaggi e come potrebbero trarre vantaggio da queste tendenze sono identificate in questo documento. Si spera che questo studio noterà alle agenzie di viaggio il comportamento dei clienti modificato, le loro preferenze e la loro posizione rispetto alle agenzie di viaggio.

ABSTRAKT

Diese Arbeit betont die Bedeutung und den Beitrag der Tourismus- und Reisebranche zur Weltwirtschaft und gibt einen Überblick über die Megatrends, die die Zukunft der Tourismusbranche im Allgemeinen prägen. Darüber hinaus wird die Megatrend-Technologie mit Schwerpunkt auf Kundenverhalten und Reisebüros eingehender untersucht. Trends, die die Zukunft der Tourismusbranche verändern, werden sowohl von Wissenschaftlern als auch von Tourismus- und Reiseorganisationen oder Plattformen wie UNWTO, Amadeus, WTTC usw. analysiert. Megatrends, die Reise- und Tourismusbranche beeinflussen, sind wirtschaftliche Entwicklungen (wie die wirtschaftliche Entwicklung von BRIC, schnelles Wachstum des Welthandels, erhöhte Geschäftsmobilität usw.), Politik (wie nationale Sicherheit, Terrorismus, Freizügigkeit, Machtwechsel), Demografie (erhöhte alternde Bevölkerung über 65, sinkende Geburtenraten usw.) und Umweltveränderungen (erhöhte Bedenken hinsichtlich des Klimawandels, zunehmende Rolle von CSR auf Unternehmensebene usw.) Technologie (Interneterweiterung, mobile Technologien, E-Commerce, mobiles Bezahlen usw.). Diese Arbeit versucht die folgenden Fragen zu beantworten: Sind Reisebüros für Reisende immer noch attraktiv? Wie werden Reisebüros auf die Bedürfnisse des sich ständig ändernden Kundenverhaltens reagieren und wie kann Technologie dabei helfen? Zu diesem Zweck wurde eine Online-Umfrage durchgeführt. Aus der Umfrage gaben 75% der Befragten an, dass sie ihre Reisen lieber im Internet recherchieren und buchen möchten und nicht über ein Reisebüro. In der Tat sind Reisebüros für den Tourismuskunden nicht mehr so attraktiv wie sie es vor 10 bis 20 Jahren noch waren. Einige betrachten Reisebüros sogar als nicht in der Lage, ein überlegenes Buchungserlebnis zu bieten, und bezweifeln ihr Fachwissen. Die technologischen Entwicklungen verdrängen die Reisebüros immer mehr vom Markt. Heutzutage ist fast alles im Internet zu finden und das Online-Buchungssystem ist für jedermann einfach zu bedienen. Auf der anderen Seite aber kann die Technologie den Kunden auch zu Reisebüros bringen, indem er weiß, wie man diese Trends nutzt, um anzulocken Kunden und prompte Verkäufe. Einige technologische Trends, die zukünftige Arbeit der Reisebüros verändern werden und wie sie diese Trends nutzen können, werden in diesem Papier identifiziert. Es ist zu hoffen, dass dieser Arbeit analysiert. Es ist zu hoffen, dass diese Studie den Reisebüros das veränderte

Verhalten der Kunden, ihre Vorlieben und ihren Standpunkt gegenüber Reisebüros aufzeigt.

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LIST OF ACRONYMS

TA	Travel Agency
TCB	Tourism Customer Behavior
IATA	International Air Transport Agency
e-WoM	electronic Word of Mouth
WHO	World Health Organization
TC	Tourism Costumer
TMC	Travel Management Company
LTA	Local Tourism Association
ICT	Information Communication Technology
OSN	Online Social Networks
AI	Artificial Intelligence
AR	Augmented Reality
VR	Virtual Reality
UNWTO	World Tourism Organization
T&T	Travel & Tourism
TSA	The Tourism Satellite Accounting Methodology
TO	Tour Operator
WTTC	The World Tourism and Travel Council
OECD	The Organisation for Economic Co-operation and Development
CFC	Clorofluorocarburi
MICE	Meetings, Incentives, Conventions, Exhibitions
CGC	Consumption Generating Content
CAWST	Consumer Adoption of Web-Based Services in Tourism
CASMT	Consumer Adoption of Social Media in Tourism
CAMIST	Consumer Adoption of Mobile Information Services in Tourism
GDS	Global Distribution System
TTS	Travel Technology Solution
BRIC	Brazil Russia India China
CSR	Corporate Social Responsibility
IoT	Internet of Things

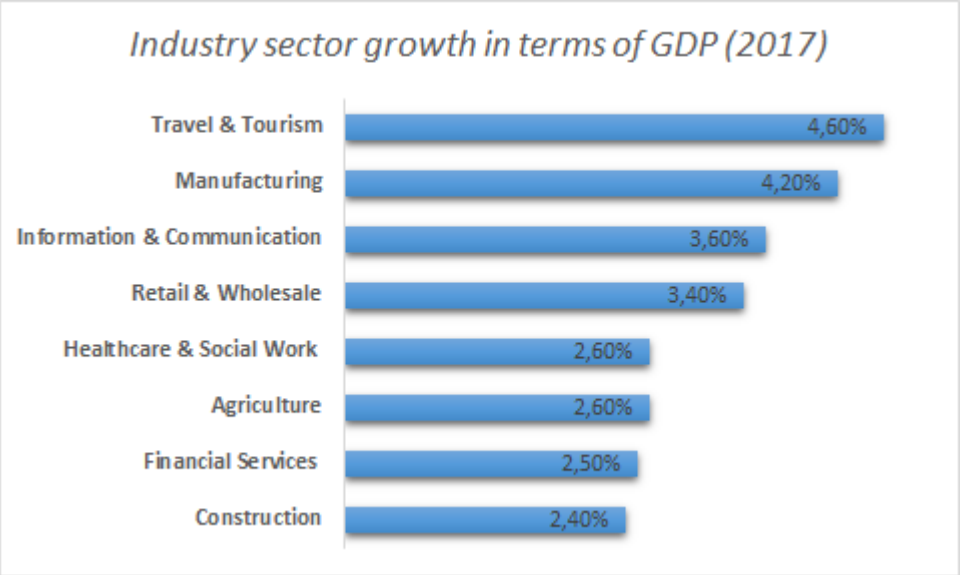
Chapter one
Importance of the study

1.1 Background of the study

The tourism and travel industry is the world's largest, most dynamic, and fastest-growing market. With economic growth in 2017 (4.6%) and (3.9%) in 2018 outstripping that of the global economy (4%) in 2017 and (3.2%) in 2018 for the seventh year in a row, as well as all other major industrial sectors, with manufacturing taking second place with 4.2% in 2017 and financial services lagging with 2.5% industry growth in 2017 and 1.7% in 2018 (Sofronov, 2018), (see figure 1.1 and figure 1.2). This indicates that the GDP growth of the travel and tourism industry was 50 percent higher than that of the global economy. Several nations depend on this competitive industry as the primary source for income generation, jobs, growth in the private sector, and creation of infrastructure. In 2017 there were 313 million workers worldwide, equal to 1 in 10 jobs for 2018 Travel & Tourism created 122,891,000 direct jobs (3.8 percent of total employment), (Sofronov, 2018). Such positions include hotels, travel agencies, airlines, and other passenger transportation (excluding commuting services) jobs. It also involves, for example, events directly supported by visitors from the restaurant and leisure sectors. The enhanced exposure to the many components of the travel experience has been leading to the powerful growth tourism witnessed in a relatively short period. Transportation to, from and within parts of the world has become more accessible for, and within reach of, many residents in many nations once considered remote. Accommodations and restaurants in a range of budget categories are located predominantly in major cities, resort sites, nearby airports and highways, and rural areas. Travel and tourism stakeholders range from major hotel chains, cruise lines, and seaports, as well as airports and airlines spending billions of dollars each year, to individuals running a bed and breakfast, teaching a cooking class, or leading a tour of their local community. Professional services offered by travel agencies and tour operators, marketing efforts by tourism offices in the public sector, advanced technology that rapidly puts together the tourism components in a flash for potential travelers–all make today's travel experience safe, comfortable, and fun. It is distinctive in the breadth of its nature, as strong as the travel and tourism industry is in terms of its scope and economic impact. Thinking about the industry in such a way allows us to

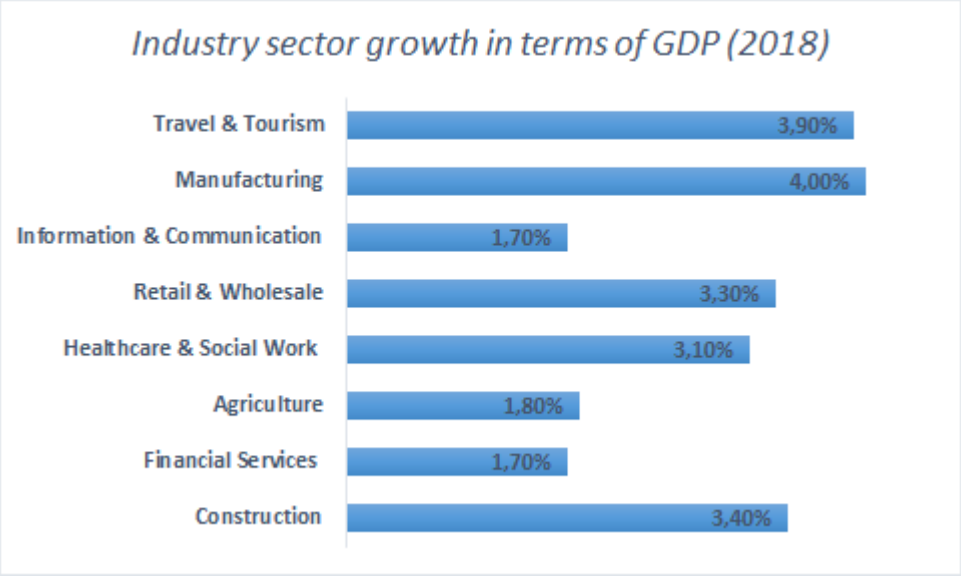
consider not only the vast economic influence it has on a global level but also the life-transforming impacts it can have on real people in destinations around the world. The growing volume and complexity of tourism services have generated the development of a genuine tourism industry that justifies treating the tourism phenomenon as a distinct branch of the world's growing economy. The tourism phenomenon is by its very nature a particularly complex one, with profound social, political, cultural, and economic consequences. The tourism industry, unlike other service sectors, remains a consequence whose growth can only be ensured at each point in near connection with the levels of development of other divisions of the world economy.

Figure 1.1: Industry sector growth in terms of GDP (2017)



Source: WTTC 2019

Figure 1.2: Industry sector growth in terms of GDP (2018)



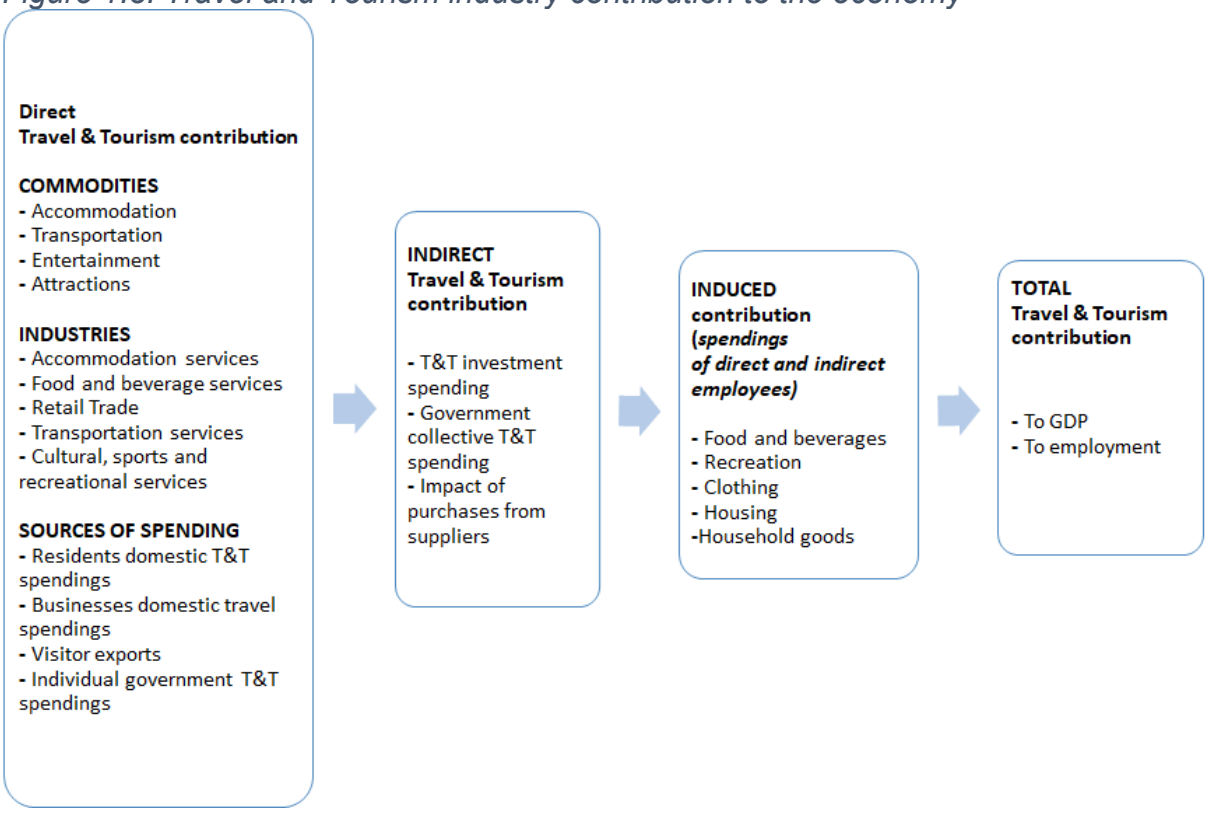
Source: WTTC 2019

1.2 Contribution of Travel and Tourism Industry

T&T plays an essential role in the country's economic development in most countries around the world. Not only does the T&T industry have a direct impact on the economy but it also has major indirect and induced effects on the sector. The Tourism Satellite Accounting Methodology, approved by the United Nations Statistics Division (TSA: RMF 2008), quantifies only Travel & Tourism's direct contribution. However, WTTC recognizes that the total contribution of Travel & Tourism is much greater and aims to capture its indirect and induced impacts through its annual research.

The aim of a Tourism Satellite Account is, therefore, to examine in detail all aspects of visitor activity-related demand for goods and services; to observe the operational interface with the supply of such goods and services within the economy, and to explain how this supply interacts with other economic activities. It allows for greater internal consistency of statistics on tourism with the rest of a country's statistical system, as well as increased international comparability of such data.

Figure 1.3: Travel and Tourism industry contribution to the economy



Source: WTTC 2018

T&T direct contribution to GDP reflects the ' internal ' expenditure on travel & tourism (total expenditure on T&T by residents and non-residents for business and leisure purposes within a particular country) as well as ' private ' government expenditure, government expenditure on travel & tourism services directly related to tourists, such as cultural (e.g. museums) or recreation. T&T's direct contribution to GDP is estimated to be consistent with the performance of tourism-characteristic industries, such as hotels, airlines, airports, travel agents, and leisure and entertainment services directly dealing with visitors, as reflected in National Accounting. T&T's direct contribution to GDP is calculated from total internal spending by 'netting out' the purchases made by the various tourism industries. This estimate is in line with the concept of tourism GDP, as set out in the 2008 Satellite Tourism Account: Recommended Methodological Framework (TSA: RMF 2008). T&T's overall contribution includes its 'greater effects' (i.e. the indirect and mediated impacts) on the economy. The 'indirect' contribution to GDP and employment generated by travel & tourism investment expenditure an important aspect of current and future development that involves investment activities such as buying new aircraft and building new hotels; government ' collective' expenditure that supports travel & tourism operation in many different ways (tourism marketing and promotion,

aviation, administration, security services, resort area security services, resort area sanitation services, etc.). The 'induced' contribution calculates the GDP and employment generated by the investment of those working directly or indirectly by the travel & tourism sector.

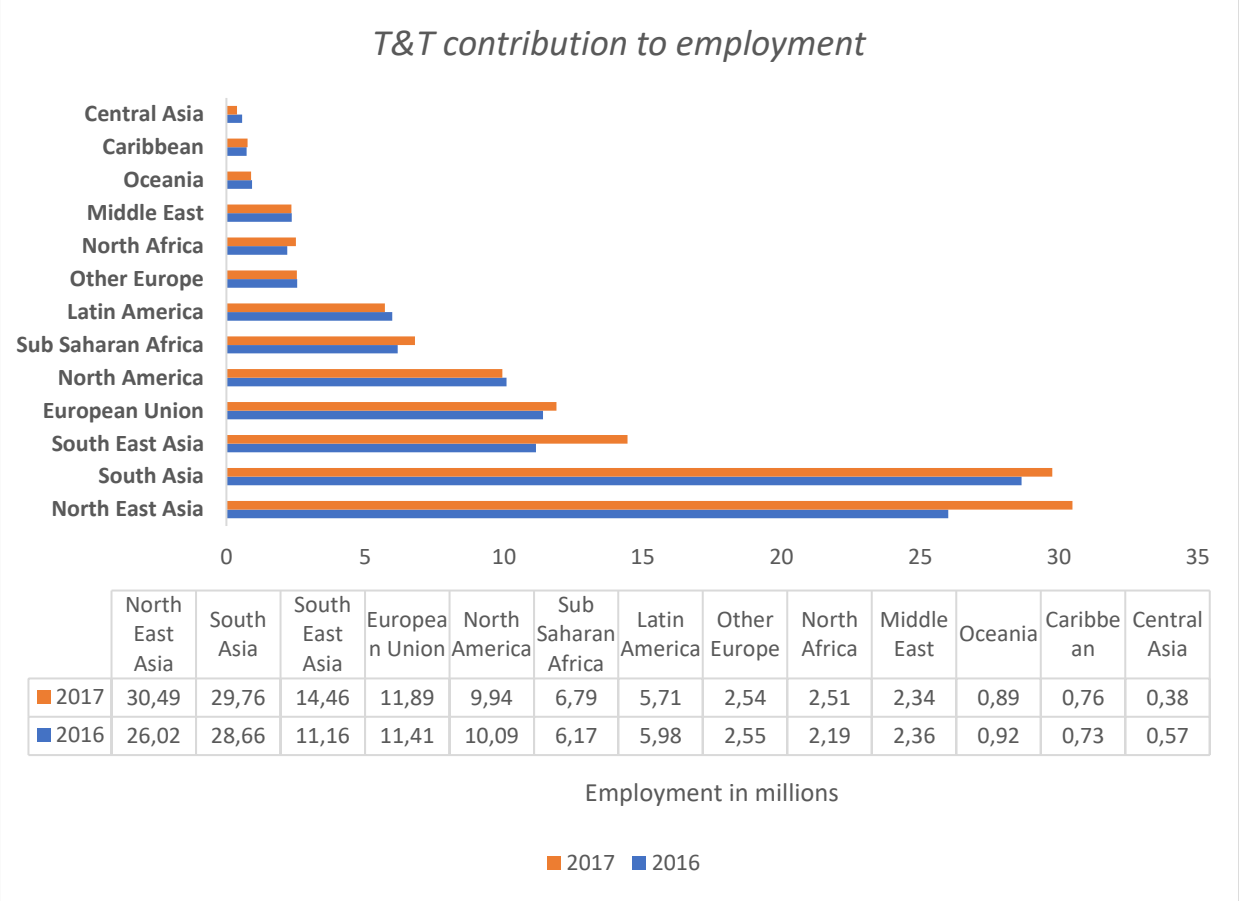
Travel Industry Statistics

Over the past few decades, travel has become more available to people around the world, and, as a result, the global tourism industry has boomed, particularly in more recent years. The industry generated more than $1.3 trillion in 2017 from a substantial USD 475 billion revenue in 2000 (Statista). Tourism's total contribution to the global economy in 2017 was around USD 8.27 trillion, so it's not surprising that global leaders have put a lot of emphasis on tourism development in their own countries. Also, often, the impacts on tourism are among the first issues to be noticed when countries suffer from crises such as war and disease.

In 2017, the number of international tourist arrivals was over one billion. Europe is the region that receives by far the largest number of international tourist arrivals worldwide every year, followed by the Asia Pacific region. With tourism, it comes spending. Dubai benefited the most from visitor spending in 2016 with visitors splashing out over US$ 31 billion there. London, New York, and Bangkok have also attracted a great many spenders. Many large industries closely linked to tourism also benefit from tourist spending. In 2016, the global hotel industry had a retail value of US$ 495.17 billion.

This statistic shows the direct contribution of travel and tourism to employment worldwide from 2016 to 2017, by region (in millions)

Figure 1.4: Direct contribution of travel and tourism to employment worldwide from 2016 to 2017, by region (in millions)

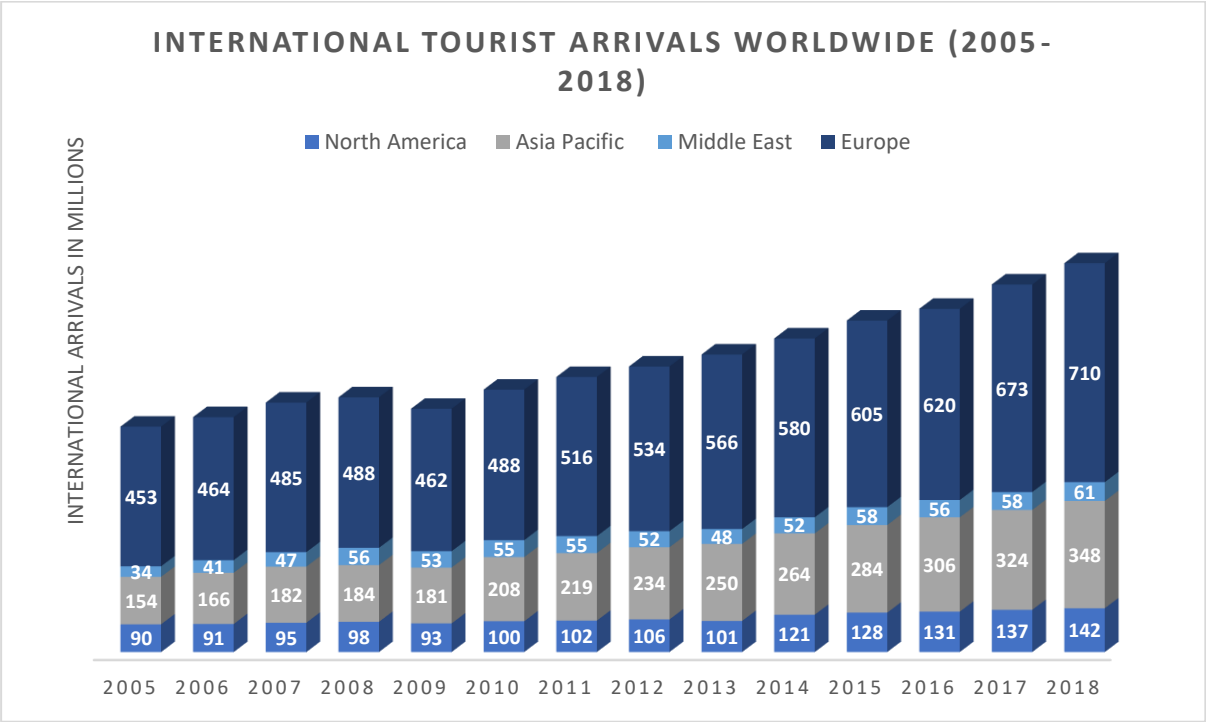


	North East Asia	South Asia	South East Asia	European Union	North America	Sub Saharan Africa	Latin America	Other Europe	North Africa	Middle East	Oceania	Caribbean	Central Asia
2017	30,49	29,76	14,46	11,89	9,94	6,79	5,71	2,54	2,51	2,34	0,89	0,76	0,38
2016	26,02	28,66	11,16	11,41	10,09	6,17	5,98	2,55	2,19	2,36	0,92	0,73	0,57

Source Statista.

Throughout 2005 and 2018, the number of international tourist arrivals worldwide increased year-on-year, except 2009 when the figure dropped slightly most likely due to the global economic downturn that year. Visits to Europe accounted for more than half of the 1,323 million international tourist arrivals worldwide in 2017. In terms of area of origin, Europe also received the most international tourists.

Figure 1.5: International tourist arrivals worldwide from 2005 to 2018, by region (in millions)



Source Statista

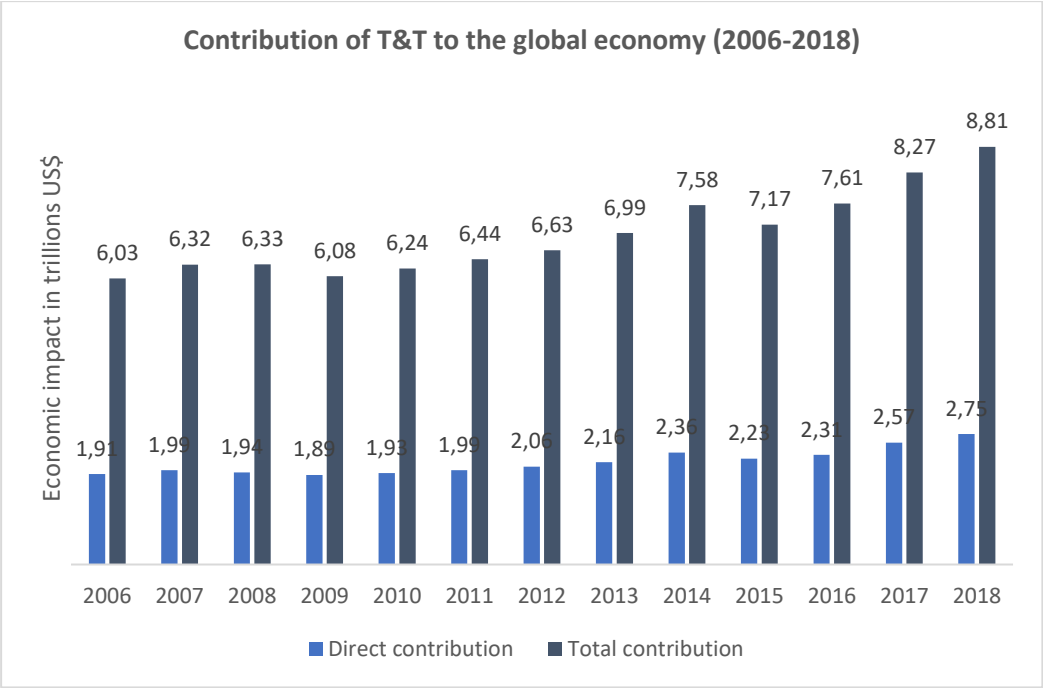
Figure 1.6: Global international tourism revenue 2000-2018

Source Statista

The statistic shows the worldwide income from tourism from 2000 through 2018. In 2018, income from international tourism stood at 1.45 trillion US dollars. International tourism receipts are expenses by international inbound travelers, including payments to national international transportation carriers, according to the World Bank (Statista). Any other prepayment rendered in respect of goods or services provided in the destination country is also included in these receipts.

The figure below (1.7) indicates the direct and total economic effect of travel and tourism in 2006-2018 on the global economy. Travel and tourism's direct economic contribution in 2018 amounted to nearly US$ 2.75 trillion.

Figure 1.7: The direct and total contribution of travel and tourism to the global economy from 2006 to 2018 (in trillion U.S. dollars)



Source Statista

1.3 Defining the Tourism Product

A 'tourism product' represents a variety of different aspects (characteristics of the places visited, transport modes, accommodation styles, particular activities at the destination, etc.) around a single center of interest, such as nature tours, life on farms, visits to historical and cultural sites, visits to a particular city, the practice of specific sports, the beach, etc. This notion of "tourism product" is not related to the

concept of "product" used in economic statistics, but to that used to market exclusive packages or destinations by tourism industry professionals. (TSA: RMF 2008).

Characteristics of the Tourism product (Edmond Kadiu, 2017)[1]

1. Complexity, the product has a wide range of tangible and intangible factors (environmental, emotional, sensory)
2. Subjectivity, the product is not objectively valuable and is judged by everyone individual tourists according to different perceptions.
3. Non-transferability over time, the product cannot be stored.
4. Distance, to evaluate the product it is necessary to go on site.
5. Uncertainty, the purchase risk linked to the price/quality ratio is difficult to assess in prior.
6. Differentiability, the product diversifies even for small modifications and this increases the ability to replace the product itself.
7. Non-transportability, the product is linked to its territorial location.
8. Subjective importance, the tourist spends his free time with the aim of maximize the benefits.
9. Social importance, in many cases, the holiday represents a symbolic status.
10. Social and economic importance for the community, the product creates fame and wealth to the community hosting the tourist.

1.4 Introduction to the study

This study focuses on the Megatrends shaping the tourism industry's future with an emphasis on technology, consumer behaviour, and travel agencies. It aims to analyze travel agency (technological) drives for change in the tourism industry, customer behaviour, and future needs. With the information being transmitted largely over the internet and the travel arrangements being carried out by the travel agencies with automated computer systems face challenges of having a good place in the distribution market and competing strongly for customers. In the study, an online survey was conducted to understand whether the travel customer prefers to use the

[1]Edmond Kadiu, *Menaxhim Turizmi (Tourism Management). Argeta 2017*

help of travel agencies while deciding to buy a tourism product/service or he can arrange everything by himself with the use of the internet. This will help me to figure travel agencies' future need out related to customer preferences and technology use. There are several studies made on future trends in tourism, most of them addressing megatrends and consumer trends and their influence either on tourism suppliers or on tourist preferences, values, and behaviour. However, there are limited studies on the particular for the work of travel agencies.

1.5 Megatrends

There are significant shifts in the market where business travel services are bought and marketed. Such developments are focused on factors like a technological improvement, population aging, globalization, and sustainability.

Veikkola, (2004) identifies developments based on time and effect to megatrends (such as globalization, demographic change, and information society, individualism); societal trends (such as consciousness, aging societies, acceptance, equality, etc.) and trends in market and lifestyle (such as ethical consumption, invasion of young people and metrosexuals, soft hedonism and so on). The megatrends are cultural, economic, political, or technical changes that are just about to occur, according to Vejlgaard (2008, 20-22,) with the consequences that these megatrends would influence society as a whole or almost all. He says megatrends last longer, impact a wide range of social problems, and include a complex process that often involves politics, business, and technology.

1.6 Statement of the problem

Travel agencies are known as tourism goods specialists in their expertise. Nevertheless, it is not enough to compete today as an expert for them. In many instances, customer experts are even better than intermediaries because customers are now more conscious of and easily book their journey items from service providers websites, thanks to technology, in which I would like to mention Expedia, Skyscanner, Booking.com, Trivago, Cheapflights, Jetcost, eDreams and believe me out there are a lot of providers that make everything easier for the tourist customer to not feel the need of the TA. Why would a customer use the TA service when having a travel experience because all these services are easily utilizable by everyone?

Changing the world and consumer behaviour will push travel companies to reconsider their strengths and ways of keeping their customers and I believe they are doing so.

Everything is changing in the tourism industry. Therefore, the main problem this thesis will address is; are travel agencies still attractive to travellers, and how will travel agencies respond to the needs of the continuously changing customer behaviour, how technology can help.

1.7 Research objective

My main research objective is to identify how technology, is influencing the behaviour of the touristic customer and how travel agencies are facing the technological changes, and what will be the look into the future work of travel agencies, on a way of getting benefits from technological trends. Other objectives include the exploration of the megatrends shaping the future of the tourism industry.

Some of the research questions that will help me achieve the research objectives are as follow:

1. Which are the megatrends shaping the industry according to academics and travel portals?
2. What challenges' those trends will bring to the industry?
3. How IoT, e-WoM, are influencing the decision making of tourist costumer?
4. Is e-WoM, inspiring people to travel more?
5. How technological trends are affecting travel distribution agencies?

1.8 Structure of the study

The study is divided into six chapters. The first chapter takes a look at the general introduction to the study and the T&T industry contribution to the economy, travel statistics, the definition of the tourism product and characteristics, megatrends, states the problem of the study, the research questions and objectives.

The second chapter looks at megatrends shaping the tourism industry according to academics and travel portals. The third chapter is focused on technological trends, where tourism is seen as an intensive information industry. Furthermore, it looks at current trends influencing the T&T industry as also the TAs. In specific e-commerce, online purchases of T&T products and services, mobile payments, online reviews, e-WoM, and their influence in tourism costumers' intentions. This chapter has also

described the business of travel agencies, roles, and responsibilities of their type and classification. Tourism customer behaviours are seen, concerning current tech trends, the same for the work of travel agencies.

In the fourth chapter research design is described. The research design explains the research methodology as well as the data collection method and how the collected data are processed and analysed. Data analyses and results are presented in chapter 5. The last chapter (6) recaps the findings (conclusions), recommendations, and study limitations.

Chapter two
Megatrends

2.1 Introduction

This chapter looks at identifying megatrends shaping the tourism and travel industry as indicated by academics and T&T portals. Megatrends are known as strong forces and they form our world constantly. They are likely to lead to major, long-term changes that affect economy, politics, technology, and therefore on our lives. Megatrends and future trends have gained significant attention from both academics (Allahar, 2015; Dwyer, Edwards, Mistilis, Scott, & Cooper, 2020; Dwyer et al., 2016; Jerusalem, 2018) and the global sector (e.g. UNWTO 2020 Vision Series, Amadeus, etc.), and I also read TrekkSoft studies to keep travel data and travel patterns up-to-date annually.

The UNWTO Tourism 2020 Vision, which is a 25-year prediction of what could happen in the tourism industry, is most definitely one of the best-known predictions of future tourism. UNWTO's vision is shown in box number 1.

BOX 1

UNWTO (2001) trends:

1. Globalization and localization
2. The polarization of tourism tastes
3. Shrinking tourist world
4. Electronic technology and fast track travel
5. Consumers call the shots
6. Destinations as fashion accessories
7. Theme based marketing
8. Increased destination focusses on image
9. Everyone chasing Asian tourists

10. Consumer-led campaigns – for sustainable development and fair-trade tourism that better distributes benefits
11. Conscience vs. consumption – growing conflict between socio-environmental consciousness and urge for travel consumption

Source: UNWTO Vision 2020

One strategy was proposed to identify tourism-based megatrends to 2015 from Dwyer (2003). He examined key drivers for change and identified five important megatrends related to the future of tourism, as presented in box number 2.

Box 2

Megatrends underpinning tourism to 2015

1. Globalization and long-term economic trends:
   - A growing world economy
   - Globalization

2. Social trends
   - Population and aging
   - Urbanization
   - Changing social structures in developed economies
   - Health
   - Aspirations and expectations
   - Values and lifestyles
   - Changing work patterns
   - Gender
   - Education

3. Political trends
   - Existing and emerging global players
   - Terrorism
   - Health risks and security
   - Haves vs have nots (rich and poor)
   - Governance
   - Political Islam

4. Environmental trends
   - Climate change
   - Depletion of natural resources
   - Loss of biodiversity

5. Technological trends
   - Competitive strategy and information and communication technology

Source: Dwyer (2003)

Amadeus (2016) published a report identifying potential competitive trends existing–and potentially evolving–on the market based on interviews with industry leaders and experts. Five disruptive factors emerged from the study of the interviews as shown in box number 3.

BOX 3

Disruptive factors

1. Consumer expectations and experience
2. Mobile
3. Big data & AI
4. Regulation

5. Travel Risk
Source: Amadeus 2016

As I mentioned above, I have been reading reports from TrekkSoft[2] that is an online booking software per Tour Operator, but you must probably be not familiar with it. You may know Amadeus[3], they offer the same service. The last report that I read form them was including Booking Trends, Travel Trends, Destination insight, Tour and Activity Industry Insight, and Travel Technology. As for the booking trends, airline companies are expanding routes to give new generations' unlimited reach. Also, it was this trend that has undoubtedly caught my attention while booking tickets, related to stopovers. Stopover destinations during long haul flights used to be an unwanted part of the journey but now, in 2019, airlines are offering a low-cost option to lengthen your stopover time, so that travelers can explore the stopover destination and inspire to more traveling. Pay attention to this core fact when you book your next flight. Travel trends in 2019 were family trips, travel decisions driven by the generation alpha[4], and solo travelers. Bloomberg Media Group, and WTTC in one of their reports, presented World Transformed: Megatrends and their implications for travel and tourism. In their report, they provide a data-drive examination of five interlinked megatrends shaping the future. The trends shaping the future according to WTTC and Bloomberg are as listed in box number 4:

BOX 4

1. **The reality, enhanced**: Hyper-connectivity, access to information, and personalization have led to an experience-driven world fuelled by personal enrichment, self-direction, and community.

[2] Is an online booking platform and website builder for tour operators and activity providers, which helps businesses build, promote, manage, and sell their services
[3] Amadeus is a computer reservation system, owned by Amadeus IT Group
[4] Generation alpha refers to those born after 2010

2. **Life restructured:** Fluidity, autonomy, and social engagement are driving the gig & sharing economy, which in turn are redefining relationships, disrupting industries, and creating new expectations for work and life.
3. **Data, Revolutionised:** Data, through IoT and machine learning, has become a driving force of the economy, enabling unprecedented personalization and connectivity.
4. **Power, redistributed**: Power and demographic shifts from West to East, and nations to cities are redefining centres of influence and reshaping global markets, while individuals are becoming increasingly more mobile and demanding more accountability.
5. **Consumption, Reimagined:** As a response to escalating environmental risks, consumer awareness has translated into more ethical and resource-efficient lifestyles, which are driving the decision-making of younger generations.

Source: WTTC (2019), Bloomberg (2019)

To be prepared for megatrends, they need to be fully understood first. Governments need to be constructive and look forward to making decisions that will have long-term consequences as well as tackling problems and taking advantage of new opportunities that may arise. The OECD has developed an approach to assist governments and policymakers in responding to megatrends that focuses on four key categories: people, planet, productivity and polity (Table 2.1), ("OECD Tourism Trends and Policies 2018," 2018)

Table 2.1: OECD Megatrends Framework

Megatrend	Description
People	Generally, refers to changing demographics as well as trends related to health, labour, and social cohesion. In the context of tourism, this trend is mostly related to evolving visitor demand, which refers to trends such

	as aging populations and the growth of the global middle class.
Planet	Generally, refers to the state of the environment and the impacts of climate change, as well as access to resources such as food, energy, and water. In the context of tourism, this trend is related more to the sustainable tourism growth.
Productivity	Generally, it refers to sources of growth, such as technology, innovation, and entrepreneurship. In the context of tourism, the rise of enabling technologies has influenced the way people can travel around the world.
Polity	This refers to the state of governance, trust, and accountability in the public sphere. In the context of tourism, public decisions will have a role in several areas, particularly on travel mobility. Mobility is significantly impacted by the degree to which national governments support international transport and facilitate travel.

Source: OECD 2018

Tourism and associated sectors are parts of the global economy that are likely to be impacted by several megatrends. For example, the International Air Transport Association (IATA) forecast that the emerging middle class in developing countries will influence passenger demand over the next 20 years (IATA 2016). For more people, air travel was more accessible, and the number of air passengers around the world continued to rise, exceeding 4.3 billion journeys in 2018.

Connecting cities directly reduces air transport costs by saving shippers and travellers' time. That, combined with cheaper fares, allows more people to travel more often. The average citizen only flew once every 44 months in 2000. The time between trips was halved in 2018, to only 21 months (IATA, 2019). The travel and tourism industry is one of the largest industries in the world with a global economic contribution (direct, indirect, and induced) in 2016 of more than $7.6 trillion US. The tourism industry has experienced steady growth every year worldwide. International tourist arrivals grew to 1.4 billion in 2018 from 528 million in 2005. By 2030, the figures were forecast to exceed 1.8 billion. Global revenue from international tourism reached about 1.26 trillion US dollars in 2015, having nearly doubled since 2005. That year, China had the highest spending on international tourism led by the USA

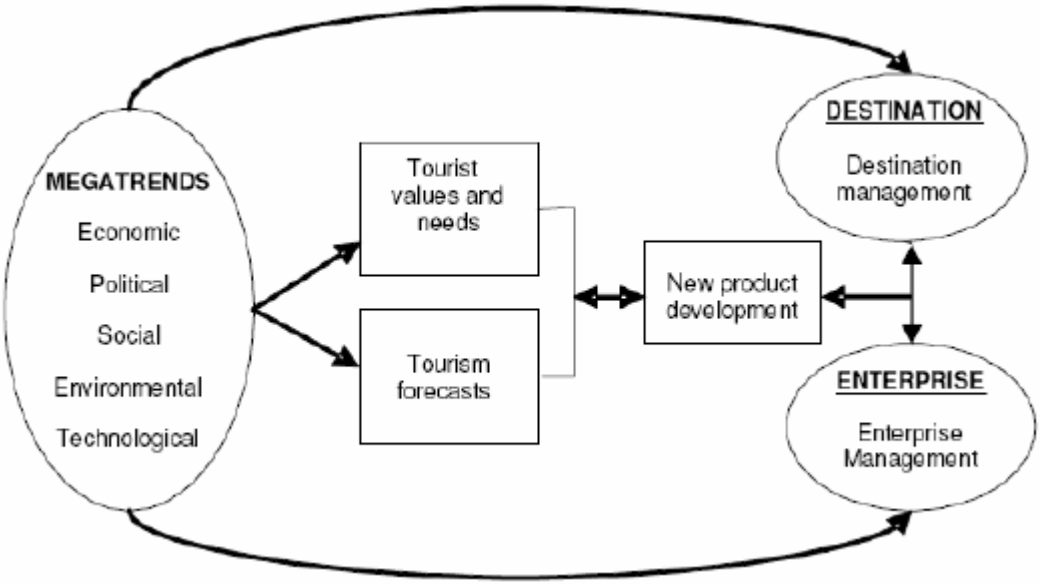
and Germany. Dubai, where visitors spent more than $31.3 billion in 2016, was the leading city in international visitor spending. The travel and tourism industry accounted for 10.4 percent (total contribution) of GDP in 2017. T&T's total contribution to employment in 2017, including work indirectly funded by the sector, was 9.9 percent of total employment.

All in all, the defined megatrends can help and hinder the projected growth in the travel and tourism sector. It is necessary to understand them, what they are, and the likely impact they have and will have on the tourism industry for the coming decades to respond effectively and adapt to these megatrends.

2.1 Megatrends transforming Tourism and Travel

Tourism is fundamentally intertwined with other economic sectors, as it is not possible to consider tourism patterns separately from the key drivers that will shape the future economy. Therefore, tourism will be changed by major social, cultural, political, environmental, and technological changes when considering megatrends. While they are slow to form, they will exert a profound and lasting influence on human activities, processes, and perceptions once such megatrends have taken root. A model from Dwyer (Dwyer et al., 2016) showing the main causal links between broad external forces and the implications for tourism stakeholders is presented in the paper to get a better understanding of how trends influence tourism organizations and tourism values and attitudes.

Figure 2.1: Influence of megatrends on tourism



Source: Dwyer 2016

The proposed framework in which the megatrends would influence and impact the tourism industry is depicted in this model, described above in figure 2.1. The five megatrends (economic, social, political, environmental, and technological) have an impact on three key factors: tourism, destination management, business management, and tourism (values, needs, flow). Destination and industry on the one hand and visitors on the other hand, interrelate with their effect on the development of new goods. The allocation of processes and services is driven by patterns. Moreover, each trend has both sub-components and occasional countertrends. The most common bad decisions cause: including assumptions about external social, cultural, political, technological, and natural conditions, can only be prevented by knowing and acting on forecasts of accurate trends (Dwyer et al., 2016).

Economic and Political trends

It is possible to group political trends under four themes: international power, security, conflict, and health. Political instability can deter travelers from visiting a destination if it involves a real or perceived threat. In the coming years, this will present a unique challenge as the global middle class expands and emerging economies account for an increasing number of inbound and outbound travels. The transfer of power between States will have a significant impact in terms of international power by 2030. In terms of GDP, population, military spending, and technological innovation, Asia would outperform North America and Europe

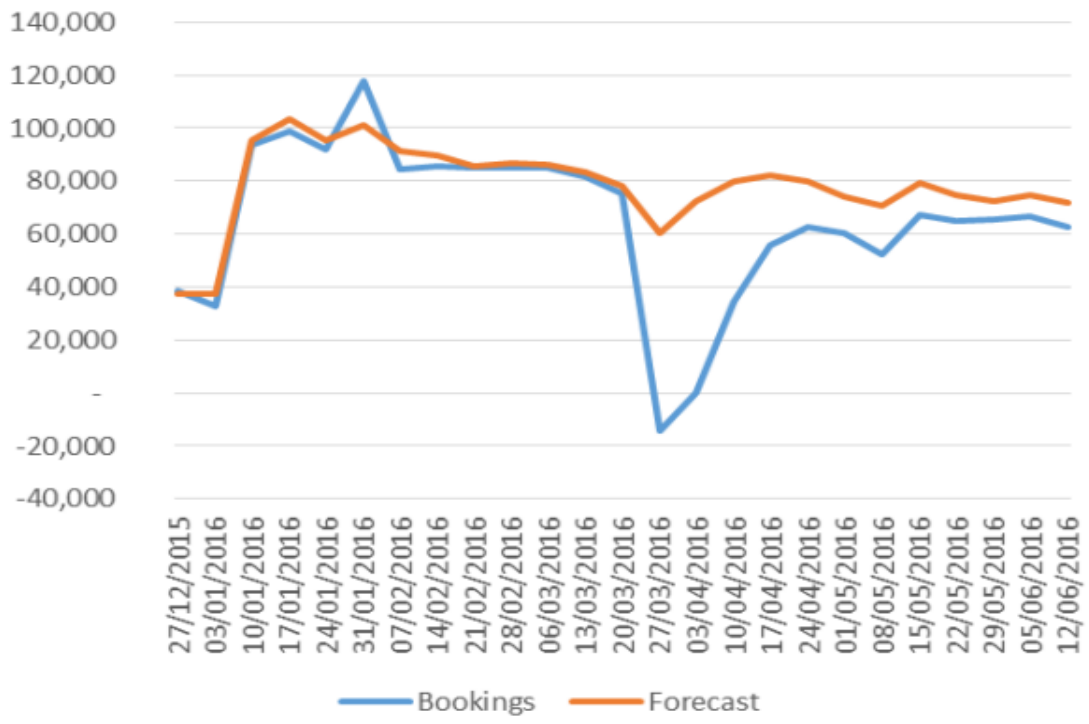
combined. Possibly, China alone will have the largest economy, outperforming the US several years before 2030. In the sense of this transition, the global economy's state of health will be gradually related to that of the developing countries' economies, rather than the Western economies. Regional players such as Colombia, Indonesia, Nigeria, South Africa, and Turkey, as well as China, India, and Brazil, are becoming increasingly important to the global economy. Meanwhile, Europe, Japan, and Russia's economies are likely to continue their slow decline. An even more fundamental change in the very nature of power will cloud the new balance of power between states. Power will move towards multiform and not well-defined networks that will be set up to influence the international agenda and that of individual states thanks to the role of communication technologies. Countries with some of the strongest fundamentals — GDP, population, etc.— will be unable to control until they learn to operate within a multipolar system of networks and coalitions.

As concerns security since the attacks on the twin towers in the United States on September 11, 2001, the number of terrorist attacks around the world has increased significantly in the last few years. Since January 2019 to November 2019, the number of terrorist attacks has risen to 106, with 2348 deaths, the bulk of which are perpetrated by Islamic groups, Taliban, Al-Shabaab, etc. We are unlikely to attract many international tourists in countries that are riddled by terrorist attacks like Syria, Iraq, Afghanistan, Pakistan, India, Nigeria, Mali, Egypt and Thailand[5] (recently). Today, however, the worries and emphasis are on nations and cities that historically attract many visitors and that must be in Europe. Several terrorist attacks, for example, were carried out in German cities such as Ansbach, Hamburg, Munich, and Wurzburg in 2016. The German authorities have prevented seven terrorist attacks from happening since 2016. In 2017, a terrorist attack by Islamic extremists was carried out in Barcelona. The tourism sector was affected, and Barcelona had significant drops for three to four days. Official figures state the tourism activity drops in October (4.6%) November (2.3%) and December (13.9%). Foreign visitors fell by 0.8 percent in the first half of 2018. Other attacks targeting European cities in the same year include Brussels, Belgium (Check Figure 2.2 for Flight Bookings Impact of the Brussels Airport Attack) Nice (France), Ataturk Airport Ankara and Gaziantep

[5] www.storymaps.esr.com

(Turkey). Nor were UK cities spared, London and Manchester suffered multiple attacks in 2016-2017.

Figure 2.2: Impact of the Brussels Airport attack on flight bookings from Belgium



Source: Amadeus

You can see from the statistic that bookings for flights leaving Belgium dropped significantly after the Brussels attack, with many passengers also being reimbursed for cancelled flights. In terms of Amadeus data alone, 74,700 fewer bookings were made (including reimbursements) compared to planned over the week following the event.

The value of secure tourism travel is growing, from the decision to book or not to customer expectations that travel operators and local tourism managers should take responsibility for the safety, life, and health of visitors. However, the importance of making holidays secure for customers is still understated. Experts agree that the perception of risk and security by tourists significantly affects a destination's image and overall satisfaction, albeit to a very different degree. Tourist sites being targeted, are soft and vulnerable to terrorist attacks. From a security perspective, they are not

easy to defend. Terrorists are also able to "disguise" as visitors and are more difficult to detect. Tourist sites remain targets for terrorist attacks. Nonetheless, because of the terrorist attacks, the toll on tourism has begun to show immediately. Instead of preferring locations like Scandinavia and Eastern Europe, Chinese tourists are now more reluctant to visit countries like France and Germany. This has several important implications first as Chinese are the world's largest number of tourists, any significant shift from where they intend to go will certainly impact global tourism. Second, tourists can opt for domestic holidays with increased terrorist threats, especially when internal destinations are less vulnerable to terrorist attacks. This domestic substitution for foreign holidays is possible especially in large countries such as China, the US, and Australia. Third and this is also important as governments cannot ignore it, an increasing number of attacks are happening in Europe and European cities that are the traditional destination of tourists. It is needed to deal with terrorism especially in these cities. This does not affect the global tourism as a whole; therefore, there will not be a decline. Nonetheless, according to various reports, including that of the World Tourism Organization of the United Nations, global tourist arrivals increased by 6 percent in 2018. Therefore, the main idea is that there will be no declines but there will be a major and visible re-alignment of places to visit if terrorist attacks continue to rise in historically tourist-favoured areas. As China outboards tourists represents a very large share of tourism income in many countries, it can now use its tourist "strength" to put pressure on other countries as a political "weapon". For example, during political tensions between China and Hong Kong, the number of mainland Chinese visitors to Hong Kong dropped significantly in 2015, during the Lunar New Year holidays for the first time in twenty years. The Chinese government also discouraged its tourists to visit Japan and Taiwan when there were political tensions between them.

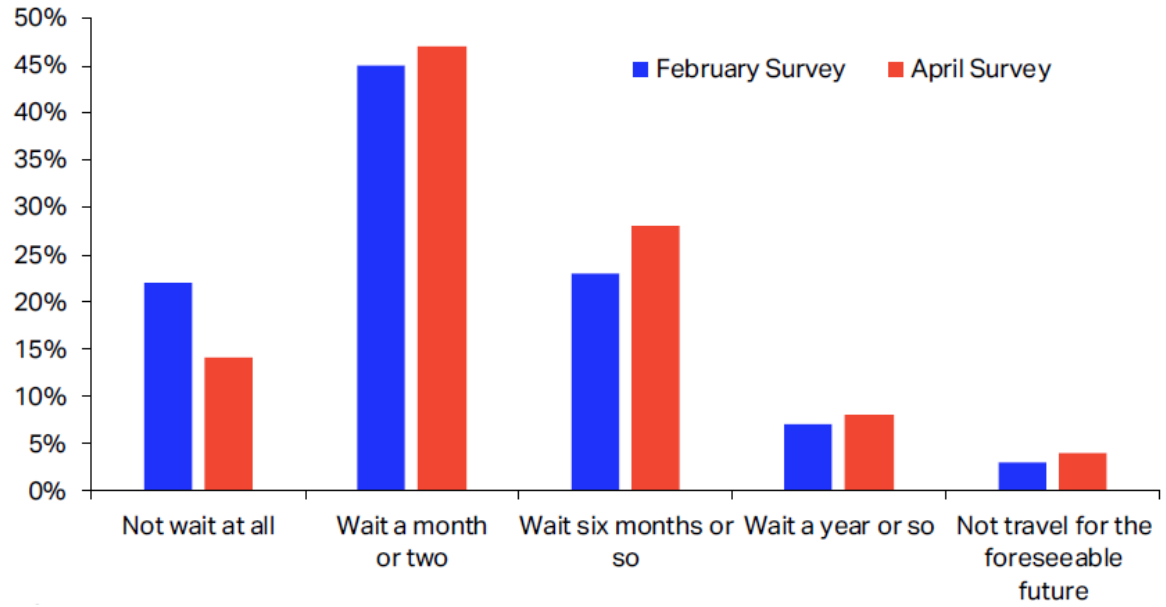
The world today still faces the threat of networked terrorism. The concerns and implications of increasing increased security and violence will continue, with cyber-terrorism expected to increase. Security issues will herald more stringent border controls, thereby creating barriers to tourism with deterrents. As far as health issues are concerned, travelers are at risk of a wide range of diseases arising from the growth of countries with different climatic and hygienic conditions on long-distance travel. Around 50% of the mortality rate is due to infectious diseases in many developing countries, which are also often tourist destinations.

A recent case of health issues is the Coronavirus, detected in Wuhan, China where the first cases were reported by the end of December 2019. The outbreak was declared a public health emergency of international concern on January 30. More than 74,090 people have died, 277,737 people recovered, and 1,334,009 people are infected worldwide. The USA is the country with the highest number of infected people (1,090,869) followed by Spain (239,639), Italy (205,463), the UK (171,253), France (167,178), Germany (162,530) and Turkey (120,204)[6]. As precautionary measures countries have closed borders a lot of flights have been cancelled all around the world, and in some countries, it is also forbidden to travel within the country. Airline share prices have fallen nearly 25% since the outbreak began, some 21 percentage points greater than the decline that occurred at a similar point during the SARS crisis of 2003. The International Air Transport Association updated its analysis of the financial impact of the novel coronavirus (COVID-19) public health emergency on the global air transport industry. IATA now sees 2020 global revenue losses for the passenger business of between $63 billion (in a scenario where COVID-19 is contained in current markets with over 100 cases as of 2 March)[7] the previous analyses put lost revenues at $29.3bilion and $113 billion (in a scenario with a broader spreading of COVID-19). The Covid-19 is extremely affecting travel companies, and travel industry in general.

The figure 2.3 below illustrates the findings of IATA survey of passengers across 11 different countries. In addition to the health concerns, the speed with which consumers return to air travel will depend on their financial circumstances. The prospect of a global recession that is more severe than the Global Financial Crisis casts a shadow over the outlook, creating yet another obstacle for airlines seeking to boost customer trust in travel

[6] https://www.worldometers.info/coronavirus/#countries
[7] https://www.iata.org/en/pressroom/pr/2020-03-05-01/

Figure 2.3: Returning to travel after containment announcement (IATA survey)



Source: IATA 2020

Environmental trends

Tourism is one of the industries that are particularly affected by climate change and natural disasters, especially since these lead to a shift in the patterns of the most favoured and least favoured tourist areas at different levels. Climate change, natural resources (energy, water, and land-use), biodiversity, and other related environmental developments are among the major environmental trends. In addition to storms, floods are the most frequent cause of natural events causing damage and injury. About 800,000 people died in natural disasters worldwide between 1998 and 2003. Climate change remains the most worrying and controversial environmental challenge of our time. It is generally described as significant changes in the long-term average weather patterns, which in turn shifts a region's climate characteristics to new conditions over time. These significant changes can manifest as shifts in atmospheric and ocean water temperatures, creating new air temperature conditions as well as precipitation and evaporation rates, and other weather variables such as wind and storm patterns. Under the impact of rising concentrations of greenhouse gases in the atmosphere, a large majority of climate models expect a near-surface warming trend, according to the United Nations Intergovernmental Panel on Climate Change. Greenhouse gases and climate change are not uncommon phenomena because climate variability has been part of the earth's environment over geological

time scales. One of the major factors in the current trend towards climate change, however, is the contribution of continued reliance on and consumption of fossil-fuel-based energy sources. What is remarkable is the level these greenhouse gasses tend to release into the atmosphere. The general trend of global warming, currently seen as climate change, can have many transboundary environmental impacts, i.e. across one or many political and geographic boundaries, and are likely to vary greatly between regions, continents, and climate zones. Some of the impacts from changes in temperature may include rising sea levels, changes in ocean currents, accelerated rates of glacial melting in the Polar Regions, and loss of snow cover and permafrost. Certain impacts include shifts in precipitation patterns such as rainfall and the probability that extreme weather events such as storms and drought will rise in frequency and intensity. Earth's biological and physical resources are being degraded and exhausted, due primarily to population growth and economic development. The affected natural resources include food and agriculture, energy, water, and land use. The main energy issue is the inevitable rise in oil prices that affects economies. Traditional Middle East suppliers are also becoming more and more chaotic. Therefore, among the main uncertainties is greater demand-driven competition for resources, perhaps followed by a major disruption in oil supplies. Production has continued to increase to date, though discoveries already tend to be decreasing. The global economy is set to continue to be more energy-efficient by 2020. World water consumption is increasing at a rate of population growth twice as high. The number of countries facing water shortages will double over the next 30 years. Where the melting of snow generally regulates water supply, less winter precipitation is expected to produce a rise in surface temperatures. With rising extensive and intensive land use for agricultural purposes, substantial arable land depletion will continue as will the tropical forest loss. Biodiversity loss is on the rise due to population pressure and habitat loss, deforestation, and hunting down. The loss of the ozone layer, more commonly referred to as the "ozone hole," was due to the introduction of CFCs into the atmosphere in terms of other environmental phenomena, thereby increasing the degradation of ozone in the Earth's stratosphere. The ozone layer protects the surface of the earth from ultraviolet radiation. Increasing degradation of soil salinity has affected farming land and other productive land-use.

Figure 2.4: Impact of Hurricane Sandy on flight bookings from New York

Source, Amadeus

In the week following Hurricane Sandy in 2012, 167,600 fewer bookings were made to flights leaving New York City, logged by Amadeus. Reservation rates after the storm recovered within a month-faster than the Brussels attack. As scientists predict an increased frequency of major storms worldwide because of climate change, this could significantly affect the travel industry in the coming decades.

Social trends

Shorter working hours, less physically demanding work, and better education have resulted in demand for a higher quality tourism product and a much wider range of tourist destinations and activities.

Technological trends[8]

At the forefront of technological innovation was the travel and tourism industry. Technological advances will continue to change not only how we develop, sell, and deliver tourism products and services but also the industries' environment. For example, the disruptive impact of the network economy has been witnessed in recent

[8] Di Pierre J Benckendorff, Pauline J Sheldon, Daniel R Fesenmaier. *Tourism Information Technology, 2nd Edition.* CABI 2019

years, a range of social and economic activities enabled by digital' matchmaking' networks giving rise to companies like Airbnb, Uber, becoming important players in the sector. The network economy has continued to change the competitive landscape in space as more and more digitally oriented customers accept peer-to-peer lodging and transportation as viable alternatives to more traditional accommodation and taxi services. Another notable technical development is the introduction of artificial intelligence (AI) in travel and tourism services operations, ranging from the application of machine learning to demand forecasting and revenue management to the implementation of conversational chatbots and meaningful interaction beginning to dominate service encounters. Forcing to redefine the notion of service quality and the overall tourism experience. Such disruptive technologies include mobile connectivity (mobile payment), ambient intelligence (sensors, the Internet of Things), and interactive technology (virtual reality, augmented reality, mixed reality) that are expected to change how visitors communicate with and experience locations and tourist attractions. The examples of applications and implications of technological innovation in the tourism industry mentioned above highlight the importance of digital strategies at all levels of tourism development. Tourism destinations and travel companies will be in a constant race to create digital technologies to offer a quality digital experience that will meet tomorrow's tourist needs and place them at a competitive advantage.

The table below provides a summary overview of the megatrends shaping the tourism industry's future with the indicated shreds of evidence and implications for the tourism sector.

Table 2.2: Evidence and implications of the megatrends shaping the future of the tourism industry

Megatrends	**Shreds of evidence**	**Implications for the tourism industry**
Economic	• Rapid growth in the world trade • Increased cross-border	• Growth of international tourism arrivals

	the traffic of goods and services • Liberalization of world trade • Growth in global migration • Growth of BRIC economies • Diffusion of information technology • Increased business mobility	• Rise of China as a top traveling nation • Increased global competition from international tourist destinations • The emergence of niche operators specialized in certain products, services, and experiences • Growth in business travel
Technological trends (Wee, 2017)	• Internet expansion and Public internet • Mobile technologies • Open-source software • Humanization of technology • Social media • e-commerce	• Developments in information management systems • New booking channels • New communication channels • Real-time information systems • Increased customer interaction • Transforming customer experiences with the use of technology
Environmental, sustainability (Dwyer et al., 2016)	• Growing awareness of carbon emissions and environmental impacts • Emerging legislation and changes in taxation aimed at reducing gas emissions • Increasing concerns on the	• Climate change will trigger more domestic holidays • The decline of the ski industry • Changing travelers' needs call for more sustainable options • Fuel and energy-efficient

	climate change • Rising energy costs • Water consumption concerns • The rising role of CSR on the corporate level	aircrafts • Pressures towards sustainable consumption
Demography, aging population ("OECD Tourism Trends and Policies 2018," 2018) (Schwarz, Jamieson, & Pitts, 2015)	• Increase in world population aged 65 and above • Falling birth rates • Rising life expectancy • Health concerns • Increase of aging population in developed countries and urban areas • Changing work patterns • Generation differences in values, attitudes	• Travel and tourism will increasingly be embedded into lifestyles • Growth will be on holidays for the retired, and single people • New wellness tourism products • Evolving mature active tourists
Changes in consumer patterns (Cohen, Prayag, & Moital, 2014)	• New traveler groups because of low-cost carriers • Changing spending patterns: bargain-hunting • Search for health and wellbeing • Desire for personalization • Environmental awareness • Rise of the experience economy	• Growth in medical tourism • Customized tourism products • Sustainable tourism • Growth of volunteer tourism • Increase in long-haul travel
Politics, Safety, and security (Petermann, Revermann, & Scherz, n.d.)	• Instability of international political situation • Terrorism threats become	• Safety issues with traveler information • Destinations that are

(Dwyer et al., 2016) (Wee, 2017)	more decentralized due to internet • The spread of global pandemics • Cyber terrorism • Stricter border control • Biosecurity concerns	perceived to be less safe and secure will be avoided by tourists • The rising role of individual operators who deliver tourism services in tourists' safety and security • Importance of risk management strategies and tourism security programs on a corporate level • Destination images based on Safety

Chapter 3
Technology, travel agencies, tourism costumer

3.1 Information asymmetry in tourism and disintermediation, ICT

Tourism has long been described as an information asymmetric[9] market. As for example a tour operator has more information about a holiday package than the tourism consumer, in this case, customers are unable to completely determine the quality of this holiday package they are going to buy and the space available for high quality goods is significantly reduced in the long term (Rodolfo Baggio and Jacopo A. Baggio, 2011).

In general tourism is characterized by the presence of asymmetric information in many services composing the tourism product (see Example[10] 1). Think of the quality of an all-inclusive tour, of the accommodation in a resort, of a rented car, of an item purchased while shopping and that, after leaving the destination, it can no longer be replaced if it proves to be unsatisfactory. As the market failure translates into a deterioration in the quality of tourism supply (which can lead to a downward path for the destination), the issue could be so serious that tour operators and destination management pursue unique strategies aimed at minimizing the information asymmetry at the heart of such a market failure. These strategies vary based on whether the party which holds the information advantage discloses it to the counterpart or, conversely, the less informed party extracts the information from their counterpart.

If we look at the distribution and intermediation process in tourism, there is no doubt that the distribution channel is primarily affected by ICT development, and it should be examined in relation to two separate but linked segments: the tourism package, focused on the position of tour operators and travel agencies, and the independent tourism, where tourists arrange their holiday. ICT generally has two impacts on tourism: (a) within each segment, by changing the way information is searched and collected and services are purchased, thus affecting the choices of tourists and the

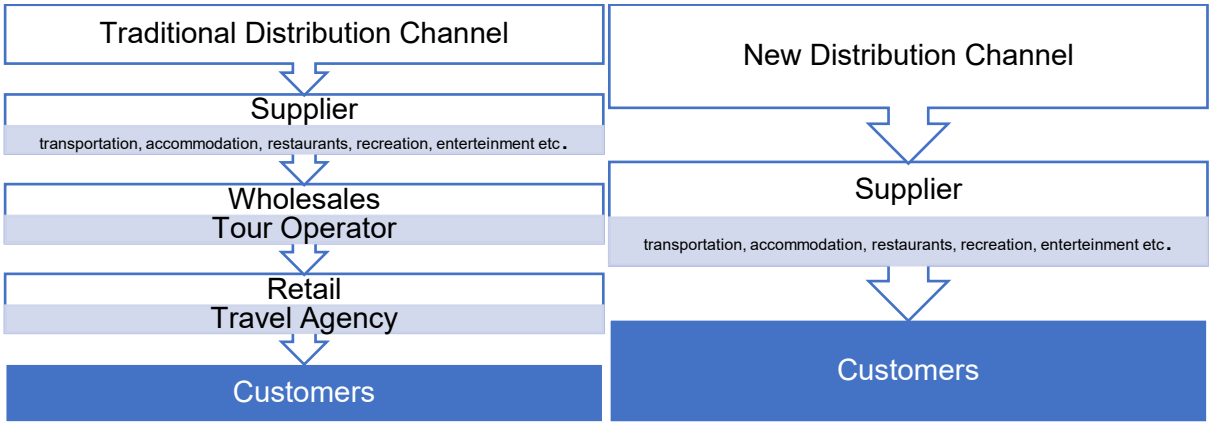
[9] Information asymmetry deals with the study of decisions in transactions where one party had more or better information than the other

[10] The example is reported as in chapter 10 of the book “The Economics of Tourism Destinations”

strategies of companies; (b) across segments, leading to a disintermediation process redefinition of the role of traditional travel agencies and tour operators, and higher mobility of tourists among the segments.

Disintermediation, instead of going through traditional distribution channels, due to technology development and the information provided on the internet, travel customers now deal directly with the supplier (see figure 3.1). While disintermediation allows manufacturers, suppliers to increase profit margin by decreasing costs of customer serving it doubts travel and tourism agencies existence. Disintermediation is often a result of high market transparency.

Figure 3.1: Distribution channel disintermediation



Source: own creation

The nature and products of tourism make tourism an information-intensive sector, tourism products are classified as experience good indeed their quality can be recognized only after purchase during use or consumption. Those concerns contribute to the realization that tourism has belonged to the industries most affected during the last decades by the rapid technological changes. The information function explains the importance of tourism applications in Information Communication Technology (ICT). ICTs have been developed as one of the most effective tools for boosting tourism in general, and the Internet in particular. The Internet can be regarded as one of the most powerful innovations that alter the actions of a traveller. Consumers now trust the Internet to get advice and more users get their opinions across through Web 2.0 apps. The position of these communications channels as a medium of great influence is increasingly improving. The online social networks (OSN) create mutual knowledge and become one of the main sources that tourists

use to gather information while making decisions about traveling and buying travel-related products and services.

According to (Bilgihan, Barreda, Okumus, & Nusair, 2016) various stakeholders in the tourism and catering world are opening and maintaining accounts on multiple channels, such as WhatsApp, Facebook, Instagram, Pinterest, Vine, Snapchat, YouTube, and Google+, making social network networking one of the main strategies for communication (Navío-marco, Ruiz-gómez, & Sevilla-sevilla, 2021). There is no alternative but to integrate technology and improve the interactivity with the consumer to fulfil tourism demand and thrive in the long term (Buhalis, 1998).

Example: Applying Akerlof's Bad Lemons (information asymmetry) model to tourism

To apply Akerlof's model to tourism, let us consider the example of the accommodation sector, where there are hotels of various quality. Let us consider two types of hotels: type L hotels (low-quality hotels) and type H hotels (high-quality hotels). We assume that managers of hotels L set the price of their rooms at 100, while managers of hotels H set the price at 200. From the demand side, we assume that tourists who prefer the low-quality hotels L are willing to pay up to 120, while tourists looking for hotels H are willing to pay up to 240.

If the quality of the hotel was known to everyone, then the market would perfectly work and overnight stays would be sold both in hotels L (at a price ranging between 100 and 120) and hotels H (at a price ranging between 200 and 240), to the mutual satisfaction of both hotels and tourists. In a more realistic setup, let us now see what happens if only hotel managers know the quality of their hotel while tourists cannot observe it (because they book from home, without having access to information on the quality). In such case there is asymmetric information on the quality of the service. Suppose that tourists assume that there is an equal probability to meet any type of hotels. Then, the average price that a tourist would pay in this uncertain market condition is equal to 180 (=120 * 0.5 + 240 * 0.5), which is the average price of the hotels of different quality weighted by the probability of meeting each type of hotel. The problem is that such price is attractive only to the managers of hotels L, since the minimum price required by managers of hotels H is 200.

On the other hand, if the tourists were to know such consequence of information asymmetry, they would be sure that at the price of 180 only rooms of L-type hotels are offered, thus not be willing to pay the price of 180, since they know that the price of such hotels should be between 100 and 120.

If the price was included in this range, only rooms in type L hotels would be on the market and tourists would be sure to only meet low quality hotels; in other words, type H hotels would not be on the market, despite that the willingness to pay of tourists for high-quality hotels (equal to 240) is higher than the evaluation of hotel managers (equal to 200).

This simple example shows that, under conditions of asymmetric information, the market badly selects the quality of products and services, and can be pushed to the ultimate consequence that tourists stay away from a destination that presents a large variability and uncertainty about the quality of its accommodation sector. It is then easy to see that, for certain characteristics of the market, there might be the possibility that supply and demand do never meet, meaning that the market is so disturbed by the existence of information asymmetry that it may stop working properly.

3.2 Online reviews, eWoM and the influence on consumers purchase intentions

The industry is being transformed with the advancement of information technology, such as gamification fun ware for the use of smartphones in travel reservations in trip planning, and knowledge management. One of the highly studied areas still lies in issues of online review (Cheng, Fu, Sun, Bilgihan, & Okumus, 2019) where lack of trust is thought to be a major barrier for people engaging with online communities. One of the first steps in the travel decision-making process is to reduce the risk and encourage confidence in acquiring knowledge. Online reviews and the so-called “online word of mouth” tend to reduce confusion, so customers also rely on other people's experiences to make purchasing decisions. Peer reviews are given greater importance than official accounts of goods or services. Users actively post on social media about brands and their products or services and share their personal product/service experience. All online reviews and WoM have an important role to play in helping customers minimize perceived risk and gain more knowledge about their interests. Positive reviews develop a better perception towards sellers, and lead to positive product or service expectations, often leading to intended purchases, while negative reviews lead to consumer distrust. These also play a role in product marketing, which must make companies “see WoM” as a vital resource because

positive WoM can encourage customers to buy and increase the company's profits, whereas negative WoM can lead to loss of potential customers and declining profits. While being a social media user, either intentionally or unintentionally, we are exposed to a huge amount of WoM information, the information provided can be created by almost any user on the internet, so the quality and legitimacy of the information have now become more important (Erkan & Evans, 2016). One determinant of customer purchasing intentions may be the consistency of WoM knowledge in social media (Erkan & Evans, 2016). Relevant and detailed reviews are valuable information regarding the quality of feedback to meet customer needs. Therefore, the confidence of customers emerged as the analysis is considered accurate information as it includes an honest story (Costumers & Advisor, 2018). However, WoM has both positive and negative effects on the purchasing intentions of customers. Hence, not all-online eWoM information has the same effect on consumer buying intentions; the level of impact of eWoM may vary.

3.3 Online purchase of tourism services and mobile payments

It is now a fact that the rapid development in information and communication technology has changed significantly and is transforming the T&T industry and the way tourism organizations conduct their business, Hotels, TA, TO, Airlines. Now tourism consumers can easily gain information related to tourism using the internet, to plan and decide all their travel characteristics as in their preferences or limitations (destination, budget, schedule). Consumers accessing information about tourism products via the internet and e-commerce have affected the channels of tourism distribution, risk of disintermediation for TA, as well as verticalization, the tendency of tour operators to buy travel agencies to improve their market position (Navío-marco et al., 2021).

While purchasing tourism products online, it is important to know that the T&T industry has unique characteristics that influence the online purchasing behaviour of travelers in ways that differ from other buying situations. Digital trust is subjective, depending on the nature of the goods purchased and industry characteristics (Sparks & Browning, 2011). Because of the product attributes themselves, a higher level of involvement is engaged when buying travel items. Travelers need to buy online travel products or services they are familiar with, such as a ticket to a destination they have visited before for unknown destinations, so the level of uncertainty is high when they

want to buy online and the help of a TA is needed. Consumers find the online purchase of any travel and tourism-related product or service to be more unpredictable than tangible goods because of the tourism product is an experience good (Murray & Schlater, 1990).

As 83 percent of passenger's travel with them, mobile phones have become an essential part of the travel journey. Mobile devices are incorporated into the T&T experience: travelers use apps to arrange a ride to the airport, obtaining an electronic boarding pass, unlocking the hotel room with a mobile key, looking for what to do at the host destination or checking for nearby restaurants, etc., sharing their personal experiences live on social platforms. When mobile is deeply ingrained in the mobile payments experience of T&T, travelers in selected markets have revolutionized the way they pay for the travel products and services used. The payment systems are streamlined further. Besides, mobile payments enable T&T providers to stay in touch with travelers throughout their journey, also allowing them to build customer engagement and drive higher levels of business growth in terms of revenue and traveler satisfaction. The growth in mobile travel payments is generally related to the boom in mobile payments. In 2015 mobile payment for T&T products and services in the United States reached US$ 8.7bn. The number of mobile payment users is expected to hit 150 million by the end of 2020 and mobile transactions are expected to reach US$ 2.74 trillion by 2021. In 2016, T&T's share of mobile transactions was around 16% on the global mobile payment industry. Mobile booking accounted for 45 percent of total online travel agencies bookings by the fourth quarter of 2017, 39 percent for smartphones, and 6 percent for tablets. Smartphone bookings have grown by 61 percent since 2016, indicating not only that the industry has embraced the technology, but also that Travel & Tourism has yet another significant opportunity to capitalize on this digital trend.

Also, as customer data accumulates over time, mobile services can help build relationships between service providers and customers; include customized deals and incentives, as well as detailed growth patterns forecast.

3.4 Virtual reality and augmented reality in the tourism context

The rise in projection (AR) or virtual reality (VR) has also come into the travel world, and the fact is that it is a phenomenon because of all the potential possibilities especially for the business travel as more businesses are using this device to display

cabins on a cruise ship or to send them to China's Great Wall for a couple of seconds[11].

Mobility in tourism and new technologies like VR and AR are becoming a topic of interest for tourism researchers as VR and AR-related technologies develop and establish useful tourism opportunities. VR was applied to the planning, management, promotion, education, and creation or transformation of tourist experiences. Mobility includes visitor movement and the movement of a whole host of materials and items. This process is associated with the use of geographic location technology (Hannam, Butler, & Morris, 2014) and can create sustainable problems resulting from an excessive number of people on the move. VR may lead to preventing some of these movements in this sense and enables customers to have a virtual experience without being physically in the area (Ali, Maria, & Loureiro, 2020).

Research from (Li & Chen, 2019) shows that the expectations of tourists regarding VR apps and VR content have a distinct effect on travel intention. Therefore, intrinsic motivation plays a more important part in shaping the intention of tourists to travel. From the research, it results that VR may reduce the intention of tourists to travel when they do not have much-expected enjoyment of a destination. Yet VR is not a threat to the present tourism industry yet. Currently, VR experiences are far less than the realistic VR described by (Cheong, 1995), which could simulate ideal virtual experiences (for example, no crowding and comfortable temperatures). It remains unknown if VR will replace interpersonal and service experience during an actual tour. Besides, when used properly, VR remains an enticing and effective marketing tool for tourism administrations and businesses. The study result does not mean VR is an exclusive marketing tool for popular destinations. However, the tourist has the desired enjoyment of the destination can derive from many factors, such as popularity, resident interactivity, and unique ecology. All destinations could find a better approach to using VR as a marketing tool, rather than just using VR videos (Li & Chen, 2019).

Virtual reality could replace travel, too. While VR is likely to enhance the real travel experience, virtual reality holidays and business meetings may replace part of the travel market. People may prefer to spend holidays online in different locations with their friends, particularly if the costs are relatively small. Although video conferencing

[11] https://www.wearemarketing.com/it/

also offers an alternative to business travel, face-to-face meetings are still more highly valued, whether because of the body language dynamics in the meeting or because a lot of business is taking place in the corridors before or after the main meeting. Virtual reality will alter the dynamic, enabling participants to experience a day of meetings as if they were in the place itself (Mackie, 2016). Improved reality helps prospective visitors to "test" possible holiday destinations in advance and to choose those places that best meet the intrinsic and extrinsic expectations; (Sarbu & Dina, 2018).

3.5 The business of travel agencies

The travel agency industry has undergone substantial changes over the last two decades. The travel agency business is distinguished by the provision of holiday-related services such as ticket booking, transfer arrangement, hotel room booking and ground transportation arrangement, location selection, and reservation for MICE events. Travel agents' jobs as tourism product distributors are focused on a fee for each sale or transaction. Agents do not form part of the contract of sale, which is typically between the tour operator or manufacturer and the buyer. The role of travel agents in the channel of distribution is based on the products they sell and the services they offer to their customers as well as the agency's specialization. Specializing in a limited range of travel goods allows agents to develop expert knowledge of the commodity which is the primary source of their competitive advantage in the distribution chain (Industry, 2013).

In addition to traditional retail agents, new forms of intermediaries have joined the distribution system such as cyberdiaries, virtual travel agencies, and new e-Mediaries. Such new forms of intermediation are primarily related to the role of the intermediaries in the interactive, electronic world. Traditionally travel agencies have been called high street departments, or so-called off-line travel agencies. Yet more and more of the intermediation operations are being conducted electronically, digitally with the rise of the Internet.

These are the following important roles and responsibilities of a travel agent (Camilleri, 2018)

1. It works as a retailer and sells package tours on wholesaler's behalf. Selling package tours involves the commission rate fixed on the deal. To reach

bumper sales it requires horizontal integration. In terms of selling package tours in case of outbound tours and conducting sightseeing tours in case of inbound tours, it is an intermediary between tour operators and visitors. Travel agents also provide customers with facilities for the transition of destinations according to the tour itinerary.

2. It acts as a local agent to confirm and reconfirm the services the tour wholesalers reserve.
3. It sorts out issues according to tour wholesalers ' directions.
4. It favours becoming a member of such national bodies as TAAI and IATO.
5. It negotiates contract terms and conditions with main suppliers.
6. From time to time, it recruits a trained workforce.
7. It provides advanced technology for enterprise operations.
8. It subscribes to travel documentation for publications such as TIM.
9. It distributes the optimization work inside the office.
10. It receives input from customers and buyers it shares knowledge and information.

Table 3.1: Types and classification of travel agents (based on Buhalis & Laws 2001, 14-17)

Variable /classification criteria	types of travel agents	Description
Tourism flows: inbound and outbound	1) Outgoing TA 2) Incoming/handling TA	Outgoing TA: provide a convenient location for the purchase of travel. Offer expert product Knowledge. Provide ancillary services. Incoming TA: planning and execution of travel Packages at the

		destination level. Represent tour Operators. Supervise the delivery of local suppliers.
Business or leisure	1) Leisure T 2) Business TA /TMC 3) Combination	LTA: serve holidaymakers mainly with package tours BTA/TMC: arrange travel for business travelers and corporations, provide extra services such as reporting and travel management Combination: TAs that work with both holidaymakers and business travelers. Often-small independent TAs.
Level of specialization	1) Niche TA 2) Mass TA	Niche TA: usually small independent TAs specializing in certain products or certain suppliers. Compete based on expert product knowledge Mass TA: often big multinational TA offering Wide range of

		destinations and products, with a large supplier network. Compete based on economies of scale.
Geographical coverage	1) Multinational 2) National 3) Regional	Multinational /global: present in many countries, either through own outlets or partnerships National: TAs serving the needs of customers nationwide Regional: TAs specializing in certain geographical regions. Often combine also leisure and business services.
Number of outlets	1) Multiples 2) Mintiples 3) Independent TA	Multiples: nationwide TA owned by large travel Corporation. Often concentrate on package Holidays. Mintiples: TAs that focus on a particular region. Can offer also business travel services together

		With package tours sales. Independents: single outlet TAs, usually specialized in niche markets.
Business model	1) Offline/high street TA 2) Online 3) Combination	Offline TA: agencies operating through physical offices and face to face customer service Online: TA serving customers through the world wide web channels Combination: offline TA using web applications for bookings

3.6 Tourism Customer Behavior and Technology

For many tasks, consumers use technology such as information-searching, purchasing, sharing opinions and experiences, and entertainment. In product categories such as tourism, this widespread use of technology by an increasing number of consumers is perhaps more apparent (Buhalis & Law, 2008). Effective tourism marketing, therefore, requires a thorough understanding of how technology is evolving and thus shaping tourism customer behaviour. As technology's influence on tourism builds customer behaviour, researchers devote considerable attention to this rapidly changing area. Tourists can now use a range of technological outlets, social networking, and web-blogging sites, and micro-log / video sharing websites to access

travel information and share travel experience. As the amount of content in these outlets increases and the information display is creative and user-friendly, the dependence of tourists on online sources will probably increase. For example, one of the most important influences on tourist CB has developed into social media. It provides a platform for not only information sharing but also market tourism (Xiang & Gretzel, 2010).

In all phases of the holiday period, social media is used: before, during and after the journey (Cohen et al., 2014). ICTs and the improvement of the Internet have enabled new consumers to become well informed and seek a special value for money and time. ICTs offer several tools to facilitate and improve the information research process, the consumption of destinations/products, and the involvement of post-experience. Instead of relying on travel agencies to carry out this process, the customer searches for travel information, books air tickets online, bookings online, by different self-booking tools.

According to Eurobarometer studies (2012), 53% of Europeans booked a holiday on the internet, 49% of those who went on vacations, separately arranged their trip elements in 2011 instead of booking them in a kit. Besides, EU visitors are still depending on family and friend's advice on where to go. Word-of-mouth was more important than websites for 52% of EU passengers. Therefore, the internet is a key source of information that influences the image of a tourist destination that potential tourists will have (Govers, Go, and Kumar, 2007). Govers and Go (2003) reports that social networks can play a major role as an intra-tourist data source, both through photos, interaction, and web-based multimedia, enabling the creation of a stronger, lighter image. For this to happen, destinations must integrate all their processes and develop mechanisms to monitor customer reactions to stimuli and offer suggestions to employees and customers alike. In recent years, the internet has seen two "megatrends" that underline changes that could have a significant impact on the system of tourism. The use of the Internet by online travelers is becoming increasingly popular in so-called social media websites, reflecting various forms of consumption-generating content (CGC) such as forums, virtual communities, wikis, social networks, interactive tagging and image fires posted on websites such as YouTube and Flickr. Many of these social media websites help consumers to make their comments, views, and personal experiences related to tourism and to share them, which then serve as information for others. At the same time, the Internet

constantly mediatizes travel experiences, as visitors illustrate, revisit, and relive their trips on these social media sites. In comparison, the search has become an increasingly dominant mode for travelers to access the internet because of the vast amount of information available. As a result, search engines are a strong gateway to the travel information and a major marketing tool through which towns and tourism businesses can meet potential tourists and convince them (Vignali, Hallier, & Stanton, n.d.). The effects of ICT on the tourists can be classified into three types[12]

1. Time and cost savings required to retrieve the information. This impact unfolds in the higher speed of collecting and comparing existing alternative holidays directly on the On-line Travel Agency (OLTA) website or on a different search engine, resulting in greater tourist performance.
2. Reducing asymmetry in the information. The low-fare search engines, the official destination pages, the numerous websites used to gather and coordinate reviews and suggestions from previous tourists are all resources that minimize information asymmetry and encourage credibility in mechanisms of reputation building, signalling[13], and selection.
3. Greater opportunity of designing highly customized products. The Internet helps visitors to conveniently choose the most desired mix of facilities, thereby turning the holiday's self-organization into a more affordable price choice when it comes to purchasing a holiday package. It also helps tour operators to incorporate "just in time" development techniques, drawing on the unique needs of individual tourist, thereby allowing a greater share of the market surplus to be collected.

Many academics when considering tourism customer behaviour and technology they look at consumer adaption of various tech-related issues as CAWST, CASMT, and CAMIST, therefore, I will briefly look into them.

CAWST refers to “consumer adoption of Web-Based services in tourism” focuses on website attributes and personal features of tourism costumers. As essential web site attributes for online tourism transactions, consumers consider safety navigation and

[12] Candela, Guido, and Paolo Figini. "The economics of tourism destinations." *The economics of tourism destinations*. Springer, Berlin, Heidelberg, 2012. 73-130.

[13] If properly interpreted by the tourist reveals information about the quality of the product or service offered by tourism firms

data quality (Chung, Lee, Jae, & Koo, 2015). Website design attributes have had a positive impact on the mind-set of customers in terms of on-line purchasing of leisure goods. The information available on the internet, security and content-motivating visuals (Ryan & Rao, 2008) were factors of consumer adoption of a hotel reservation site. Incorporation of privacy protection on travel websites increases consumer awareness, decreases the privacy concerns of consumers, and thus affects their adoption (Hun & Cranage, 2011). Consumers are important personal characteristics for purchased online travel, emotional involvement, behaviours, creativity, and flow. Nonetheless, the confidence and experience in using these websites is primarily a factor that affects passengers of low-cost airlines buying tickets online (Escobar-rodríguez & Carvajal-trujillo, 2014).

CASMT refers to "consumer adoption of social media in tourism" influenced by pre, during, and after travel behaviours. The personal characteristics of users, source characteristics, and user elements also influence the use of social media content for the quest for travel information. Experienced, committed and creative customers are therefore more likely to use social media to search for information on travel (Ku, 2011). The creditworthiness of sources (expertise and reputation) becomes an important factor for content legitimacy in network members and outside networks (Ayeh, Au, & Law, 2013). Besides, new features of a travel blog effect are a novelty, understandability, and interesting elements that influence adaption (Chen, Shang, & Li, 2014). Online advice is more relevant than marketers-generated content, so the main impact of negative reviews is on consumers, especially when they are negatively evaluated (Sparks & Browning, 2011). **CAMIST** acronym per "consumer adoption of mobile information services in tourism" involves mobile devices. The perceived utility, ease of use and informativeness of mobile devices will make it possible for tourism users to continue to grow (Chang, Chou, Yeh, & Tseng, 2016), although such factors do not present an immediate threat to conventional personal computers (Okazaki & Hirose, 2009). Personal factors, travel, and technical experiences are crucial; frequent travelers, therefore, experience a higher CAMIST adoption rate (Kim, Park, & Morrison, 2008). Consumers are more pleased with more travel-related apps (No & Kim, 2014) and are, thus, more satisfying than the PC internet (Okazaki & Hirose, 2009).

3.7 Technology and travel agencies

The development of technology limits the market position of tourism companies. Nevertheless, the same technology may also in many ways be a strategic advantage for the tourism business. Reduction in cost and market segmentation. The OLTA will generate the information demanded at a cost far below the cost of self-production of the same information, but the generalized price reduction does not automatically mean a reduction in profitability. New marketing tools, tour operators, airline agencies, hotels, travel agencies can use the internet as another marketing tool, promotion and sales, using creative ways of selling tourism goods and services. With regard to the business strategy, especially marketing related, four main players can be identified[14]: (a) large multinational companies aiming at a dominant position on the market primarily through price competition strategies; (b) firms positioning themselves in the high-quality service segment; (c) firms positioning themselves as web portals, offering a wide range of products; (d) firms specializing in niche markets, or in specific type of service/offer.

Nowadays online travel agents can meet their customers' needs by increasing automated services while at the same time enabling greater freedom and greater access to several parts of the world. Some travel agencies are active on the internet as (a) Information Provider, if the site is mainly of information and communication, without any complexity in the updating of data and in the relationship with users; (b) Electronic Booking Service, if together with the services subpoint (a) options for direct reservation through the Internet are provided.

Technology provides the data needed to enhance the operations of agency managers, reduce costs, and increase revenues. Similar flight and hotel booking systems can be accessed via GDSs, high traffic web sites, and start-up agencies. This enables agencies to quickly filter out travel options for their customers; it also allows travelers to book themselves regardless of an agency. Customer service is increasingly easy, quicker, and cheaper. Social media is a technology tool that allows

[14] Candela, Guido, and Paolo Figini. *The economics of tourism destinations*. Springer, Berlin, Heidelberg, 2012. 73-130.

small people to handle large quantities of requests, send automatic notices to alert passengers with delays and time spent waiting, and share information on the industry.

Baggage tags are also included in the improved efficiency / data-tracking scheme. Baggage-based tags in technology have tracking systems that track the baggage and can send data in real-time via an SMS, email, or a special app. Gamification is not simply a new incentive program for cost reduction it is considered as another way to meet traveller demand for more optimized travel experiences is by gamification technology. The augmented reality is another interesting "experiential" technology. AR incorporates the physical and virtual world to change the way travelers view their journeys and extend them beyond them. The online data collection is helpful and a little weird, as one industry author noted, but it is also useful in enabling the travel agent to tailor the journey to the interest, comfort, and well-being of customers more effectively[15].

The travel sector moves fast from traffic designs to a web / mobile history where data are recorded, stored, and analysed for each traveller's specific needs. According to Amadeus, the future of the connected travel will be based on a combination of four s's structured data, speed, service, sage[16].

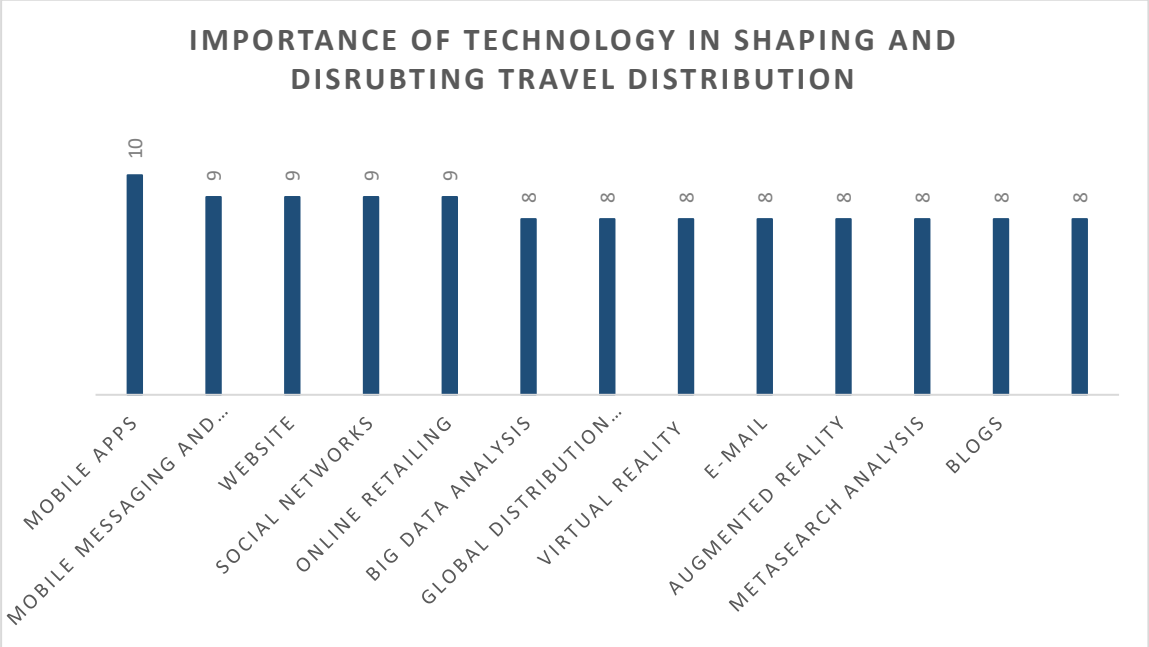
1. Structured data: not just data (video, voice...) from multiple sources around the globe (contents, transactions, social media, mobile devices, sensors), but also data to be properly structured and mixed for business purposes. The ability to manage non-structured information equally.
2. Speed: the meaning of the data in question must be in real-time. The speed with which the customer needs are important, from different points of view: instantaneous real-time data, immediate response, instant purchase, immediate social... all at once!
3. Service: a distinct strategic service orientation, from digital services to human services and economic value added behind the customer experience.

[15] http://www.tts.com/category/blog/
[16] https://amadeus.com/en/insights/themes/travel-industry-trends

4. Sage: deeper customer knowledge is critical to maximizing economic growth, profitability, and customer experience through analytics, customer predictive analytics, and product optimization solutions.

In a study conducted by (Mackie, 2016) the importance of technologies in shaping and disrupting travel and distribution was ranked by travel agencies.

Figure 3.2: The importance of different technologies in disrupting travel distribution (travel retail view)



Source: LSE[17] survey of 377 travel retail specialists, 2016

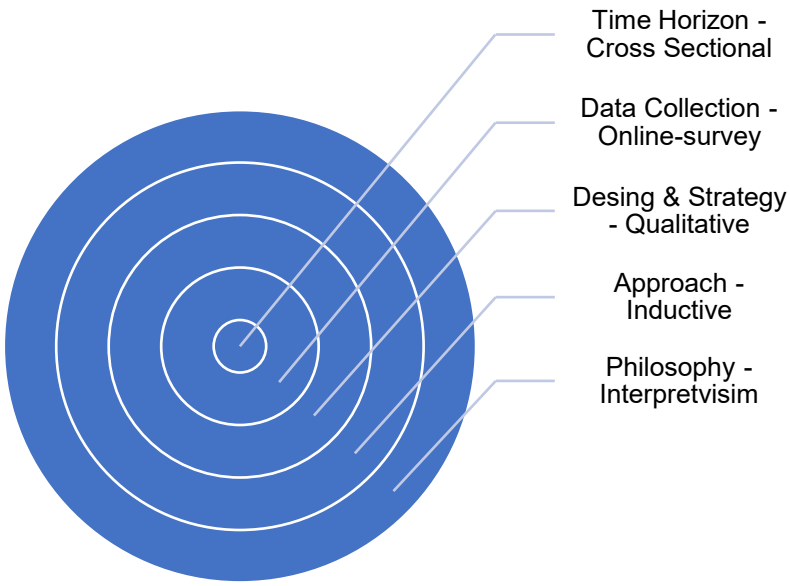
[17] The London School of Economics and Political Science

Chapter 4
Research Design

4.1 Research Methodology

There are various research approaches in the literature on research methods. In general, a distinction can be made between inductive and deductive (Walliman, n.d.). The two types of empirical research differ from each other. In deductive research, it is important to conclude a general statement to an individual case. Thus, an attempt is made to test a generally valid theory using a direct example. Inductive research is about making a general statement with the help of an individual case. This type of research attempts to derive conclusions from empirical data for the public (Empririo, 2018). For this study, an inductive approach is adopted aiming a general statement at the end about the future work of travel agencies considering customer behavior changes due to the technological effect. The research strategy is qualitative.

Figure 4.1: Research methodology plan



4.2 Data collection

For this study, two resources of data are used. The first data is extracted from primary studies. The data haul out from previous studies are for each study or paper

the publication details (e.g. authors, year, title, source, abstract, aims); context descriptions (e.g. subjects, technologies, industry, settings) by highlighting relevant data or key details and the main findings (e.g. results, behaviors, actions, phenomena, events, quotes). This data collection will help me to select a set of papers that are relevant to my research topic. My second source of data is the online survey. The type of survey will be cross-sectional, meaning the information from the respondents will be collected at a single period. The data collected is mainly qualitative. The number of respondents in the survey is 247. The type of questions used is demographic questions, open-ended questions, closed-ended questions, rating questions, and multiple-choice questions. The survey aims to understand whether the tourist customer is using travel agency services or it's self-organized while purchasing tourism products or services, are travel agencies still attractive to tourism customers? The survey was delivered by email to professors (from Albania, Italy, and Germany) and colleagues from my previous jobs, with a cover letter. The link was delivered online on social media Facebook, Twitter, Instagram including LinkedIn. On LinkedIn the survey was sent by email to each of my contacts 500+. The online survey was not open to everyone there were some restrictions. Individuals should be 18+ years old, as travel-related decisions are mostly made by adults.

The research sample is mainly focused on leisure travel activities, those people travelling for pleasure, holidays, and relaxation, excluding business travel. Business travel places a high premium in flexibility and comfort, leisure travel mostly focuses on budget and practicality of travel arrangements. The respondents must have made an online booking or travel agency booking in the last year. There was no geographical restriction, everyone can respond to the online survey.

4.3 Survey design

According to Joel R Evans and Anil Mathur (2005), online surveys can be administrated in a time-efficient manner, minimizing the period it takes to get a survey into the field and for data collection. Kannan cited in (Evans & Mathur, 2005) concludes that the speed and global reach of the internet allows real-time access for interactions with geographically diverse respondent groups and information servers. Online survey provides convenience in several ways. Respondents can answer at a convenient time for them. They may take as much time as they need to answer individual questions. Online surveys are ease for data entry and analysis, it is

relatively easy for the respondents to complete and for their responses to be tabulated and analyzed.
Control of answers order, an online survey can require the respondent to answer the question in the order intended as well as prohibit the respondent from looking ahead to later questions.
Required completion of answers online surveys can be constructed so that the respondent must answer a question before advancing to the next one. To eliminate item nonresponse and to throw out improperly answers all the questions were obligatory. Only the two last questions were not made obligatory to the respondent.
Type of online survey questions used for the research is as below:

1. Yes/No
2. Open-ended text questions (short text answer and long text answer)
3. Multiple choice selects 1 of n (select a single answer)
4. Multiple choice selects as many as k of n (select variable number of answers)
5. Likert questions (strongly agree to strongly disagree)

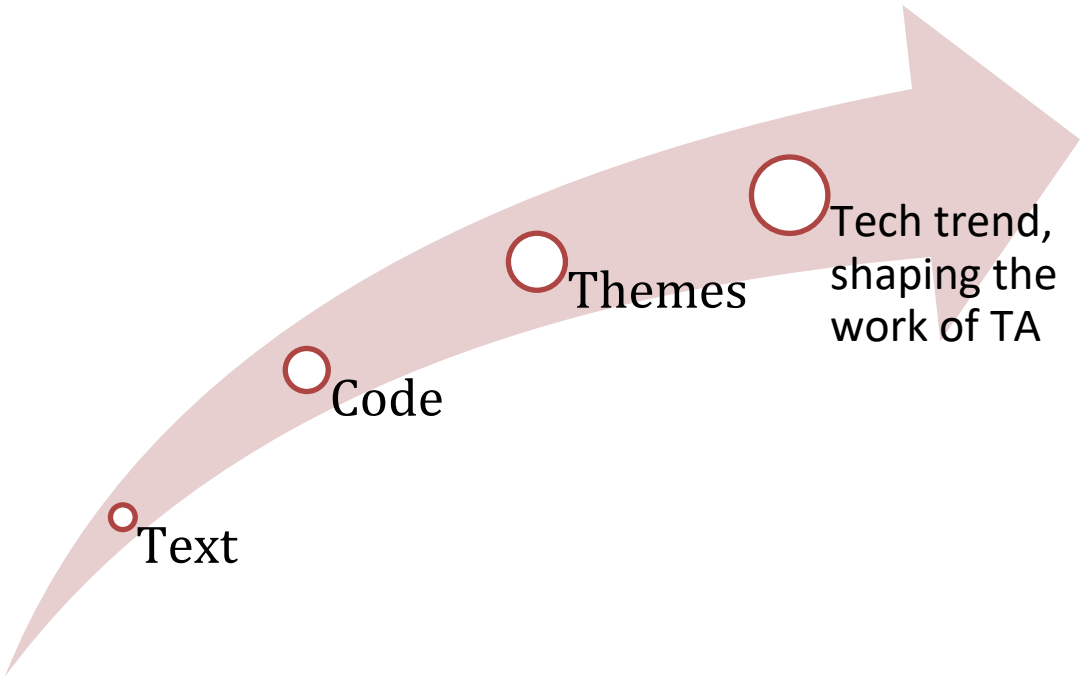
The survey was divided into three sections. Section A, demographic, collects background information from the respondents as gender, age, country of origin, and employment status because I wish to compare consumer behaviour across a broad spectrum in the analysis. Here the question used were open-ended questions (short text) and multiple-choice (select a single answer).
Section B attempts to determine the typical travel behaviour of the respondents focusing on the frequency of traveling, motivators, and possible preferences in terms of booking through a travel agency or internet usage. The type of question used in section B are multiple choice select as many as k of n (select variable number of answers), Yes/No, and multiple-choice select 1 of n (select a single answer).
Third section C is specifically focused on respondents motives making use of either the internet or travel agent by looking at the element considered to be important in the decision making process as determined from the literature: trust/risk, ease of use and technology adoption, price, time, reliability and complexity. The question type used in this section is useful in indicating levels of agreements and disagreements. A five-point Likert scale was used, with choice options ranging from, 1 strongly agree, to 5 strongly disagree. Two open questions (long text answer) and one Yes/No

question were part of this section.

4.4 Analysis

For analysing the data, a structured technique proposed by Cruzes is used (Cruzes & Dybå, 2011). It starts with an initial reading of data/text and from here identifies specific information segments of text and finally labels the segments of text by coding[18]. This will enable me to organize and group similar data into categories because they may share similar characteristics. The approach for coding is purely inductive. After that I will need to translate this coding into themes/sub-themes and then create a model of higher-order themes by exploring the relationship between the created themes.

Figure 4.2: Procedure of data analysis



Source: Cruzes and Dyba 2011

From the information gathered through the online survey, patterns can be listed, for example, travel agencies offer an inferior customer service. This statement can come from direct quotes of paraphrasing the same answers/opinions/ideas. The next step

[18] coding is the process of examining and organizing the data contained in each study

to thematic analysis is to identify all data that are related to the already classified patterns. All the information taken from the questionnaires that fit under the specific pattern is identified and placed with the corresponding pattern. The next step to the thematic analysis will be the one-off combining and cataloguing related patterns into sub-themes. The last thing to do is to identify data and themes that answer my research questions to build a valid argument. For doing this it will be necessary to review the related literature, and by referring to the literature it will allow me to gain more information to make inferences from the survey session.

Chapter 5
Research results and discussions

5.1 Demography

An illustration of the demographic background of respondents follows in table 5.1

Table 5.1: Respondents demography

Gender		**Education**	
Female	**56%**	**High school**	**13%**
Male	**44%**	**Bachelor's degree**	**32%**
		Master's degree	**49%**
		Ph.D.	**6%**
Age		**Employment**	
18-24	**37%**	Employed full time	56%
25-34	**55%**	Employed part-time	17%
35-44	**4%**	Seeking opportunities	17%
45-54	**3%**	Self-employed	1%
55+	**2%**	Students	9%

Origin: Albania, Italy, Germany, etc.

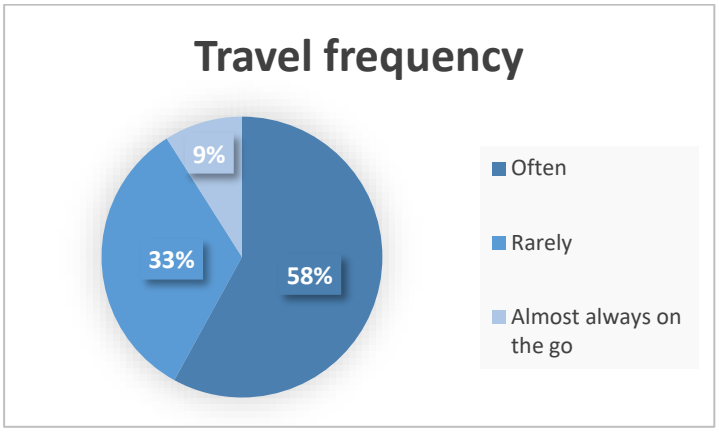
Forty-four percent of 247 respondents who took part in the study were males and 56 percent were females. The 18-24 population age accounted for 37% of participants aged 25-34, reflecting the maximum of 55%. Whereas the 35-44 age group comprised 4% of the participants and 3% comprised the 45-55 age group. Participants with + 55 years old showed the lowest turnout. The educational standard suggests a fairly high level of instruction. Participants account for 13 percent of high

school graduates. Most participants have a master's degree of 49% and a bachelor's degree of 32%. Doctoral students account for 6 percent of the participants. The majority of participants were paying employees who formed 73 percent of whom 55 percent were full-time employed and 18 percent were part-time employed. Few had mentioned becoming self-employed (1%) and retired (1%). Approximately 26 percent said they were unemployed looking for opportunities. As predicted, the majority of the participants were originally from Albania 52%, with Italians coming the seconds 12% and Germans third 8%, there were participants also from other countries worldwide 28% India, China, Vietnam, USA, African countries (Ghana, Kenya, Cameroon, Zimbabwe, Tanzania).

5.2 Travel Behavior

Section B 'Travel Behaviour' and section A 'Personal Details' of the survey emanated the findings of this section. The aim was to collect demographic details, assess travel routine, and direct questions related to travellers 'preference for the booking process. Respondents in Section B, when asking about travel frequency in general and travel intent, most travel regularly (58 percent, fig. 5.1), 41 percent travel for recreation 10 percent for business and 28 percent to visit family and friends (see figure 5.3).

Figure 5.1: Travel Frequency (n=247)



As in the above chapter I talk about WoM it was interesting for me to know whether participants were influenced by what their friends and relatives share on socials and it resulted that 62 percent of them are influenced by friends and relatives to travel more (figure 5.2).

Figure 5.2: Influenced to travel more by friends and relatives (n=247)

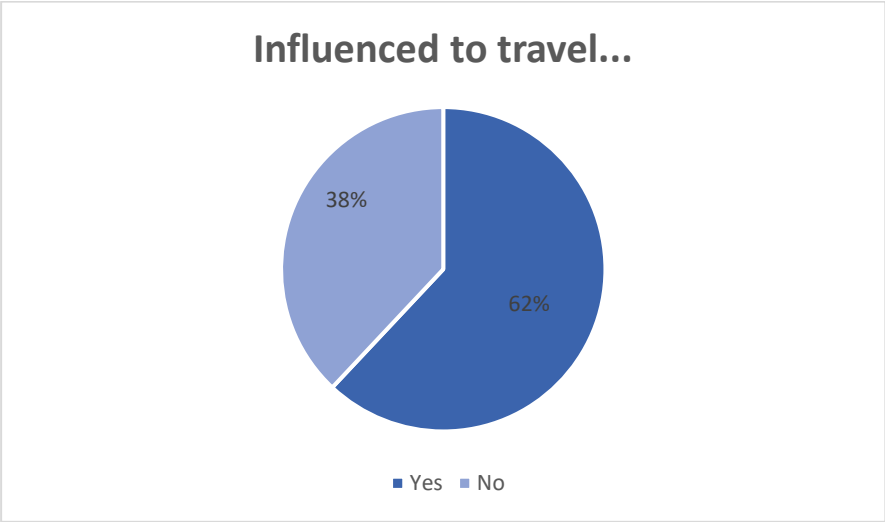
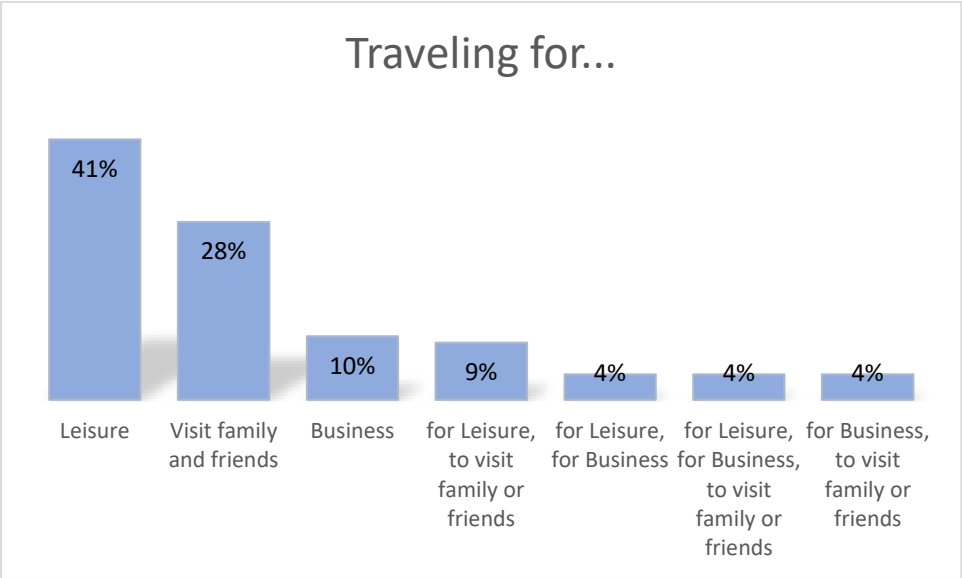
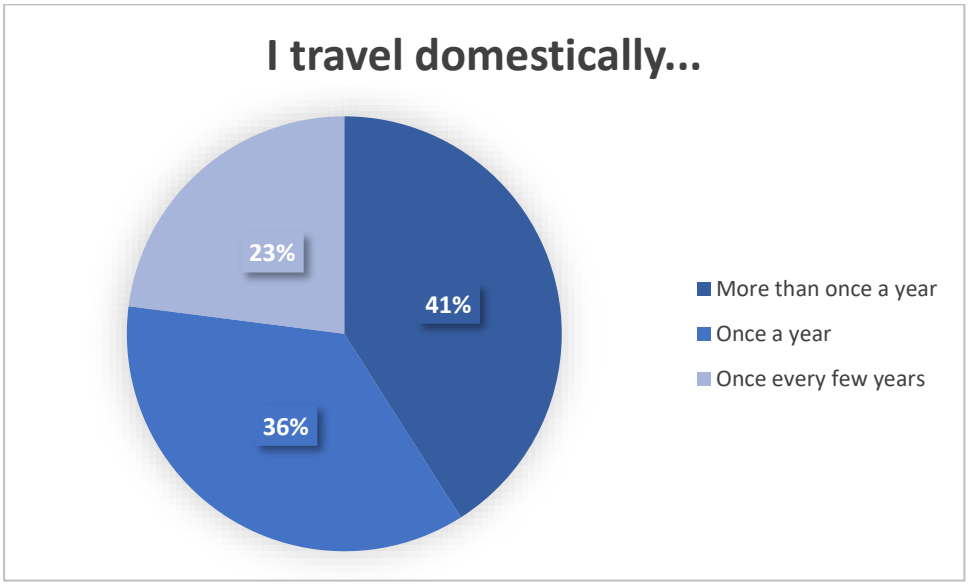


Figure 5.3: Motivation for traveling (n=247)



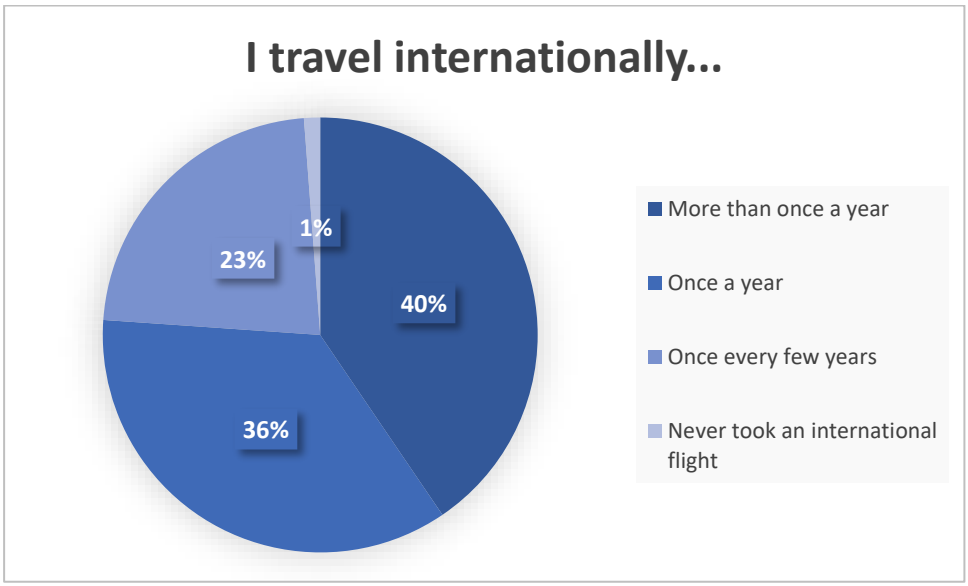
As you can see in figure 5.3, 41 percent of respondents travel for recreational purposes only, 28 percent travel for family and friends only, and 10 percent travel for business. Some of the respondents are traveling for more than one purpose, 9 percent are traveling for leisure and family and friends, 4 percent are traveling for both leisure and business, another 4 percent are traveling for leisure, work as well as family and friends, the last 4 percent are traveling for business and family visits. Many respondents travel domestically more than once a year 41 percent led by travellers indicating once a year 36 percent domestic travel and 23 percent indicated traveling once a couple of years.

Figure 5.4: Domestic Travel (n=247)



The majority of respondents indicated that they travel internationally more than once a year 40 % and 36% once a year (figure 5.5). A small percentage of travelers take an international vacation once every couple of years and 1 percent of respondents said they never took an international trip, the reasons given were lack of opportunity correlated with the person's income.

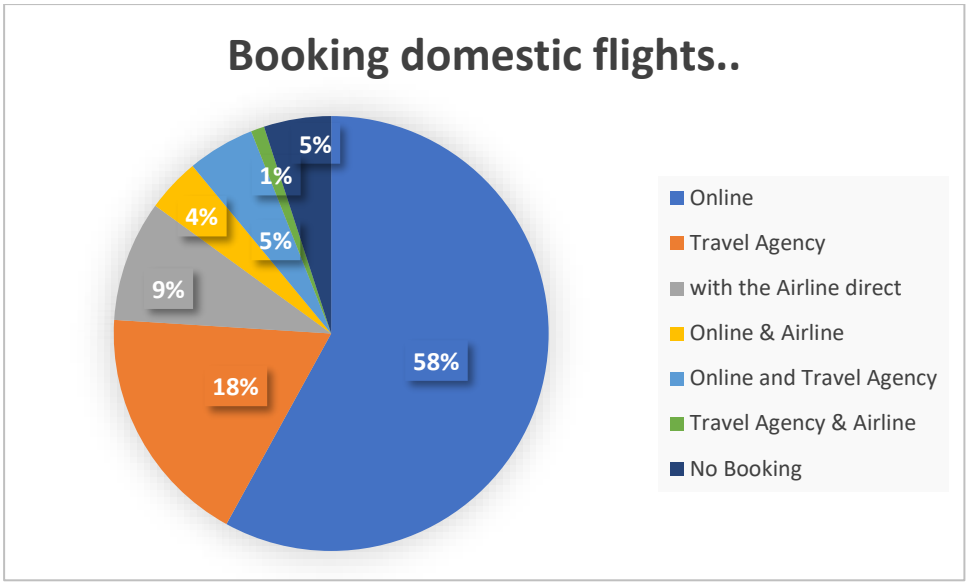
Figure 5.5: International travel (n=247)



A high percentage of participants reported that they book their domestic flight only online 58 percent, compared to a smaller percentage of respondents, with just 18 percent, booking only to travel agents. An even lower percentage of domestic flight is

booked with the airline directly just 9 percent. A smaller percentage (1 percent) of respondents book their domestic flights with a travel agency or directly with the airline, 5 percent said they use both internet and travel agents when booking a domestic flight, and 4 percent said they book online or directly with the airline. Although 5 percent are constraint to travel domestically by car or by public transport, as there are no domestic flights such as the case of Albania, there are no domestic flights in Albania (Figure 5.6).

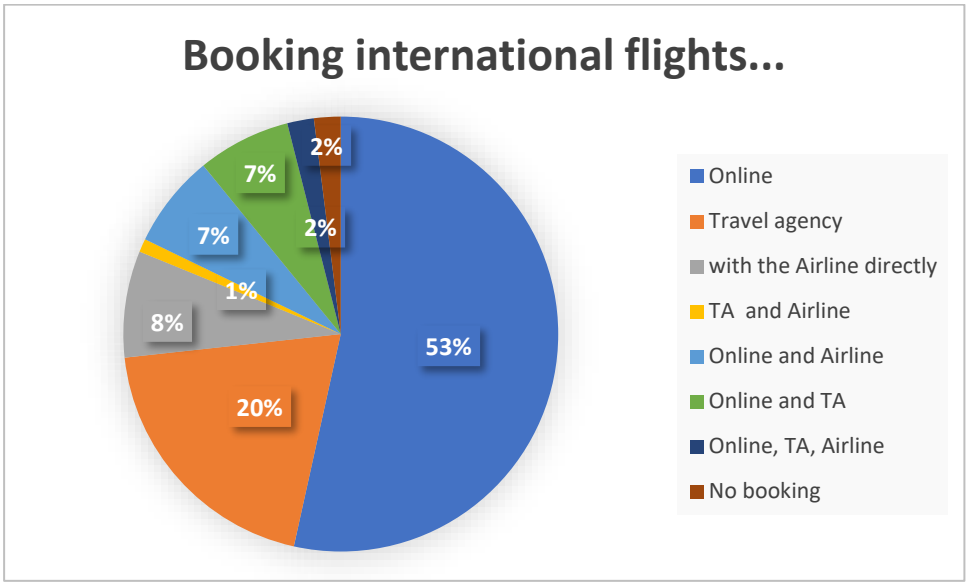
Figure 5.6: Booking domestic flights (n=247)



When it comes to international flight bookings, that are more difficult to book, it is surprising that most of the participants book only online 54% and 20% book their international flights only through a travel agent. A small percentage of respondents implied that they would only make a booking directly with the airline. Some respondents choose to use not just one reservation source, for example, 7 percent of the respondent's book online or directly with the airline, when booking international flights. The 2 percent 'no booking' represents those who have never been overseas traveling. The findings are as shown in figure 5.7 of the chart below. According to Trekksoft[19] report in 2018, 66,7 percent of bookings[20] were made online.

[19] https://www.trekksoft.com/it/risorse/ebooks/travel-trend-turismo-2019
[20] Over 1 million of booking 66.7% were made online

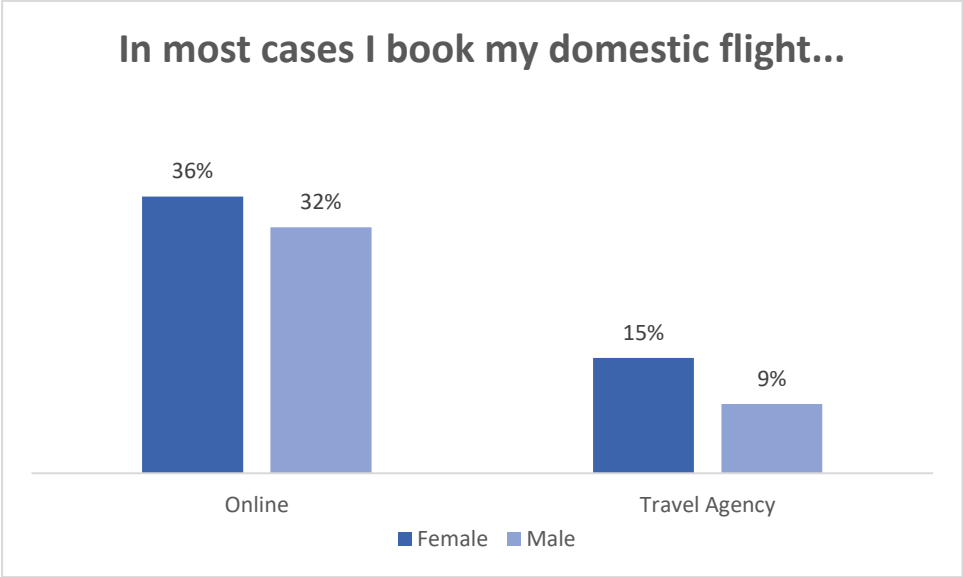
Figure 5.7: Booking international flights (n=247)



The role of gender in choosing between the Internet and Travel Agent.

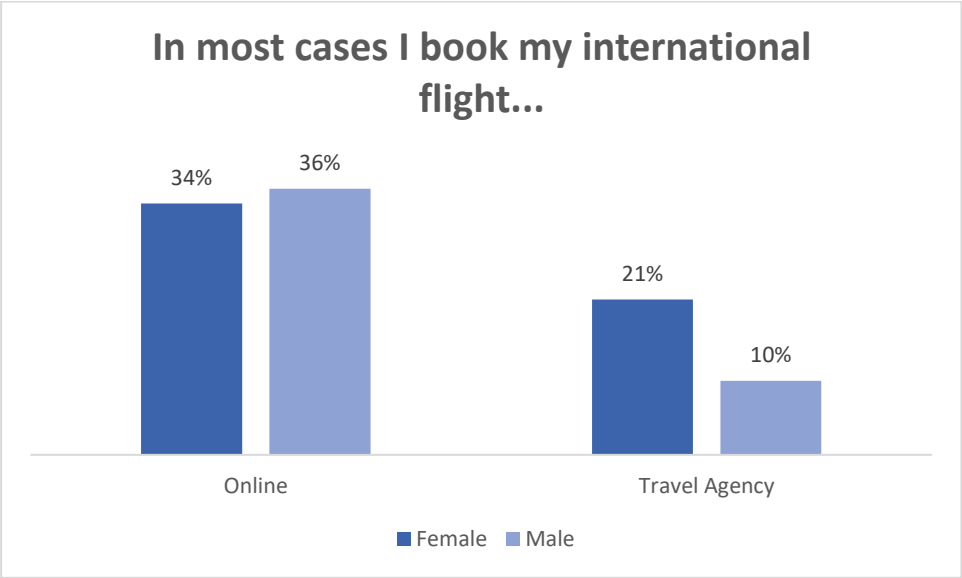
The implications of gender- decision are presented in figures 5.8 and 5.9. Most women choose to book online domestic flights 36%. Male respondents have shown a preference for online booking of 32 percent, domestic flights, compared to a 9 percent travel agent. Both males and females prefer to book domestic flights online when considering gender, and few prefer to book domestic flights via a travel agency (see figure 5.8).

Figure 5.8: Gender and booking domestic flights (n=247)



The result is significantly different between genders when considering bookings for foreign flights as opposed to a domestic flight. Many men tend to book 36 percent of international flights online and 34 percent of women. When comparing genders to booking at both domestic and foreign flights/holidays through a travel agent, more females will book via the agent.

Figure 5.9: Gender and booking international flights (n=247)



The role of age and employment status in choosing between Internet and travel agent

Looking at the respondents age group and their choice to book online or through a travel agent, it is clear that, irrespective of age, respondents tend to book their holidays/flight more online, rather than through a travel agent. About 26 percent of the 18-24 age group book their holidays/flights online and 9 percent book their holidays/flights via a travel agent while traveling domestically (see table 5.2). The figures do not fully reflect the group ages because there are respondents who choose to travel inside the country by car or public transport and some others have never travelled abroad. Table 5.3 offers insights into the age and job status of preference between TA and the internet. The number in the brackets represents the total number of the respondents that belong to that specific employment status and age group. In overall from table 5.3, the numbers of online booking from all group ages independently from their employment status are higher than booking through a

travel agent. From the age group 25-35, 85 respondents are full time employed, and 58 of them will book their domestic flight online and 23 will book through a travel agent, when looking at international booking the numbers are slightly higher 60 of them will book international flight online and 29 through a travel agency.

Table 5.2: Impact of age in choosing between Internet and Travel Agency

Impact of age on choosing between Internet and Travel Agency

Group Age	Booking Online		Booking through a Travel Agency	
	Domestically	Internationally	Domestically	Internationally
18-24	63	62	22	28
25-34	94	94	33	39
35-44	5	7	2	5
45-54	4	5	2	2
Above 55	2	3	1	1

Table 5.3: Booking preference, Insights on the age and employment status

Insights on age and employment status while booking holidays

Age Group & Employment Status	Booking Online		**Booking through a Travel Agency**	
	Domestically	Internationally	Domestically	Internationally
18-24				
Employed Full Time (35)	18	16	13	15
Employed Part Time (22)	15	15	8	8
Seeking Opportunities (20)	19	17	1	3
Students (16)	10	14	n.a	2
25-34				
Employed Full Time (85)	58	60	23	29
Employed Part Time (17)	11	10	4	3
Seeking Opportunities (23)	18	17	4	3
Students (7)	5	5	2	2
Self Employed (2)	2	2	n.a	1
35-44				
Employed Full Time (9)	5	7	2	5
45-54				
Employed Full Time (7)	4	5	2	2
Above 55				
Employed Full Time (1)	1	1	n.a	n.a

Employed Part Time (2)	1	1	1	1
Retired (1)	n.a	1	n.a	n.a

5.3 Third section analysis

Patterns were developed from the third section (statements). The first pattern of trust combines things related to security, reliability, and peace of mind when deciding between the travel agent and the internet. The second pattern convenience and acceptance of technology, tackles issues related to comfort and ease of making online travel bookings. These issues include concerns about the perception of booking engines to save time in searching for information, whether finding relevant information online is perceived to be easy. This also requires the travelers' freedom and trust in making their plans without the need for assistance from a travel agent. The third pattern is labeled best deals and prices, containing items related to the money value concept and finding the best deal.

Trust and deciding between booking online or through a travel agency.

This table shows the outcomes of agreements and disagreements with 6 separate statements related to pattern trust and how trust affects travellers' decision-making when choosing between the travel agent and the internet.

Table 5.4: Trust and deciding between booking online or through a travel agency

	Strongly Agree (%)	**Tend to Agree (%)**	**Tend to Disagree (%)**	**Strongly Disagree (%)**	**Not Applicable (%)**
Travel information obtained online, for example, visa requirement, or best time to visit a destination is trustworthy	20	30	12	7	30
Accidentally entering incorrect information makes me prefer dealing with a travel agent	9	17	20	24	30
I need expert advice in choosing, destination, hotel, the airline for my holidays	11	12	29	24	25

Travel agencies offer additional services such as assistance with visa, etc and prompt me to choose to deal with a Travel agent	14	22	14	16	34
I prefer booking with a travel agent – if something goes wrong there is a backup and assistance from the travel agent or agency support	14	19	23	21	24
Compared to the internet travel agents offers superior knowledge/expert advice	15	22	19	12	32

The majority of the respondents strongly agreed (15%) or tended to agree (22%) with the statement that travel agencies offer superior knowledge/ expert advice when compared to the internet. Some travelers need expert advice in choosing between hotels, airlines, destinations when having to make a booking and the ability of a travel agent to consult a customer in person could generate a relatively high level of trust in a travel agent in assisting to decide between options. The ability of a travel agent to offer a service such as assistance with visa application is an aspect related to trust and convenience. While 20% strongly agree and 30% tend to agree that the information obtained online for visa requirement is trustworthy and in theory because of the belief they won't need the travel agency help as the information can be found online still TA is convenient and 14% to 22% of the respondents are prompt to choose travel agents for the support with visa application, as we all know or may not the visa application process is often a nerve-racking experience, the trust and the knowledge of a travel agent in dealing with visa applications can convert a possible online customer to booking through a travel agent. Backup assistance for any travel emergency, cancelled, delayed flights, etc. is also an important factor when choosing to book online or through a travel agency, but this factor won't prompt travelers to deal with a travel agency as 21% strongly disagreed and 23% tended to disagree to the statement ''I prefer booking with a travel agent – if something goes wrong there is a backup and assistance from the travel agent or agency support'. Nowadays if there is an emergency with a flight booked, cancelled or delayed the matter can be solved online, by calling the client service of the airline or company, call centres, with

some airlines it is possible to have a WhatsApp chat and travelers don't see travel agents indispensable to them in this cases.

Internet is the first resource of information for everyone, also as for the TC, more than 78% of the respondent acquire travel information online, 30% will ask a friend or relative who has been in the destination before and only 22 % will acquire information from a travel agency.

Figure 5.10: Sources of acquiring travel information

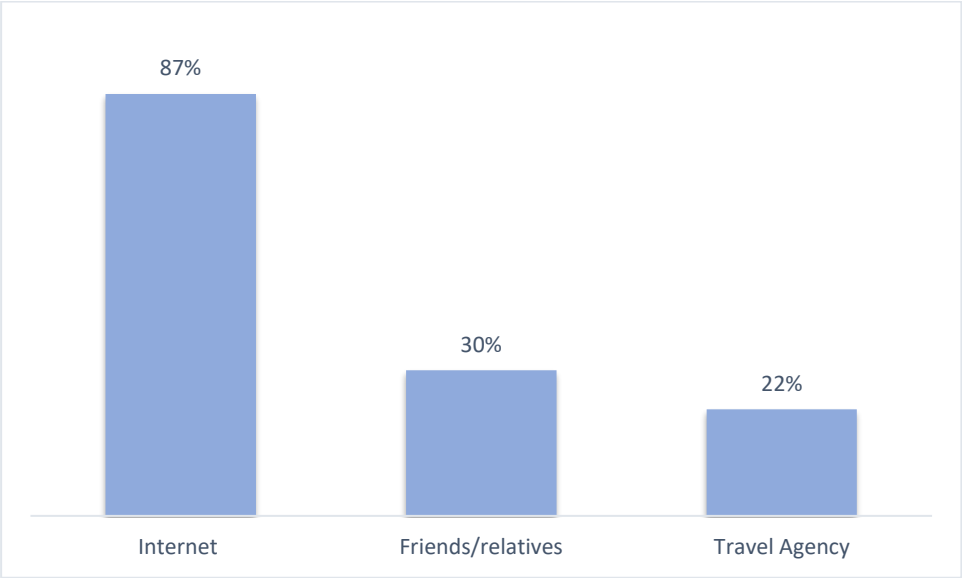


Figure 5.11: Perception of travel information obtained online (n=247)

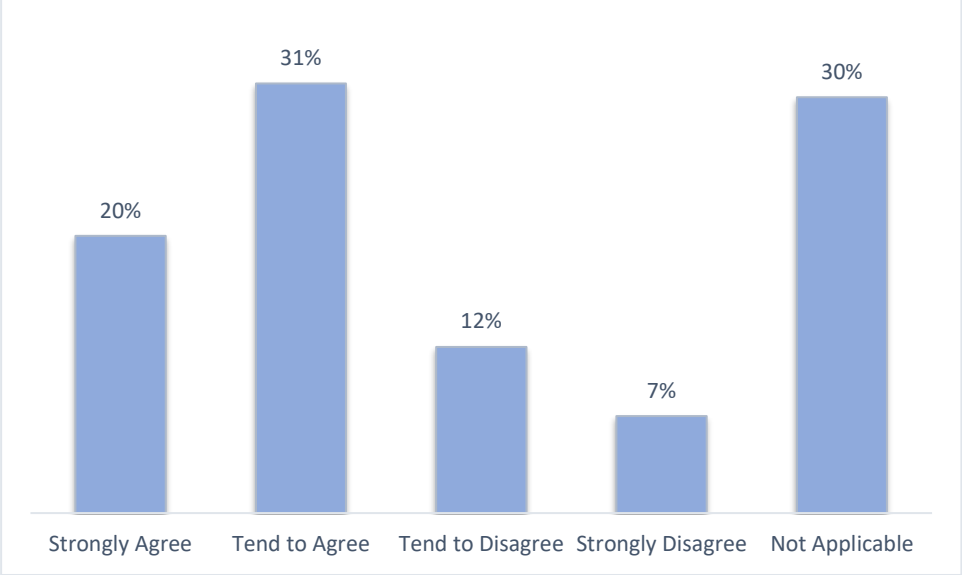
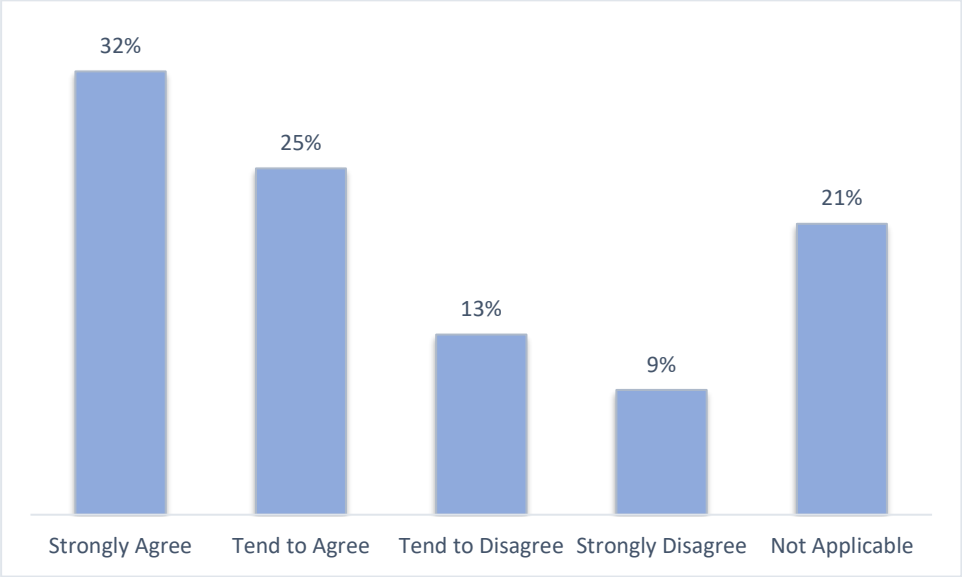


Fig. 5.11 indicates that most of the respondents agree with the statement that travel

information obtained online is trustworthy and looking at the results of the statement ‘‘I prefer booking with a travel agent – if something goes wrong there is a backup and assistance from the travel agent or agency support’’ which scores relatively low compared to the above statement with only 14% strongly agree, by summarizing the two statements the travelers trust the travel information provided online and do not hesitated to make actual online bookings. The statistic below highlights the fact that travelers do not hesitate to carry out online reservations.

Figure 5.12: Trust in online bookings



Convenience and technology adoption and its role in travel decision making

Thirty years ago, booking your trip online was technically unimaginable, although it's a normal happening today. Both online vendors and travel agencies are trying to provide the most efficient and technologically advanced travel booking system to travellers.

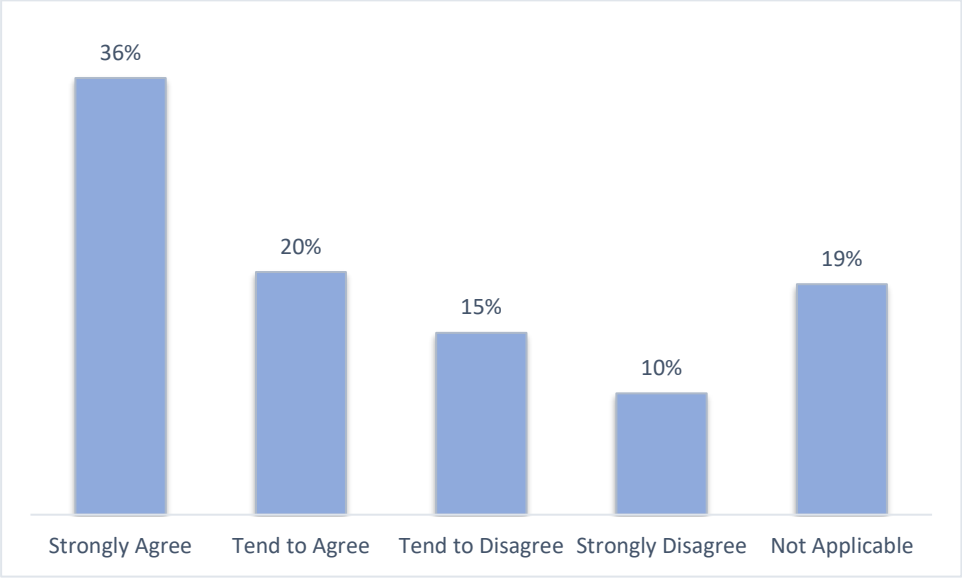
Table 5.5: Convenience and adoption of technology in choosing between the travel agency and the internet

	Strongly Agree (%)	**Tend to Agree (%)**	**Tend to Disagree (%)**	**Strongly Disagree (%)**	**Not Applicable (%)**
Finding specific travel information online is easy	32	21	16	13	18

Online booking saves me time	43	19	12	13	14
Booking international flights online it's complicated therefore I prefer to book international flights through a travel agent	11	14	19	33	23
Perceived risk negatively influences me to book online, therefore, I prefer to book through a travel agent	9	15	26	26	24
I don't need a travel agent help I can arrange my trips online	36	20	15	10	19
I prefer doing travel research online and booking through a travel agent	14	14	24	28	20
Making changes to booking online it's easy	17	24	19	10	30

A large percentage of the respondents (43%) agreed that online booking saves them time also a 32% strongly agree and 21% tend to agree with the statement that it is easy to find accurate travel information online. The combination of the internet being able to save time in terms of searching travel information and in terms of online booking leads to more travellers using the internet to make their bookings and do not book through a travel agency. In principal booking international flights online is complicated for the travel customer to do particularly when it is an intercontinental flight having multiple transits but surprisingly or not when asked in the statement ‘‘*Booking international flights online it's complicated therefore I prefer to book international flights via a travel agent*’’ 33% of the respondents strongly disagreed and 20% tended to disagree. Online changes to a booked flight, holiday, or accommodation it results to be relatively easy and not difficult for the majority of the respondents. The fact that more than 36% of the respondents can arrange their trips online without the help of a travel agent can also show their level of technology adoption and how easy it is for them to use the internet to arrange independently their trips figure 5.13.

Figure 5.13: Able to arrange online trips without the help of a TA



Another important factor to consider while booking online is the perceived risk in using online booking systems and transaction security. Twenty-six percent of the respondents strongly disagreed and 26% tend to disagree with the statement that the perceived risk negatively influences them to book online and therefore to book through a travel agency.

Best deal and price, their role in travel decision making

Technology enables travelers to roam around comparing prices and shop with ease. Price is an essential aspect while making travel decisions, and, as mentioned in chapter 3, travel agents charge a commission from 10 to 20% depending on the agency above the real price of the flight or the full trip booked at a TA. Sometimes travel agencies can offer a more convenient price than online.

Table 5.6: Best deals and prices, their role in travel decision making

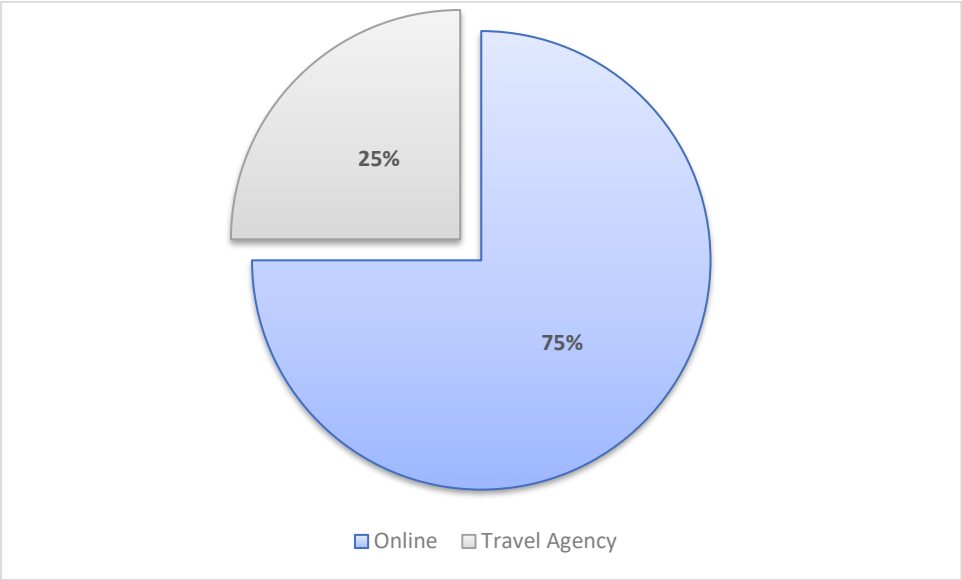
	Strongly Agree (%)	**Tend to Agree (%)**	**Tend to Disagree (%)**	**Strongly Disagree (%)**	**Not Applicable (%)**
The internet is cheaper than travel agencies	37	19	10	14	20
I compare prices of travel agencies and online companies offer and book	26	15	15	17	26

where it is cheaper

The percentage of the respondents in strong agreement (26%) with the statement ‘‘I compare prices of travel agencies and online companies offer and book where it is cheaper’’ is a little lower than the predicted. This can also be related to the wealth of the respondents and to time saving as comparing prices between different platforms and different travel agencies is time consuming. Travelers, but not only, are price sensitive and technology makes it possible for travelers to perform researches in their query for the cheapest option. A large percentage (37%) of respondents strongly agree that the internet is cheaper.

A customer perception and behaviour have changed if years ago we had more personal contact, and human interaction while purchasing a service or tourism product, nowadays we are more connected to the virtual world, we are connected 24/24 online on the internet and as for 75% of the respondents prefer to book and arrange their trips online while 25% would prefer to have a travel agent arranging trips for them. In 2018, 82% of sales in Travel and Tourism were made without human interaction and only 18% of sales was made with human interaction[21].

Figure 5.14: Booking preference, online or travel agency



[21] https://www.trekksoft.com/it/risorse/ebooks/travel-trend-turismo-2019

At the end of the survey two open questions were included. Every respondent was invited to answer to the questions which were not obligatory. They were related to bad booking experience online and through a travel agency. When talking about bad experiences in online booking most of the respondents stated to have never had a bad experience while booking online, while others indicate to have had payments problem as some airline companies do not accept all card types. Another listed problem is related to changed, date or hour of an already booked flight, the traveller was notified just a few hours before the trip and had to rush. Some will claim the customer support of some airlines, as not good and helpful. I always organize my trips and always do that online, but only once I had a 'bad experience' with online booking. I was booking a flight back to Albania from Ancona, Italy and instead of booking from Ancona to Tirana I had booked from Tirana to Ancona, that was my fault as I was not cautious, but what got me wrecking my nerves is the fact that all that the airline company could do for me was factually nothing. This happened because the website/structure of the airline company was changed, and I was doing the whole procedure having in mind the old website/structure and hadn't realized it until I went to the airport.

Bad experiences booking through a travel agency based on the information collected from the respondents are even more serious than those of online booking. Categorized into three groups fraud, doubting their expertise, and overpriced services. Bad experiences related to fraud, agencies ripping off money to clients who ask to add extra luggage and not adding it or even worse taking money for a ticked not booked and giving to the customer a fake ticket. But I believe these two cases are not common. The experience and the competence of a tour operator are being called into question, most travel companies do not comply with consumer standards and others have no professional behaviour and value the consumer.

5.4 Technology development that will shape the future of travel agency work

Megatrends shaping the future of the travel and tourism industry were identified, and a major focus was given to technological development. And here are some technology trends that will change the future work of travel agencies. From the result of the survey, we saw that most of the respondents prefer to book online rather than with a travel agency, meaning that travel agencies are being misplaced. Travel

agencies should get the advantage of the internet and technology to have these trends by their sides and not having tech trends to reduce their work or even shut down at a fast pace and the reason is being irrelevant to the market that is in; a market whose consumer relies heavily on tech. Here are some tech trends that are changing the work of travel agencies and keep them still competitive in the market.

1. **Internet of Things** has the potentials to have a huge impact on travel agencies, automating processes without any human to human interaction, and without a human to human interaction, there will not be offline travel agencies. Travel agencies can use the IoT to create personalized travel packages as per the needs of the TC. IoT applications can help the travel agencies to give to their client's real-time information of any service and product they have purchased with the agency, for instance sending notifications to the client to remind them the date when they are traveling, the time they need to be at the boarding pass or getting directions to the gate, and the hotel booked for them. Due to the availability of relevant data IoT will help to serve the TC in a better way. Knowledge of customer likings and dislikings can help the travel agencies to provide their clients with outstanding service, it will be easy for them to please each client leading to loyalty. Future IoT will bring more disruptions in the work of travel agencies, so the TA needs to incorporate IoT into their current initiatives to leverage the benefit of future innovations when they will arrive.

2. **Recognition technology,** I would say recognition technology is fascinating, this technology enables us biometric payments (fingerprint payment is the most common biometric payment) such payment method could be applied also to travel agencies to facilitate the payment process to the clients. Recognition is already being used in some hotels to allow access to rooms via fingerprints. Travel agencies can use recognition technology to recognize their clients as soon as they enter the agency and the travel agent can have a quick insight into travel behaviors of the client from previous purchases with the agency. So, the travel agent will know with what type of TC he has to deal with, business, leisure, etc.

3. **Virtual Reality (VR) and Augmented Reality (AR), VR has** exploded in recent years, and it is already replacing traveling for business. VR is one of the most promising tech trends for travel agencies, it will allow them to digitally transport customers to a virtual recreation of a specific destination or place. The virtual travel experience will lower the uncertainty of the TC for unknown destinations and will prompt sales of the travel agency. TA can greatly enhance the customer experience with AR through graphical overlays, providing customers with valuable information for a holiday package. Details about the destination, hotels, what is included or not in the package can be displayed as a customer points their smartphone to them.

4. **Big data** can be very useful for big travel agencies. Big data can be used to maximize financial results, travel agencies by using big data can be able to sell the right tourism product to the right TC and at the right moment. In particular internal data like past sales per season, or past tourism product bought per TC, and present sold travel products can be combined with external data such as events (cultural events, sports events, etc.), flights, school holidays to predict the demand more accurately. Big data will allow travel agencies to take more evidence-driven decisions, optimize pricing strategies, target marketing more precisely, and improve the customer experience.

These tech trends will also require a more specialized and skilled travel agent, so it is necessary to afront technological trends and be prepared for the change to train the staff of the travel agency.

Chapter 6

Conclusion

In conclusion, today, the tourism customer has more straightforward and comparable details on where to go, where to stay and where to eat at their fingerprints thanks to technological developments. Visitors can access travel information and exchange experiences through a broad variety of technological/travel platforms, social networking, and online blogging platforms and web pages for micro logging/video sharing, etc. Therefore 87% of the tourism customers access travel information online and a few of them 22% will obtain travel information through a travel agency. Social networking motivates people to travel more, around 62% of the respondents stated to be influenced by eWoM to more traveling. In the Travel and Tourism industry, the advent of digital channels squeezes traditional travel agency's profit margins. 75% of the respondents indicated that they prefer to arrange and book their trips online and only 25% prefer to book through a travel agency. The four-tech trend that will change how travel agencies work is AR, VR, Big Data, Recognition technology, and the Internet of Things will.

To confront future challenges travel agencies should emphasize future proofing and anticipating how enabling technologies will unlock new opportunities and pose challenges to their work. What I also suggest to travelers is to boost enforcement so that they can be more creative and adaptive to rapid change in technology. Future tech development will be harsher in small travel agencies, by affiliation or integration to big travel agencies they could survive.

The findings of this study must be seen in the light of some limitations, first, the sample size of the study is relatively small, and the result may vary from large data sizes. Sample profile (age) could be considered as a limitation when analysing the data collected from the online survey, not enough representatives per each age group to better analyse the differences of travel behaviour between age groups, the above 55 represented only 1.6% of the participants, that’s way to less to make a comparison with other age groups.

When I first saw how the online survey was going, I thought of delivering the survey in hard copies, commuting around Ancona where I currently live and selecting random people to answer the survey question. After all of Italy had been quarantined, it became impossible for me to put the idea into effect.

Access to data was a barrier, I could not always go through all the materials. I could not get all the data I needed in the travel and tourism industry to examine the megatrend technology, as there were books and articles that I could only read if they were paid for.

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Appendix

Cover letter

Dear respondent

The aim of this survey is to understand the attitude of people to make travel decisions through a Travel agency or via the internet by booking directly on the website of the suppliers, or perhaps both. Survey information will help travel agencies and web administrators and advertisers to better understand the traveller's decision-making behaviour. Please assist me Xheni Topi by filling out this questionnaire. I am pursuing my master's degree in International Economics and Commerce at the Polytechnic University of Ancona; Italy, and I'm writing my master thesis on a joint supervision with the Hochschule Heilbronn, University of Applied Science in Germany.

I invite you to complete the questionnaire if you have ever booked a tourism service online (flight, hotel, package of holidays, etc.) domestically or internationally and have been online in past years and you are more than 18. It will take you about 5-10 minutes to complete. The information collected from the online survey is processed in strict trust and only for purposes of study. In your honest opinion, I am counting.

Please contact me by this email address, xhenitopi11@gmail.com, if you have any questions on the study.

Sincerely,
Xheni Topi

Online survey questions

First-part: Personal information

Deals with gathering background information from the respondents with the aim of analysing the information collected in part 2 and 3 according to the different characteristics of tourists.

1. What gender do you identify as?
   A. Male
   B. Female
   C._____ short answer space
2. What is your age?
   A. 15-24
   B. 25-34
   C. 35-44
   D. 45-54 and
   E. above 55.
3. Where are you from?
   _____short answer space
4. What is the highest education level you have completed?
   A. High school
   B. Bachelor's degree
   C. Masters
   D. PhD. or higher
5. What is your current employment status?
   A. Employed full time
   B. Employed part-time
   C. Seeking opportunities
   D. Other (please specify)

Second part: Travel behaviour

This part is related to typical travel behaviour

1. I travel __ i) often, ii) rarely, iii) almost always on the go
2. I mostly travel ____ i) for Leisure, ii) for Business, iii) to visit family or friends
3. My friends and relatives influence me to travel more__ i) Yes ii) No
4. I travel for domestically ___ i) once every few years, ii) once per year, iii) more than once a year
5. In most cases I book my domestic flight___ i) Online, ii) Through a travel agent, iii) with the airline direct, N.A
6. I travel internationally ____ i) once every few years, ii) once per year, iii) more than once a year
7. In most cases I book my international flight___ i) Online, ii) Through a travel agent, iii) with the airline direct, N.A
8. Where do you find information about your travel?
   i) Internet, social media, ii) by asking friends that have been at the location before or that have used the same service (airline, hotel…), iii) travel agency.

Third part: Choosing between the travel agent and internet

Here the respondent is asked to show the level of agreement with each of the bellowing statements (from strong agreement 1 to strong disagreement 5)

Statements	*Level of Agreement*				
I trust making travel booking online	1	2	3	4	5
Travel information obtained online, for example visa requirement, or best time to visit a destination is trustworthy	1	2	3	4	5
Accidentally entering incorrect information makes me prefer dealing with a travel agent	1	2	3	4	5
Finding specific travel information online is easy	1	2	3	4	5
Making changes to a booking online its easy	1	2	3	4	5
I need expert advice in choosing, destination, hotel, airline for my holidays	1	2	3	4	5

The internet is cheaper than travel agencies	1	2	3	4	5
I compare prices of travel agencies and online companies offer and book where it is cheaper	1	2	3	4	5
I prefer doing travel research online and booking through a travel agent	1	2	3	4	5
I prefer to acquire idea from a travel agent and booking online	1	2	3	4	5
I don't need a travel agent help I can arrange my own trips online	1	2	3	4	5
Travel agent offer additional services such as assistance with visa, etc and prompts me to choose dealing with Travel agent	1	2	3	4	5
Booking online saves me time	1	2	3	4	5
I prefer booking with a travel agent – if something goes wrong there is a backup and assistance from the travel agent or agency support	1	2	3	4	5
Booking international flights online its complicated therefor I prefer to book international flight through a travel agent	1	2	3	4	5
Compared to the internet travel agents offers superior knowledge / expert advice	1	2	3	4	5
Perceived risk negatively influences me to book online, therefore, I prefer to book through a travel agent	1	2	3	4	5
In overall I prefer to book	Online		Through a travel agency		

Open Questions

Have you ever had a bad online booking experience? If yes, please share.

Have you ever had a bad booking experience through a travel agent? If yes, please share.