E-Tourism and the Competitiveness of Tourism Products in the Context of the Global Tourism and Travel Industry Market

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Abstract

In the global context of information and communications technology development, the tourism industry is changing more and more as consumers tend to be more attracted to this issue as a result of technology facilities. For economic agents in the tourism sector, technological progress brings benefits related to the efficiency of the activity and the increase of the incomes. Companies need to learn to think globally to thrive or at least survive. This new need of the modern man to become global has materialized in today's tourism. Tourism is the massive factor of today's changes and it can be considered as the most visible expression of globalization. The purpose of this paper is to explore the influence of e-tourism on the competitiveness of tourism products in the context of the global tourism. The study is based on literature review and the main findings are that innovation represents an important aspect in tourism and information technology develops a new range of opportunities and dangers for the organizations that are part of the travel industry.

Keywords: *E-tourism, travel industry, global tourism, hospitality business, globalization.*

1. Introduction

Globalization is one of the most important factors that drives change in global society at all levels. Implicitly, the influence of this phenomenon on the tourism industry is undeniable, leading to an unprecedented development of this economic sector, under completely new conditions. In the context of globalization, the main players in the tourism and hospitality industry need to make many changes and generate continuous technological innovation in products, processes, knowledge, to become competitive and to maintain their status competitiveness on the tourism market. On the way to performance, travel organizers need to adopt a global mentality and take account of existing competition on the international market.

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The spread of the market economy leads to a homogenization of forms of tourism and the quality of services. The only elements of differentiation are given by the qualitative and quantitative value of the tourism resources, by the tourist facilities and facilities, by the way the tourist programs are being developed. What needs to be further explored is the social implications of globalization, in order to avoid the spread of marginalized human groups, whereby a significant number of tourists can be lost. The ever more dynamic use of resources provided by nature has limited the regeneration conditions of others and has irreversibly destroyed many special natural landscapes. These changes leave deep traces in the national tourism sectors, but also in international tourism. The specific features of tourist products, particularly intangibility, determine certain features of their creation, distribution and sale processes, which become extremely complex.

Information technology, communications and Internet development processes in particular have revolutionized the entire tourism industry, generating new business models, changing the production structure and distribution channels specific to tourism, particularly influencing package service providers, destinations and stakeholders. Although the traditional methods of creating, selling and marketing tourism products, represented in particular by classical tourism agencies, still play an important role for industry, attention is now being directed to the online environment and how it can determine the optimization of the whole process. The development of search engines, data support capability and workflow in computer networks have influenced the number of travelers around the world, using new technologies to plan and experience their travels. There is an increasing interest regarding the promotion of travel destinations through social networking sites: Facebook, Twitter, fast access to online booking systems: booking.com, hotels.com, quick check-in/check-out through mobile phones connected to the Internet, as well as multiple payment facilities (banking).

Globalization is characterized by consumerism and the growing need for tourism services. Tourism is not just selling relaxation, tourism sells the experience or the commercial vision of destinations, traditions, which undergo changes to meet the wishes, dreams and stereotypes of tourists. Airline companies, hotels, destinations promise unforgettable experiences through all the experiences they offer. The hotel is no longer just the place for overnight stays, the hotel can be a reason for travel itself. The market niches of tourism are becoming more and more specialized, segmentation of clientele increasingly carefully selected, customized on profiles developed according to numerous criteria. The constant of the current tourism is represented by the attribute of change: a permanent transformation of the domain, combining new and new forms and methods of development.

2. Trends in tourism in the conditions of globalization

The evolution of tourism, as well as international tourism, is characterized, at the global level, by a tendency for growth due to the influence of economic, demographic, political and social factors. International tourism has the most

significant growth due to people's desire to visit other countries, to know other civilizations, habits, but also due to the technical progress in the field of transport, which allows faster and more comfortable journeys over longer distances. What is important to emphasize is that successful destinations have benefited from popularity through the media, including the Internet, and the benefits of e-commerce. The possibility to see details of these destinations from the comfort of your own home, office or public place with wireless Internet, to book a vacation without necessarily visiting a travel agency, is becoming more and more appealing to tourism consumers. Destinations offering such facilities have much greater chances to become visible to prospective customers.

Knowing the trends that characterize tourism today is a necessity, and the supervision of competitors is no longer a novelty (Mooney & Evans, 2007). Any government adopting a tourism policy and any company wishing to operate on the international tourism market must take into account the main trends that characterize this industry (OECD, 2010), namely:

- Competition between destinations has become increasingly stronger and therefore every country needs to know its potential customers very well and strategically position its resources for success to belong to those who know how to capitalize on the competitive advantages they have.
- Competition between producers and distributors of tourist products is also fierce and is often highlighted in terms of the rates charged and the desire of companies to satisfy as many customers as possible.
- The number of multinationals in the tourism industry is rising, as well as their financial strength.
- The distribution and marketing of tourism products is strongly influenced by the development of new information and communication technologies.
- Developing new forms of tourism: agrotourism, ecotourism, community tourism, adventure tourism, religious tourism, etc. has led increasingly more lucrative and non-lucrative organizations to launch awareness-raising campaigns to guide consumers towards sustainable and responsible tourism.
- Organizational structures at local, national and international levels have evolved in recent years, with the current trend being decentralization of authority and separation of roles in the organization of tourism. Public-private partnership has also proven to be a solution to managing certain tourism development projects, funding promotional campaigns, etc.
- The need to satisfy the internal clients (employees) has led to the emergence of innovative techniques in human resource management.
- At the same time, in order to adapt to the transformations imposed by globalization, big companies are forced to change their organizational behavior and to innovate.

In terms of customer growth, we can say that one of the most important demographic trends that has already begun to manifest itself in Western Europe and North America, but which is still at the beginning, is the aging of the population. It is

about the generation that has now reached or is approaching the retirement age, has free time to travel, has over-average income and has particular behavior in travel (Serrière, 2003). Being interdependent with other socio-economic areas, international tourism is vulnerable from this point of view. Terrorism, armed conflicts, natural disasters, epidemics are external factors that can negatively influence the flow of foreign tourists to certain destinations. There is also a shift in intra-regional tourist flows depending on climatic changes and the problems that global warming poses, which is more and more acute lately.

3. Evolution of e-tourism

Information and communications technology has led to major changes in human communication and information processing within a very short time span. In the context of fierce competition, companies are now faced with the struggle not only between themselves, but also against a changing economic order, against new and potential competitors, increasing social, economic, and racial diversity, of a convulsive educational system , as well as an audience that seems to be more and more confident about the future of tomorrow. The current economic context, characterized by the influence of globalization on all factors of production, supply, demand and, in particular, pricing, determines organizations in all areas of activity to implement change in a fast, reliable, increasingly appealing to information and communication technology. In terms of smart business development, we are talking about knowledge based society, awareness of market needs and rapid reporting to them by creating the right product at the right time with minimal cost and maximum efficiency.

Information and communication technology is perceived as an important source of revenue for companies, helping to optimize the production and exploitation of raw materials in the most efficient way, while at the same time allowing an efficient recovery of investments. Moreover, ICT is increasingly recognized as a key source of innovation, which can generate growth and add value. The success of e-tourism is determined by the ease with which anyone can find out all the details needed to schedule a holiday or professional event at a location as distant as possible and can buy tourist services without having to travel to an agency. Taking into account all the advantages of e-tourism, managers and owners of tourist destinations strive to provide the proper framework for it, which implies the allocation of a budget dedicated to this activity.

Destination Marketing Association International has recently conducted a study, having 100 target marketing managers as subjects (Destination Marketing Association International, 2016). According to the data presented in the study, and contrary to the general opinion that the digital marketing budgets of the destination marketing organizations would include huge sums, 71% of the surveyed managers stated that the allocated digital marketing budget was less than $ 25,000, and one of three interviewees, ie 37%, work with a budget below $ 10,000. Of the total of 100 organizations, 99% have such a budget, but only 60% have a budget chapter

dedicated to social media activities. Content is definitely the most important element by which the message generator addresses potential customers to establish a relationship with them. It is for this very reason that the importance of technology for economic development is widely recognized, given its impact on the success, survival or failure of companies' economic activity, especially in an environment of intense and global competition. According to reports assessing the main trends in advanced technologies by 2020, it has been found that the main areas of importance will include biotechnology, nanotechnology, materials technology, and information technology (Silberglitt et al., 2006). Scientifically advanced countries, such as the United States of America, Germany and Japan, will be able to implement all key technology applications evaluated (eg, cheap solar energy, rural wireless communications, genetically modified crops), but countries that are not scientifically advanced will encounter difficulties in absorbing and implementing technologies through lack of funds, know-how, bureaucracy, political instability, but also due to different set of values and principles promoted by political people who can control their spread. The presence of institutional, human and physical capacity to support the use of technology is also critical. National infrastructure investments, R & D and education and good governance can affect the ability to acquire and implement highly specialized technologies.

Reconceptualising the economic processes managed by information technology, observed within the industry, gradually generates a new paradigm shift. It changes the structure of the entire industry and develops a new range of opportunities and dangers for those involved. The advanced use of information technology by consumers on the widest possible scale enables them to identify, personalize and purchase tourism products, but also to support the globalization of the industry by providing effective tools for suppliers to develop, manage and distribute offers around the world. The creation and distribution of tourism products in the current classical version (which requires the presence of the tourist at the time of their creation and purchase) tends to become a less used practice due to the multiple benefits generated by IT service providers.

E-tourism, or online tourism, is part of e-commerce, involving the existence of tour operators, travel agencies, hospitality industry operators and other virtual space tourism entities. Therefore, according to Buhalis (2008), e-tourism is the future of the tourism industry and is regarded as a support for everything that will become tourism in perspective, its components being redefined as: eAirlines, eHospitality, eTouroperators, eTravel agencies, eDestinations. At the level of airlines, eAirlines underlines the importance of this sector of the tourism industry, the first to create an open and competitive global market and to liberalize distribution and distribution channels by creating GDSs: Amadeus, Saber, Worldspan / Galileo. At the hotel industry level, eHospitality implies the use of information technology and the efficiency of the hotel asset management process. Information technology is increasingly used in the hotel industry by integrating functional departments: administrative, marketing, human resources into the management of operational departments: accommodation, food, leisure, providing

efficient and low-cost tools for research marketing, but also to increase profitability through the direct distribution of rooms via the booking site and the efficiency of the online check-in/check-out system.

The local business network dedicated to tourism (hotels, tourist attractions, transport services, service providers, such as guides and rental companies, restaurants etc.) is also a significant part of the destination and destination management. At present, destinations are gaining more and more ground by introducing tourism values into tourist circuits, this being facilitated by virtual reality technologies as well as by promoting holiday destinations on Facebook or Twitter, that become eDestinations. On the Internet, tour operators can provide a detailed description of the tourist products using a full range of online tools: virtual tours, video and holiday charts and their attractiveness, images of accommodation facilities, and means of transport. Flights, accommodation and rent-a-car are standardized services that can be assessed more easily under the conditions of tangible parameters (Kracht & Wang, 2010). From the point of view of distributors, e-tour operators and e-travel agencies, it can be seen how Internet popularity has led to the emergence of online travel sales and the explosion of virtual tour operators. Thus, in the tourism business landscape, most traditional agencies and tour operators, and especially those integrated into chain operators, have expanded their business segment in the area of tour operators like bricks & clicks - operators involved in electronic commerce.

E-tour operators and e-travel agencies target the direct sale of travel services or packages through their own points of sale and especially through web pages while offering the consumer the opportunity to access the "dynamic packaging" system. A major change in passenger travel behaviour is identified, which seeks to personalize the package of travel services but also to reduce its costs. Travel consumers have increasingly allocated price comparisons for different websites, such as Kayak and Kelkoo, seeking alternative products that can reduce the cost of their travels. Research costs are falling in the electronic markets due to the reduction in the cost of data exchange (Buhalis & Law, 2008).

4. The importance of innovation in the tourism industry

Under the conditions of growing global market competitiveness, companies are interested in innovation from the need to gain business benefits by increasing market share, conquering new markets, improving product quality, widening the product range, replacing outdated products or reducing environmental impact. Innovation can provide superior quality services, products with improved quality features, advanced, more efficient and environmentally friendly production processes, improved business management system models, modern management methods, etc. Innovation implies certain changes and adaptation to the new requirements of the economic and social environment; it may concern the dissemination of new ideas, products or processes, the adoption by organizations or at the individual level of all forms of innovation.

Overall, regardless of the field in which they operate, firms tend towards maturity and conservative operation if they are not motivated or obliged to respond to market changes. The innovation process operates with two different motivational forces, such as the push or pull mechanisms, which drive changes in the firm. "Push" factors, are represented by new technologies that provide efficient solutions to the production process or manage to increase the attractiveness of products to customers. "Pull" factors are reflected in the demand of individual or group customers. Both factors act at the same time (Kracht & Wang, 2010).

Service innovation is recognized by top executives because of its strategic importance and the globalization of competition, which has escalated the demand for change and better adoption of best practices by changing processes. The importance of innovation has long been underestimated in the services sector. This has changed with the emergence of information and communication technology and its influence on tourism. Being an intensive information-based industry, tourism has undergone rapid, radical changes and has proven to be an enabling environment for IT implementation (IT) due to its role in providing and sharing information in the production and distribution chain (Andreu et al., 2010). Information technology is a synthesis of electronic, computational and telecommunication technologies that enables effective data processing and communication (Poon, 1993). In just a few other areas of activity, generating, collecting, processing, applying and communicating information are just as important for daily operations as for tourism.

Innovation is important in tourism, which still depends on new experiences and destinations to generate some unusual holiday ideas. Despite the stronger evidence that innovation is a key factor in achieving a competitive market position, this is still an unresolved issue in travel companies (Kracht & Wang, 2010). The tourism industry has always pursued the rapid implementation of technological innovations to meet customer wishes, marketing needs, or conceiving the tourism product. The adoption of e-business, which can be considered as a type of technological innovation, presents both opportunities and challenges in inter-organizational relations and, in general, in business strategy (Lichtenthal & Eliaz, 2003). Specifically, many hospitality companies have already explored various applications of information and communication technologies for back office use (eg, routine operational management or performance management) and front office (for example, customer relationship management: CRM), for the development of web-based services (including Web 2.0 tools or geo-localization with technologies that use phones or GPS) or for the use of clean technologies and the efficient construction of hotels in an ecological way (Camisón & Monfort-Mir, 2012).

In tourism agencies, the adoption of information and communication technology in tourism service marketing relationships and collaboration with its suppliers (wholesalers) takes place in two dimensions: e-communication practices and E-procurement (Wu et al., 2007). According to Wu and Lee (2005), e-communication can be defined as the use of information technologies and the Internet to link providers, business partners and employees with intranet and

communication portals and services to customers, customer service, extranet, etc. At the same time, e-procurement can be defined as a B2B acquisition system that uses e-commerce to interact with potential suppliers to purchase goods and services for online payment (Min & Galle, 2003). Travel agencies use digital technologies to make reservations and purchase electronic tickets. It is true that while some companies adopt e-business in order to transform their business model, others only adopt support functions to facilitate agency-level communication with suppliers and customers. However, the contribution of innovation among small businesses with fewer than five employees is low and characterized by a low tendency to develop new products and processes.

5. Conclusions

Nowadays, information becomes an essential resource in the development of modern societies, evolving politically, economically and socially. The dynamism and complexity of the new type of society, which leads to a continuous increase in the volume and diversity of processed information and which widely use information and communication technologies, has led to the concept of an information society that represents a new stage of human civilization, quality life, involving the intensive use of information in all spheres of human activity and existence, with a significant economic and social impact. The information society allows widespread access to information for its members, a new way of working and learning, enhancing the possibility of economic globalization and increasing social cohesion.

The hospitality industry is evolving rapidly and in step with new technologies, forcing hotels to align with digital technologies and online interactive marketing that must promote mutual benefits between consumers and producers. The advocates of this "one-on-one" marketing suggest that it will expose buyers only to those goods and services they most likely want, while for the producer and hotel owner the advertising costs are significantly reduced (Fidler, 1997). The new consumerist typology is looking for the best deals, putting pressure on hotels to optimize their value for money.

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