

TRADITIONAL TRAVEL AGENCIES ARE NOT BEATEN BY E-COMMERCE: THE CASE OF BOSNIA AND HERZEGOVINA

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Abstract

Travel and tourism products and services, such as airline tickets, have largely been handled by travel agencies, who represent the main link in the distribution network. Recent changes brought by E-commerce have brought new business opportunities to the global travel and tourism industry. The internet boom indicated that this type of doing business would 'kill' traditional (offline) travel agencies. Nevertheless, previous studies argued that customers now look for lower ticket prices on the Internet, but that their concern with journey complexity results in comparing prices from different airline companies online, while still ordering tour packages from travel agents (Suzuki et al., 2001).

Quantitative research was conducted in order to analyze the attitudes of the customers who stayed loyal to offline travel agencies in their airline ticket purchases, in developing countries. The main goal of the survey, conducted among customers, was to determine levels of satisfaction as a predictor for the selection of that type of purchase. The research aim was accomplished through the quantitative analysis of affirmative answers to the survey questions, specially designed for this purpose. The authors used a random sample for the questionnaire whose results were processed, analyzed, and a conclusion was made in accordance with the objectives of the research.

The theoretical, practical and economic contributions of this paper lie in the knowledge of the relevant factors of motivation and segmentation that will keep traditional travel agencies in business in developing countries.

Keywords Tourism, Travel agent, Airline services, Online market