THE PORTUGUESE’S BEHAVIOR TOWARDS TRAVEL AGENCIES

Beatriz Gavina*
Institute Polytechnic of Porto

Susana Silva*
Institute Polytechnic of Porto, CEOS PP, CITUR

https://orcid.org/0000-0003-4760-7662

ABSTRACT

It is stated that tourism has greatly grown in Portugal. Thus, one must ponder if the Portuguese use traditional travel agencies or online travel agencies. As such, the main objective of this study is to characterize the Portuguese’s behavior towards travel agencies, hence the use of a quantitative methodology. Gender, income, and promotions influence the Portuguese’s decision on whether to purchase in a specific type of travel agency, being that price is not the most relevant factor. While this study is relevant to the current lack of literature, there must be further studies on this theme.

Keywords: Travel Agencies; Traditional Travel Agencies; Online Travel Agencies; Behavior.

RESUMEN

Se afirma que el turismo ha crecido mucho en Portugal. Por lo tanto, hay que reflexionar si los portugueses utilizan las agencias de viajes tradicionales o las agencias de viajes online. Por ello, el objetivo principal de este estudio es caracterizar el comportamiento de los portugueses hacia las agencias de viajes, de ahí que se utilice una metodología cuantitativa. El género, la renta y las promociones influyen en la decisión de los portugueses sobre la compra en un determinado tipo de agencia de viajes, siendo el precio el factor menos relevante. Si

Fecha de recepción: 16 de marzo de 2021.
Fecha de aceptación: 29 de septiembre de 2021.

* School of Hospitality and Tourism. Rua D. Sancho I, n.º 981. 4480-876 VILA DO CONDE. (Portugal).
E-mail: beatrizgavina@hotmail.com, susanasilva@esht.ipp.pt
1. INTRODUCTION

Although the tourism market is quite competitive, tourism has increased substantially in Portugal, thanks to the recognition of the country as a tourist destination (Pinto and Castro, 2019; Turismo de Portugal, 2017). Thus, one of the factors that increase the competitiveness of the tourism sector is the presence of travel agencies in the online environment (Silva and Gonçalves, 2016).

Travel agencies are entities responsible for selling accommodation and/or other tourist services in exchange for commissions (Pinto and Castro, 2019), carrying out the requests of their consumers with the help of tourist producers (Abranja et al., 2012). However, the service provided must be relevant, customized, and appropriate to each individual (Kim et al., 2007a). Therefore, travel agencies must try to approach the consumer (Bunghez, 2020; Silva and Sousa, 2018), so that they can improve the tourism sector. As such, strategies that suit the individual’s preferences should be applied (Pinto and Castro, 2019). To this end, the factors that influence the individual’s decision to purchase must be considered. However, there is not much agreement on which aspects have an impact on the purchase decision making.

On the one hand, some authors mention that people’s age (Garín-Muñoz and Amaral, 2011), gender (Jensen and Hjalager, 2013; Lin et al., 2018), employment status (Heung, 2015; Jensen and Hjalager, 2013; Kim et al., 2007a), income (Jensen and Hjalager, 2013) among other antecedents influence their purchase decision making. On the other hand, there are studies whose findings differ from those of other research. Thus, Jensen and Hjalager (2013)’s study on age, Hsu et al. (2014)’s study on gender, Wang (2001)’s study by on employment status, Kim and Lee (2004)’s study on income stand out.

Therefore, there is a need to study whether factors such as gender, employment status, income, the price of the product and/or service, and promotions influence individuals’ purchase decision making and their loyalty towards the organization, be it a traditional travel agency or an online travel agency. However, for traditional travel agencies, there is a minimum amount of research into the aspects that influence individuals’ decisions to purchase in these organizations. As far as online travel agencies are concerned, few studies are researching the factors behind the decision to purchase in online travel agencies, mainly in Portugal (Pinto and Castro, 2019). Thus, this study aims to characterize the Portuguese’s behavior towards travel agencies. More specifically, it aims to: identify the Portuguese’s behavior towards traditional travel agencies, identify the Portuguese’s behavior towards online travel agencies, identify the socio-demographic characteristics that influence the behavior of the Portuguese who prefer traditional travel agencies, iden-
tify the socio-demographic characteristics that influence the behavior of the Portuguese who prefer online travel agency services, and define the Portuguese’s preferences when deciding to purchase a trip.

This article is organized by topics, being the first one the literature review, which focuses on “Traditional Travel Agencies”, “Online Travel Agencies” and on “Consumer’s Behavior”. The following topics are the method and the procedure used for data collection, the results of the study and their discussion, and, finally, the conclusion of the study. In this last topic, the limitations of this study and some suggestions for further investigations are presented.

2. LITERATURE REVIEW

2.1. Traditional travel agencies

Traditional travel agencies have had a major impact on the tourism market since 1841, when Thomas Cook organized the first trip, as his activity influenced the growth of tourism (Polat and Arslan, 2019). However, to understand the impact and evolution of travel agencies on the tourism market, there is a need to understand what a traditional travel agency is.

According to Pinto and Castro (2019)’s study, travel agencies are part of the tourist market and relate to the sale of accommodation and/or other tourist services in exchange for commissions. As such, they carry out consumer requests with the help of tourist producers, acting as an intermediate between the consumer and tourist operators (Abranja et al., 2012). Quintana et al. (2016) proposed several recommendations that should be consider by travel agencies organized in two big dimensions: strategies focused on marketing, and strategies focused on the organizational structure and management aspects. Travel agents thus fulfil the important role of gathering and organizing information that is relevant to the provision of tailor-made services to each consumer (Kim et al., 2007a).

The evolution of traditional travel agencies results from today’s increasingly competitive (Bello and Martínez, 2018). As a result, traditional travel agencies need to evolve and adapt to today’s world (Silva and Sousa, 2018) to ensure their survival in the tourist market. Besides, other aspects have influenced this need for development, among which are greater consumer demand and the use of new technologies (Ramírez-Hurtado and Berbel-Pineda, 2010).

Regarding the increase in consumer demand, the best way for traditional travel agencies to progress is through their specialization in a certain market (Galhafone et al., 2010). They also need to opt for new strategies, trying to be closer to consumers (Silva and Sousa, 2018), treating them as if they are not mere consumers, and focusing on service quality (Alberdi and Andrada, 2002). Law et al. (2004) suggests that online and traditional channels can coexist in the future as consumers still used traditional services although they look for more information in the internet.

Traditional travel agencies should also invest in the creation of franchises, as franchises allow an increase in the national presence of traditional travel agencies through the implementation of networks and establishments. Furthermore, these networks enable someone
who has fewer financial capacities to benefit from a quality service due to their low cost (Ramírez-Hurtado and Berbel-Pineda, 2010).

As for technology, it greatly affected the tourism sector (Silva and Filho, 2016), since it enables travel agents’ suppliers to contact the consumer without having to use a mediator (Ramírez-Hurtado and Berbel-Pineda, 2010; Silva and Filho, 2016), which is an obstacle for traditional travel agencies. Moreover, since the Internet provides different types of information and serves as a competent and useful means of sharing services, the consumer can purchase tourist services online, without opting for the help of an intermediate. This is increasingly common (Kim et al., 2007a) and can result in the consumer moving away from traditional travel agencies (Silva and Filho, 2016). However, it is necessary to turn threats into opportunities by making the traditional travel agency sector evolve by investing in differentiation (Silva and Sousa, 2018). Traditional travel agencies should then use their knowledge of the services they market to excel in the tourism market and be able to act as consumer travel consultants (Organização Mundial do Turismo – OMT, 2001). In this way, it is necessary to submit the employees of traditional travel agencies to training in the field of tourism (Ramírez-Hurtado and Berbel-Pineda, 2010) and to use technologies in the management of traditional travel agencies (Bispo, 2014).

Despite the negative impact of technology, Ramírez-Hurtado and Berbel-Pineda (2010)’s study indicates that the evolution of traditional travel agencies has increasingly taken place over the years. As well, it turns out that, in 2018, only 26,2% of trips were not planned while relying on a touristic operator or travel agency. However, this percentage increase when compared to the previous year (Instituto Nacional de Estatística - INE, 2020), which means that the population is making less and less use of travel agency services. The notion that fewer and fewer individuals use the services of travel agencies may offset the findings of Ramírez-Hurtado and Berbel-Pineda (2010)’s study, which refers to the success of travel agencies, as the evolution and success of travel agencies may be related to each other so that the success of travel agencies is diminishing.

2.2. Online travel agencies

With the technological evolution, the need for travel agencies to expand to the Internet, in an online context, also arose (Vargas and Cortés, 2015), with some individuals considering that travel agencies have the potential to do so (Kim et al., 2007a). However, technological developments in travel agencies have both advantages and disadvantages for travel agencies (Buhalis and Law, 2008) and consumers (Kim et al., 2007a). Nevertheless, the online travel agency market and what it consists of must first be explored.

As regards the definition of online travel agencies, this definition is the same as for traditional travel agencies as they operate in the same way (Kim et al., 2007a), i.e., they involve the selling of accommodation and/or other tourist services in exchange for commissions (Pinto and Castro, 2019), with the difference being the spread of travel agencies in the digital environment. As such, they must provide hotel and flight reservation systems, and car rentals (Kaynama and Black, 2000). It then turns out that traditional travel agencies have undergone a major change by entering the online environment (Bello and Martínez, 2018). However, there was a need for this change, as the consumer started booking their travels via online
media more often. Moreover, by using the Internet as a distribution channel, travel agencies reduce some costs, including the wages they would have to pay their employees (Kim et al., 2007a). Although it cannot be forgotten that consumers desire a service with high attention, sensitivity, trust, with greater security, with the human aspect being highly valued.

Regarding the advantages for online travel agencies, technological developments have led to tourist products being presented and sold in alternative ways (No and Kim, 2015), with any company, including travel agencies, being able to use innovative ways to promote their products and/or services, thus ultimately improving their activity (Silva and Gonçalves, 2016). Moreover, it should be noted that online travel agencies will have the opportunity to make their products known to a greater number of individuals (Ramírez-Hurtado and Berbel-Pineda, 2010), while at the same time being able to advertise their business partners, which will pay them, thus profiting them (Clemons et al., 2002).

As for the consumer, there are also some advantages when the individual chooses to make their travel reservations online, such as access to a variety of products and/or services (Liu and Zhang, 2014), the possibility of finding low prices (Hao et al., 2015), and convenience, pleasure (Kim and Lee, 2004) and speed (Agag and El-Masry, 2016) of the process. Furthermore, online travel agencies allow the consumer to search for tourist products that are relevant to them (Kim et al., 2007a).

Although the consumer benefits from online travel agencies, the individual will also have to face disadvantages, which result from several factors. First, it should be noted that the consumer will have to research on their own, without the help of a travel agent (Kaynama and Black, 2000), which would be useful because they are more experienced in the field. Moreover, the consumer may not have the ability to easily change certain aspects of their journey (such as the number of people, timetables, and destination) and take more time to deal with the whole booking process, whereas the travel agent would handle the whole process for the consumer. Many of the online travel agency systems only provide some information about the trips they advertise (Kim et al., 2007a), data which would be more detailed if the consumer opted for a traditional travel agency. Additionally, there is information given during the online process that is not interesting for the consumer transforming the booking process in a very long journey.

Concerning the disadvantages for online travel agencies, these mostly because hotels are both their business partners and their competitors in the area. As far as the partnership is concerned, online travel agencies allow the consumer to book a room at a hotel through their websites, where the consumer has access to information about the hotel and its price, and access to online reviews about the hotel. As for the competitive factor, online travel agencies introduce hotels to consumers (Chang et al., 2019) and hotels take advantage of their presence on the online travel agencies’ websites, where they are promoted, to increase their sales (Ling et al., 2014). Furthermore, Wu et al. (2013)’s study indicates that the consumer has access to information about a certain hotel through the website of an online travel agency, and then makes their reservation on the website of the hotel or by calling it. Additionally, it is possible that a consumer who has made a reservation at a hotel, where they have had a good experience, may decide to go back to that hotel and make a new reservation on the website of the hotel (Chang et al., 2019). It then turns out that when online travel agencies are successful, hotels make little profit, and when the consumer chooses to
make their reservation directly at the hotel, travel agencies do not profit. Moreover, even if the consumer does not book through online travel agencies, the individual still uses their websites to obtain certain travel information (Kim et al., 2007a; Pinto and Castro, 2019). This will be the case even if the travel agencies are renowned, as the position of the brands on the market may change over the years (Lalicic and Weismayer, 2021).

It should then be considered that the online travel agency market is complex and all must be analyze in a quintuple helix model integrating interactions from the university-industry-government-public-environment (Peris-Ortiz et al., 2016). Therefore, those responsible for these organizations should be as aware of their consumers as of their business partners to adapt their business strategy when necessary (Kim et al., 2007a).

2.3. Artificial intelligence in online travel agencies

Much useful tourism demand forecast models (Peng et al., 2014) and recommender systems (Borràs et al., 2014) were produced around Artificial Intelligence (AI) algorithms since it is possible to forecast tourism demand with AI (Geisler, 2018). Besides, AI provides a better customer experience and increases business productivity (PwC, 2017). As such, there is a need to acknowledge what AI consists of and its advantages and disadvantages in the travel sector.

It should first be noted that, since there is no general definition of intelligence, there is no general definition of AI. However, it is believed that AI represents non-biological intelligence (Tegmark, 2017). That is because AI performs in the same way as intelligent beings do, i.e., it mirrors humans’ cognitive process (Copeland, 2017). Besides, it should be considered that, even though research in AI increased, there is little research on its usage in the travel industry (Lalicic and Weismayer, 2021), being that the travel industry is in the last place of a list ranking the overall use of AI in certain industries (Bughin et al., 2017). Nevertheless, the travel industry still relies on the use of AI, mostly regarding customer-centric applications, and search and booking by costumers, and acting as service robots, travel assistants, chatbots, and as a model for partnerships. There is then a need that customer’s preferences reflect on the use of AI, as the travel industry revolves around its customers. When faced with AI, some travel customers may refuse to deal with it, due to sociological or privacy concerns, whereas other travel customers may expect to have certain amenities at their display, like rooms with artificial personal assistants and beds that automatically adapts to the individual’s characteristics Lalicic and Weismayer, 2021).

Regarding the advantages of the use of AI in the travel sector, consumers benefit from the use of AI systems by the travel industry (Lalicic and Weismayer, 2021). First, they are influenced to have a responsible and sustainable travel behavior, thus using energy and natural resources in a better way and improving human health. Second, consumers have access to convenient products or services (Tussyadiah and Miller, 2019), being possible to get recommended a certain personalized product or service they might desire, as the AI system predicts it (Lalicic and Weismayer, 2021). Third, individuals develop companionship, their problem-solving skills (Tussyadiah and Miller, 2019). Lastly, consumers have access to relevant information and reduced costs (Tussyadiah and Miller, 2019), positively affecting the economy (Tussyadiah and Miller, 2019). Likewise, it is possible to communicate with
chatbots instead of communicating with staff members. Likewise, as are always available, individuals can interact with chatbots whenever. In this sense, consumers do not have to rely on the availability of a travel agent (Lalicic and Weismayer, 2021) and free up their time for leisure or other activities. Besides, the implementation of AI allows the promotion of products and services by companies (Tussyadiah and Miller, 2019). Moreover, companies may rely on the use of chatbots to expand their service offering and sales without firing their employees. For instance, it is possible to inform consumers of their flight schedules and sell them products using chatbots (Lalicic and Weismayer, 2021). Furthermore, companies can execute certain tasks that were not previously accomplished and improve their decision-making. As such, AI can be used so that companies have a competitive advantage over others (Tussyadiah and Miller, 2019). However, there are some disadvantages concerning AI.

As for the disadvantages of the implementation of AI, in some cases, there may be harmful impacts on the environment and accidents involving humans, as well as disruptions to infrastructures and transportation problems. Also, humans may be manipulated by artificially intelligent machines/technologies, being that AI technologies may be used for criminal purposes, like computer hacking or cyber-attacks. Likewise, people may easily go into war due to AI. Besides, companies and/or government will have more access to people’s data, which is not considered secure. It should yet be noted that there may be job losses, as AI machines/technologies may replace humans (Tussyadiah and Miller, 2019).

There is then a need for those responsible for companies to consider both the consumers’ and the employees’ perception of AI, as well as the advantages and disadvantages of AI. As such, employees must undergo proper training to be able to operate artificially intelligent machines/technologies (Lalicic and Weismayer, 2021).

2.4. Consumer’s behavior

2.4.1. Consumer’s Behavior in a Traditional Context

The business world is becoming more and more competitive, which provides the consumer with a wider variety of options. This will make the consumer more demanding and make companies want to prevail over each other (Demo and Oliveira, 2013). Therefore, it is important to know what consumer behavior consists of when they are making a purchase decision (Allen, 2001; Demo and Guanabara, 2015) and how the individual’s behavior unfolds.

From the perspective of companies, the consumer’s purchase decision-making is associated with the company’s place in the market. As such, companies invest in several strategies such as strategies that rely on the price of the product and/or service to be sold and marketing mix strategies (Neto and Filipe, 2011). However, consumer behavior concerns the purchase and use of services that satisfy the wishes and needs of such consumers (Abreu and Baptista, 2019). Thus, the consumer’s decision to purchase is associated with several factors (Trindade et al., 2014), these being personal, psychological, and cultural. Personal factors are related to the consumer’s age, personality, occupation, lifestyle, and financial situation. Psychological factors are divided into four groups: perception, motivation, beliefs and attitudes, and learning. Perception consists of the selection, organization,
and interpretation of the information the individual has about the product and/or service (Kotler, 2000) since there is a positive relationship between the existence of knowledge and the intention to buy (Demirtas, 2019). Motivation leads the individual to act according to their needs, i.e., leads the individual to purchase (Kotler, 2000; Martins et al., 2015). Beliefs and attitudes related to the individual’s feelings, thoughts, and assessments of the product and/or service. Finally, learning comes from the consumer experience when the individual changes their behavior. As far as cultural factors are concerned, these relate, as the name implies, to the individual’s cultural values. However, the individual’s religion, social class, perceptions, family behavior, and geographical location are also part of cultural factors (Kotler, 2000). As for social factors, they concern the influence that other individuals, be they family members, friends, or work colleagues, will have on the consumer’s behavior (Singh and Verma, 2017) and lifestyle (Kotler, 2000), with the behavior demonstrating how the individual spends their time and money (Araújo et al., 2018). Moreover, consumer behavior is also influenced by society’s assessments of the product and/or service (Demirtas, 2019), as there are more and more similar products and information about the products under consideration, which makes the consumer more inclined to consider the opinion and experience of people they know (Martins et al., 2015).

It then turns out that consumer behavior is related to cultural environment and the feeling of belonging of individual. Thus, the same product and/or service may have another meaning depending on other individuals’ society and culture (Demo and Guanabara, 2015). However, there are aspects related to the product and/or service itself that influence consumer behavior. These include the brand, means of payment, suppliers, and the quantity of the product and/or service (Trindade et al., 2014). Additionally, the utility, efficiency, convenience (Nepomuceno and Torres, 2005), and innovation (Serra et al., 2007) of the product and/or service also influence consumer behavior, being that these are assessed according to the consumer’s judgment (Allen, 2001).

The processing of consumer behavior takes place in three stages. At an initial stage, there is a recognition of a product and/or service by the consumer. The consumer then seeks information about the product and/or service through their family, friends, the media, retailers, and even though the usage of the product and/or service itself/themselves, among others. Lastly, at the final stage, the individual compares the existing products and/or services. Later, after the purchase, the consumer can evaluate the product and/or services purchased (Kotler and Keller, 2006).

Marketing professionals consider both the factors influencing consumer behavior and its handling from the beginning to the post-purchase moment (Trindade et al., 2014). In this way, it will be possible to develop products and/or services that meet the needs and wishes of the consumer, something that is crucial (Kotler, 2000).

2.4.2. Consumer’s Behavior in an Online Context

With the digital revolution, e-commerce emerged, and consumers can now access information and shop from anywhere via electronic channels (Castells, 1999). As such, there are signs that consumer behavior has changed (Azevedo, 2006).
First, it should be noted that the handling of consumer behavior has remained virtually the same and has been subject to only minor influences from the digital environment. This is because the individual can search for and obtain more information about the product and/or service they are thinking of buying through electronic channels, such as social networks, also having the opportunity to compare a greater number of services and/or products. Furthermore, still through electronic channels, the consumer can share their assessment of the purchased product and/or service with more individuals (Kotler and Keller, 2006). As such, consumer information and assessment sharing on the internet is essential (Azevedo, 2006). Furthermore, the attention that brands give to consumer’s doubts, shared via electronic channels, also influences consumer behavior.

Nowadays, according to Martins et al. (2015)’s study, there are online forums created to enable the consumer to get information, help, and suggestions about a certain product and/or service before making their purchase. However, 69% of the inquired in Martins et al. (2015)’s study do not use forums. On the contrary, they obtain the information they want from friends and through searches on corporate websites. According to Mander and Kavanagh (2019)’s study, research on products has been increasing over time. On the other hand, Martins et al. (2015)’s study, indicates that 94% of the individuals surveyed research the product and/or service they plan to buy, which accounts for a large percentage of individuals who use the Internet to obtain information. According to Hayta (2013)’s study, 72% of young people (generation Z) share their opinion about products or brands online. Moreover, 83% of those surveyed in Martins et al. (2015)’s study showed that they use the Internet to purchase. This large percentage of individuals shopping online may be associated with the positive aspects of online shopping and also to a generational tendency.

It should therefore be born in mind that the Internet offers benefits to both the company and the consumer (Gouvêa and Yamashita, 2004). As far as the consumer is concerned, online shopping is seen as personalized (Santos and Souza, 2005), varied (Azevedo, 2006) and convenient (Gouvêa and Yamashita, 2004), being the perception of convenience the most popular among the young and highly educated public. Associated with convenience is time-saving, which is also seen by consumers as important (Azevedo, 2006). Moreover, the possibility of the consumer interacting with the online environment makes them active and grateful (Serra et al., 2007). However, there are also negative aspects associated with online shopping.

The main factor to be considered regarding the negative side of shopping via the Internet is the sense of insecurity and lack of confidence and trust. Insecurity is related to the sharing of personal consumer information and represents the main reason why many individuals do not shop online (Henry et al., 1998). Associated with insecurity is the perceived perception of risk, which is increasingly higher in the context of Internet shopping (Benevides, 2002) and can lead to the fear of shopping. Fear is, in turn, another reason why individuals do not shop online, since, according to Costa and Farias (2004)’s study, many people claim they are afraid to do so and do not trust in this service. Moreover, another factor that appears to affect consumer behavior is past experiences. Thus, if the consumer has had a negative experience when making an online purchase, the individual may not buy again via the Internet. However, the opposite may also occur, i.e., a positive previous experience may be reflected in an individual’s new online purchase (Azevedo, 2006).
The Internet then presents positive and negative aspects, which influence the consumer’s behavior towards online shopping. As such, there is a need for digital companies to develop strong relationships and redundant systems to prevent insecurity and lack of confidence with consumers to have a competitive advantage over other companies (Martins et al., 2015).

2.4.3. Consumer’s Behavior in Travel Agencies

The travel agency market is very competitive. As such, strategies that are in line with consumer preferences need to be applied (Pinto and Castro, 2019) so that the individual chooses the services of one travel agency over another. In this way, the elements of the consumer’s purchasing decision-making, which is difficult to please, must be known (Buhalis and Law, 2008).

First, it should be noted that there are factors that influence traditional travel agencies and others that influence online travel agencies. As far as traditional travel agencies are concerned, they can assist the consumer during the shopping process, unlike online travel agencies – although they are creating instruments that enable to solve just-in-time problems. As such, a relationship is established with the consumer, which is seen by the individual as something that influences them and gives them more confidence in purchasing the product (Silva and Sousa, 2018). Additionally, the presentation of the product is also distinct (Rose et al., 2011), as traditional travel agencies can adapt the information on the intended destination to the consumer’s needs (Kaynama and Black, 2000). As for online travel agencies, they give consumers more information about different destinations, something that is more constrained for traditional travel agencies. Furthermore, online travel agencies do not have time constraints, allowing the consumer to get the information they want when they want it (Silva and Gonçalves, 2016), be it information on the prices of the destinations, the promotions and discounts to which they are exposed (Pinto and Castro, 2019), or the comments and/or satisfaction of other individuals on the product and/or service at stake (Ku and Fan, 2009; Liu and Zhang, 2014). However, some factors influence both types of travel agencies. These factors include the consumer’s motivations, expectations, values and culture, personality, attitudes (Pinto and Castro, 2019), and past experiences (Pinto and Castro, 2019; Silva and Filho, 2016), among others.

By knowing which factors influence consumer behavior, travel agencies can improve their products and/or services by adapting them to the consumer (Pinto and Castro, 2019). This will allow traditional travel agencies and online travel agencies to stand out in the market in the face of their competition (Kim et al., 2007a).

2.4.3.1. Consumer’s Profile: Sociodemographic Characteristics

According to Silva et al. (2019)’s study, the socio-demographic characteristics of each consumer are distinctive. Among these are the consumer’s age, gender, employment status, and salary, which may influence the consumer’s decision to buy a certain product/service (Hsu et al., 2014). These characteristics may not be considered a factor influencing individuals’ purchasing decision-making but it is always important to consider this antecedent.
Concerning age, one by one factor, Garín-Muñoz and Amaral (2011)’s study indicates that the consumer most likely to opt for online media when making a purchase decision is between 35 and 44 years old (millennials). On the other hand, Jensen and Hjalager’s study (Jensen and Hjalager, 2013) shows that online consumers are younger, ranging from 18 to 34 years old (Z generation). It is, therefore, necessary to study whether the same could apply to traditional travel agency bookings.

In the case of gender, Lin et al. (2018)’s study states that gender influences consumer behavior in the online environment, with the female audience being the most likely to take online travel agencies into account during their purchasing decision making (Jensen and Hjalager, 2013). However, Hsu et al. (2014)’s study states that gender does not influence the consumer’s decision to buy a certain product and/or service but a significative number of decisions to buy are made by straight couples.

Regarding the individual’s employment status, there is some indication that students spend the most money on tourism products and/or services (Kim et al., 2007a), and that they make the most use of online travel agencies (Heung, 2015).

Finally, as far as consumer’s income is concerned, Jensen and Hjalager (2013)’s study indicates that the individuals with the highest income are those who use the Internet the most when organizing their trips. However, Kim and Lee (2004)’s study state that the probability of planning trips online is not linked to the consumer’s income but, probably, with consumers’ information literacy.

In short, socio-demographic characteristics always influence the consumer’s purchasing decision-making but in opposite directions. There is therefore a need to study these aspects in greater detail. Nevertheless, knowing the consumer’s profile and behavior is beneficial for online travel agencies, as they will know what strategies to employ to gain consumer loyalty (Pinto and Castro, 2019).

2.4.3.2. Price and Promotions Presented by Travel Agencies

Since the consumer’s income can be an influential factor in the decision to buy a product and/or tourist service (Wang, 2001), one should study whether its price could also have an impact. Moreover, there is also a need to consider the possible influence of promotions on that decision, as they will change the price.

First, as far as price is concerned, the consumer has better access to more attractive prices via the Internet (Pinto and Castro, 2019). This is because the online travel market is more geared towards people who are concerned about the cost of the intended product and/or tourist service. Furthermore, travel agencies are successful in helping the consumer find the best price, as the consumer ends up creating a relationship with the company and purchasing more from it. However, some online travel agency websites do not provide cost information before the consumer proceeds with the purchase, which leaves the consumer frustrated (Kim et al., 2007a), as the price is quite important for the consumer’s purchase decision making (Pinto and Castro, 2019). According to Kim et al. (2007a)’s study most individuals look for the best price among several online travel agencies, especially women (Kim et al., 2007b), with the majority opting for the lowest values (Kim and Lee, 2004; Pinto and Castro, 2019). However, the monetary factor is not the
only one adding value to the decision making (Chang et al., 2019), making the consumer buy it. In addition to the monetary factor, emotional, functional, and social factors should be considered (Sweeney and Soutar, 2001). This will result in the perceived value of the product and/or service, which will influence consumer satisfaction, expectations and loyalty (Ozturk et al., 2016). However, Ku and Fan (2009)’s study denies the influence of price on consumer’s purchase decision making.

Secondly, regarding promotions, they are also considered important in the purchasing decision making, being females the ones who pay most attention to promotions (Pinto and Castro, 2019). Furthermore, promotions affect both the highest and the lowest income earners (Martínez and Montaner, 2006). As such, online travel agencies offer a series of promotions, whether reducing the price to be paid or allowing the consumer to cancel their booking free of charge, to seduce many individuals. Nevertheless, Pinto and Castro (2019)’s study indicates that, despite the influence of promotions on purchasing decision making, most individuals make their reservations even without a promotion. This may be the result of the fact that the consumer also looks for packages made available by online travel agencies, which make them happy due to the convenience and cost of online travel agencies, which will be lower (Kim et al., 2007a). Furthermore, these agencies should not neglect the needs of the consumer but should provide the consumer with tailored and appropriate packages, something that also contributes to the individual’s satisfaction (Mullaney, 2004).

In conclusion, there is a variety of opinions on the impact of price and promotions on the consumer’s purchasing decision-making. These views must be studied.

3. METHOD

This study is based on the conclusions obtained in the literature review and is motivated by the question “What are the differences in the behavior of the Portuguese towards traditional travel agencies and towards online travel agencies?” A quantitative, descriptive, correlational, and transversal methodology was used to obtain results. As such, a questionnaire was applied to Portuguese travellers. This research also intended to characterize the Portuguese’s behavior towards travel agencies.

The following hypotheses have been created to answer the question of this study:

- H1: Age influences the Portuguese’s decision to purchase in traditional travel agencies;
- H2: Age influences the Portuguese’s decision to purchase in online travel agencies;
- H3: Gender influences the Portuguese’s decision to purchase in traditional travel agencies;
- H4: Gender influences the Portuguese’s decision to purchase in online travel agencies;
- H5: People’s employment status influences their decision to purchase in traditional travel agencies;
- H6: People’s employment status influences the Portuguese’s decision to purchase in online travel agencies;
- H7: Income influences the Portuguese’s decision to purchase in traditional travel agencies;
THE PORTUGUESE’S BEHAVIOR TOWARDS TRAVEL AGENCIES

- H8: Income influences the Portuguese’s decision to purchase in online travel agencies;
- H9: Price influences the Portuguese’s decision to purchase in traditional travel agencies;
- H10: Price influences the Portuguese’s decision to purchase in online travel agencies;
- H11: Promotions influence the Portuguese’s decision to purchase in traditional travel agencies;
- H12: Promotions influence the Portuguese’s decision to purchase in online travel agencies.

4. PROCEDURE

For the data collection, a questionnaire was shared via email and on different Facebook groups. Therefore, the need for great sociodemographic diversity was considered, as not to condition the study. Besides, the confidentiality and anonymity of the study were ensured, and participants were informed they could withdraw with their participation if they would like to.

Data collection took place between the 9th of March and the 11th of May of 2020. Data was exported to the statistics program IBM SPSS (version 25), where the descriptive analysis for all the variables and the tests for the research hypotheses were carried out.

5. RESULTS

5.1. Sample

This study presents four target populations: one for consumers of traditional travel agencies, one for consumers of online travel agencies, one for the Portuguese who prefer traditional travel agencies, and one for the Portuguese who prefer online travel agencies. Thus, the questionnaires were applied to a percentage of each of the target populations, with the sample of the study presenting four sub-groups: consumers of traditional travel agencies, consumers of online travel agencies, the Portuguese who prefer traditional travel agencies, and the Portuguese who prefer online travel agencies. Moreover, the convenience sampling technique and the snowball sampling technique were used, making the total sample consisted of 1010 participants.

5.2. Research hypothesis

The research hypotheses H1, H2, H5, H6, H9, and H10 were not statistically significant. However, the research hypotheses H3, H4, H7, H8, H11, and H12 were. Therefore, it was possible to infer that gender, income, and promotions influence Portuguese’s decision to purchase in traditional travel agencies and online travel agencies.

Cuadernos de Turismo, 49, (2022), 149-171
Concerning the Portuguese’s gender, results showed that 842 participants (83.41%) were female and the majority (60.93%, n=513) of the participants who prefer traditional travel agencies. As for online travel agencies, males are more likely to prefer them.

Regarding the Portuguese’s income, it was possible to infer that most of the participants (59.4%, n=600) revealed to prefer traditional travel agencies. Besides, the higher the participant’s gross monthly income, the more likely they are to rely on a traditional travel agency when planning their trips.

As for the influence of promotion in Portuguese’s decision to purchase in traditional travel agencies, results showed that most participants who prefer traditional travel agencies would switch to other travel agencies when offered a promotion (69.5%, n=417). Besides, only 16.34% (n=67) of the participants would remain loyal to their online travel agency when offered a promotion by another travel agency. Therefore, most participants (75.25%, n=760) would switch to other travel agencies when faced with a promotion.

6. DISCUSSION

It was expected that the lower the individual’s age the more the individual would opt for the online channel. However, results show that there is no connection between the individual’s age and their purchasing decision-making in a particular type of travel agency. It can then be noted that there is no positive connection between the individual’s age and their frequency of online purchasing, as concluded in Li et al. (1999)’s study. It should also be noted that the individual’s employment status does not relate to their decision-making in a travel agency. As such, this study contradicts the idea that students are the most likely to spend money on tourism products and/or services, which is found in Paulin (2001)’s research.

According to the data obtained, it was also possible to ascertain that the research hypotheses “Gender influences the Portuguese’s decision to purchase in traditional travel agencies”, “Gender influences the Portuguese’s decision to purchase in online travel agencies”, “Income influences the Portuguese’s decision to purchase in traditional travel agencies” and “Income influences the Portuguese’s decision to purchase in online travel agencies” are statistically significant. As such, two of the participants’ socio-demographic aspects (gender and gross monthly income) influence their purchasing decision-making in traditional travel agencies or online travel agencies.

Regarding the influence of gender in the Portuguese’s decision to purchase in traditional travel agencies or online travel agencies while about half (48.21%, n=81) of the male participants prefer online travel agencies, only 39.07% (n=329) of the female participants prefer online travel agencies to traditional travel agencies. The same is reflected in Li et al. (1999)’s study, which showed that there is a connection between gender and purchasing decision-making, with males being the most likely to shop online and spend the most money online compared to females.

As for the influence of income on the Portuguese’s decision to purchase in traditional travel agencies or online travel agencies, this study shows that the higher the participant’s gross monthly income the more likely the individual is to opt for a traditional travel agency.
when planning their trips. However, Li et al. (1999)’s study indicated that the higher the income the more likely it is for people to shop online.

Moreover, on the one hand, with the data obtained it was possible to verify that the offer of promotions by travel agencies is a very important factor for the participants of the study since most individuals indicated that they would use a travel agency if there was a promotion. The research hypotheses “Promotions influence the Portuguese’s decision to purchase in traditional travel agencies” and “Promotions influence the Portuguese’s decision to purchase in online travel agencies” proved to be statistically significant. Participants who prefer traditional travel agencies as well as those who prefer online travel agencies would change travel agencies if another travel agency offered them a promotion, and few would remain loyal to their travel agency when offered a promotion by another travel agency. This study is therefore in line with Saraiva (2012)’s research, which indicates that promotions are one of the most important factors in individuals’ purchasing decision making. As such, to draw the attention of a larger number of individuals, traditional travel agencies and online travel agencies should consider offering promotions, not neglecting customized and appropriate packages for each individual, something that also contributes to the individual’s satisfaction (Mullaney, 2004).

On the other hand, there were slightly inconclusive results regarding the price of travel agency services. First, it should be noted that, according to Kim et al. (2007a)’s study, individuals are frustrated when online travel agency websites do not provide cost information before being needed to go on with the purchase. Thus, in this study, it was found that online travel agency consumers and the Portuguese who prefer online travel agencies over traditional travel agencies indicated not to continue with their interaction with an online travel agency until they know the cost of their service if the online travel agency did not provide information about its cost at the beginning of the interaction. As such, it turns out that price is an important factor for individuals.

Second, most consumers of travel agencies who consider the price asked by travel agencies to be adequate have pointed out that the service is good enough to pay the price asked. However, most consumers of travel agencies who considered the price requested by the travel agent as inadequate indicated that they would still use the services of a travel agency the next time they planned a trip. It is further noted that most consumers of travel agencies would stick to their usual travel agency even if the price of their services increased, whereas the Portuguese who are not travel agency consumers would give higher priority to keeping their money. The fact that individuals use the services of a travel agency and remain loyal to their travel agency even if they do not consider its cost as adequate results from the idea that it is not only the monetary factor that gives value to the product and/or service (Chang et al., 2019) but that the perceived value of the product and/or service influences consumer satisfaction and loyalty (Ozturk et al., 2016). Besides, most participants indicated that they would return to using a travel agency only for the quality of the service while not mentioning price as a determining factor in their purchasing decision making.

It can then be noted that the promotions offered by travel agencies are quite important for the Portuguese. However, price is not the most relevant factor for individuals. Thus,
7. CONCLUSION

This study intended to characterize the Portuguese’s behavior towards travel agencies. After the research started, quite relevant results were obtained, mainly concerning the research hypotheses of the study.

First, one would expect that the individual’s age would influence their decision to buy in a certain type of travel agency, with younger individuals being more likely to opt for the services of an online travel agency.

Second, it was found that gender is a sociodemographic aspect that influences the individual’s purchasing decision-making. It was then possible to observe that females are the most inclined to opt for traditional travel agencies, while males are the ones who prefer online travel agencies the most. Thus, this study bears out Li et al. (1999)’s study, which indicate that there is a connection between gender and purchasing decision making, with males being more likely to shop online and spend more money online.

On the one hand, it was also possible to conclude that there is no connection between the participants’ employment status and their decision to purchase in a certain type of travel agency. On the other hand, there was a connection between the participant’s gross monthly income and their purchasing decision-making in a certain type of travel agency. In this sense, it was possible to infer that the higher the salary, the more likely it is that the individual will opt for the services of a traditional travel agency. However, Li et al. (1999)’s study indicated that the higher the income the more likely it is that individuals will shop online.

As far as the offer of promotions by travel agencies is concerned, this study is in line with Saraiva (2012)’s research. Thus, it was found that promotions are relevant to participants, as most individuals indicated that they would use a travel agency when faced with promotion and that they would switch travel agencies if another travel agency offered them a promotion.

Finally, regarding price, on the one hand, participants show interest in the price of the services of travel agencies by indicating that they would not continue to interact with an online travel agency until they know the cost of their service if online the travel agency did not give information about its cost at the beginning of the interaction. On the other hand, by indicating that they would once again use a travel agency just for the quality of service, not mentioning the price factor, the participants showed that price is not the most relevant factor. Thus, the present study rejects the indication that the price is quite important in the individuals’ purchase decision making (Kim et al., 2007a).

Since there are few studies on the aspects that influence the decision to purchase in traditional travel agencies, and/or in online travel agencies, mainly in Portugal (Pinto and Castro, 2019), the present study contributes to the literature around the theme of travel agencies, allowing a deepening of knowledge regarding the behavior of individuals around travel agencies. In this way, the ones responsible for travel agencies can get to know the
Portuguese’s attitude towards purchasing from travel agencies, making it possible for them to adapt their sales strategy. However, the present study suffered certain limitations. Initially, the investigation focused on consumer behavior in traditional travel agencies and online travel agencies, so a questionnaire, previously printed, would be applied to consumers of traditional travel agencies and an online questionnaire would be applied to consumers of online travel agencies. Thus, one of the authors of this study went to several travel agencies in the cities of Porto and Matosinhos, and several online travel agencies were contacted by email. However, few travel agencies agreed to collaborate in the study, having been delivered a total of 178 printed questionnaires, and having the collaboration of only two online travel agencies.

After one month of data collection, only 10 consumers from traditional travel agencies had filled up the printed questionnaire. Besides, the online questionnaire had only been filled up by 34 individuals. Therefore, there was a need to stop the data collection used up to that moment and choose another data collection strategy, hence using the one presented in this article. However, this decision was not worst, given that, about two weeks later, the country entered a state of emergency due to the SARS-CoV-2 outbreak, meaning that it was not possible to collect data from the physical facilities of travel agencies or the collaboration of online travel agencies, as it is estimated that they have stopped working momentarily at that moment.

It is therefore suggested that future investigations focus on consumer behavior in traditional travel agencies and online travel agencies. To this end, data should be collected through printed questionnaires for consumers of traditional travel agencies and online questionnaires should be applied to consumers of online travel agencies, as it would be done in this study. Moreover, it is suggested the conduction of interviews with those responsible for traditional travel agencies and their employees, as well as with those responsible for online travel agencies and their employees, to understand what the strategies of travel agencies are in catching the attention of their consumers and future consumers.

Authorship statement: The authors declare that there is no conflict of interest in relation to the publication of this article. Beatriz Gavina and Susana Silva have carried out: the literature review, development of the methodology, consultation and treatment of original sources, analysis and discussion of the results and conclusions, and the final revision of the article.

8. REFERENCES

AGAG, G. and EL-MASRY, A. (2016): “Understanding consumer intention to participate in online travel community and effects on consumer intention to purchase travel online

Cuadernos de Turismo, 49, (2022), 149-171


*Cuadernos de Turismo*, 49, (2022), 149-171


Cuadernos de Turismo, 49, (2022), 149-171


*Cuadernos de Turismo*, 49, (2022), 149-171

Cuadernos de Turismo, 49, (2022), 149-171


Cuadernos de Turismo, 49, (2022), 149-171


