

The Role of Online Marketing in the Travel & Tourism Industry

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Abstract: *Tourism is one of the largest industries in the world. Tourism has a great contribution to the world economy. Not only in the economies of developed countries but also developing countries depend largely on the tourism industry. As the trend of online marketing is increasing very fast in the field of tourism, it has become a subject of research. With the development of the Internet and its availability to the common man, there has been a lot of change in the behavior of the customer in the field of tourism. Internet is playing a vital a role in their approach since it has been covered to every corner of the world. Internet is being use maximum in the tourism industry for different types of marketing or promotional activities. Internet is the most suitable way to make direct relationship with customers. Travel agencies today are adopting online marketing instead of offline marketing so that they can reach more and more people in less time. From this it is clear that online business has emerged as an essential tool especially in the field of tourism. This paper focuses to examine the basic elements of online marketing and the significance of the same in the travel and tourism industry.*

Keywords: *Online marketing, Direct Relationship, Online business.*

Introduction

Online marketing includes all efforts of marketing that utilize an electronic device and the internet. Businesses leverage digital channels such as search engines, social media, email, and other websites to connect with current and potential customers. Online Marketing is the process by which customer relationship is maintained by facilitating exchange of information and ideas about the products and services. It is a medium which helps satisfy the goals of buyers and sellers. The role of online or Internet marketing in recent marketing is no longer a minor one. Internet marketing is a essential part of the success of any organization.

From IT support to lead generation to sales, Internet marketing is beneficial to nearly every aspect of the business. The world is witnessing major developments in communications due to the intensive spread of technology and information through the Internet through different mediums such as the Smartphone, social media platforms, and the electronic word-of-mouth. The appearance of new technologies in the field of information and communication, particularly the Internet has totally changed the dynamics of market as well as increasing the power of consumers.

In modern marketing we cannot ignore online marketing because most of the people spend most of their time online whether they are at home, school or waiting for train at the railway

station. Marketing through online gives more effective way to promote our product. As defined by Zhu and Zhang (2010), online marketing is a strategy where the companies or brands digitally communicate with the customers.

The customers need to get thorough information regarding products of their choice. Through advertisements the business organizations put the details of the products including their services, discounts, price and features. Stegemann and Sutton-Brady (2012) analysed that online marketing issues digital advertising, campaigning, public relations that have a sophisticated psychological impression in the minds of the customers. According to several authors (Buhalis, 2003; Buhalis & Law, 2008) the Internet is perceived as a powerful and effective marketing tool in tourism.

It is consistently accepted as a valuable tool for distributing information and communication, and maintaining a corporate website is vital for the maintenance of relationships established between companies, by strengthening relationships with the public, and especially with customers, thus capturing a larger market segment. McMahan et al. (2009) indicate the advantages of online communication, namely the fact that it allows an opportunity for the assertion of corporate identity and the brand, as well as promoting a relational marketing. According to Hudson et al. (2012), digital marketing also came with several forms, which can be Website, Social Media, Mobile marketing, internet specific ads and videos, display ads, online communities etc.

In order to create a successful marketing campaign via social media, a consumer must be open to the technology. Consumer technology readiness is defined as “people’s propensity to embrace and use new technologies for accomplishing goals in home and work” (Parasuraman, 2000). Online marketing empowers the consumers to market the products which they feel are worthy of purchase along with detailed discussions on the features, quality, durability, design and functionality of various products across industries. Russell S. Winer (2009) affirms that many companies today are using some or all of the new media to develop targeted campaigns that reach specific segments and engage their customers to a much greater extent than traditional media.

Quiroga & Kamila(2010) in their research-Marketing and Facebook, describe how fashion companies promote themselves on social media platforms such as Facebook. As argued by Devi & Konti (2011) online marketing bring the organization products closer to the customer regardless of the location in the world as long as the customers have access to the internet. The role of Online Marketing in modern world cannot be overlook if online presence for personal or commercial promotion is desire.

Online marketing involves the application of digital technologies and media to spread brand awareness for driving more sales. Digital marketing plays a leading role in today’s contemporary world of Business. Whether it’s small, large or medium scale, for a business to be successful, online marketing is important. .Online marketing today has become the one of the main focal point for businesses all over the world.

Online marketing activities are very important, it's not only for gaining revenue, but also to reduce the cost of conventional marketing activities. Most people use digital marketing and social media intensively through their role as consumers of goods and services as they search for information and data on the products consumed in addition to communicating with others about their experiences (S. A. S. Salloum & Shaalan, 2018). Researchers such as Castronovo and Huang (2012) maintain that marketing strategies involving marketing intelligence, promotions, public relations, product and customer management, and marketing communications should begin exploring and leveraging social media, not only because there is a growing interest among consumers in Internet usage, but also due to the fact that

consumers consider information shared on social media as more reliable than information issued directly by firms (Constantinides et al., 2010).

Objectives of the Study

The key objectives of the study are:

1. To recognize the perception of online marketing
2. To understand the new trend of digital marketing
3. To study the distinctiveness of a successful online marketing
4. To examine the role of online marketing in travel & tourism industry

Understanding Online Marketing

After reviewing the several literatures available on the subject, the meaning of digital marketing can be understood better.

- Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2013).
- In order for digital marketing to deliver result for businesses, digital content such as accessibility, navigation and speed are defined as the key characteristics for marketing (Kanttila, 2004).
- Digital marketing concept originated from the Internet and search engines ranking of Websites. The first search engine was started in 1991 with a network protocol called Gopher for query and search. After the launch of Yahoo in 1994 companies started to maximize their ranking on the website (Smyth 2007).
- Online services tools are more influencing than traditional methods of communication (Helm, öller, Mauroner, Conrad, 2013).
- Internet Marketing(also known as e Marketing, Web Marketing, or Digital Marketing) is an all-inclusive term for marketing products and/or services online –and like many all-inclusive terms, internet marketing means different things to different people.(Ward, 2016)

Internet marketing and online advertisement, also called e-marketing, web marketing, online marketing, or e-marketing, is the advertising of products and services over the Internet. (Ruzic, D. 2003).

Online marketing is a widely used term to illustrate the efforts of a firm or an organization's for online marketing.

Online marketing is a wide term that includes the following actions and tools:

- Presentation and contact: website, apps, blogs, podcasts.
- Communication: social networks, web series, online platforms.
- For transaction: e-commerce, social networks, marketplaces, blockchains.
- Strategic: SEO (search engine optimization), SEM (search engine marketing), content marketing, attraction marketing.
- Investigation and measurement: data generation, big data, metrics, key performance indicators (KPIs), analytics, data services. Monitoring of the actions carried out and adoption of new KPIs. Using big data techniques and the use of chatbots, customers' needs and decisions are analysed and future lines of action are redefined.

Features of Online Marketing

- Internet or online marketing provides us the facility of global marketing.
- It is less expensive – The cost involved in internet marketing is very less compared to other marketing strategies.
- It makes marketing easier – We can find out both buyers and sellers online.
- The global online marketing aims at maintaining everlasting relationships with customers.
- Online marketing aims at securing the goals of both the seller and the buyer.
- It has the capability to boost the choices of products and services.
- Online marketing has a huge availability of information.
- A consumer gets vast information about a product, its features, service net work. Competitor's offer, etc.

Online Marketing in Travel & Tourism Industry

Travel and tourism industry is one of the industries that are affected by digital development in a large amount. Transportation and accommodation companies were pioneers to use online marketing techniques in their practices to engage potential customers and make sure their customers have the best possible away-from-home experience. The role of internet in the buying behavior of tourists led to a variation in marketing plans that became more and more digital. The changing technology at a rapid speed has totally changed the face of the travel & tourism industry. Such important factors in the changing face of the travel & tourism industry are the social media like Facebook, Twitter, LinkedIn, Instagram, YouTube and many other platforms.

With the emergence of these tools people can easily reach out to a larger number of the audience around the globe. This has led to a notable rise in the international relations of the countries. In recent years, there has been a significant business growth through internet marketing as well as the overall growth of global tourism. Thus, digital or online marketing plays a vital role in tourism industry. Digital marketing methods have transformed the travel and tourism industry in different ways. online marketing tools supply plentiful benefits to the travel & tourism industry.

On other hand, the use of ICT in hotel industry, in particular the CRM-Customer Relationship Marketing and the Digital Marketing tools are key success factors for the performance of hotel industry (Melián-González & Bulchand-Gidumal,2016).In the early times, there was no perfect medium to spread out the information with more number of people in the world. With the emergence and development of internet and online method of marketing has become very easy to share the information on the global basis. Many companies offer travelers the ability to book tickets through downloadable mobile/tablet-exclusive apps. Digital media has definitely paved a way to save time for things in travel and tourism industry.

In the earlier times, people needed to travel and search for the perfect hotels and destinations which eventually led to disappointment sometimes. But with the emergence of travel and tourism apps, it is very easy to search for the best restaurant in the town and much more. The importance of online marketing in the marketing approach of the travel & tourism industry from a business perspective, allows stakeholders in the sector to grow an improved understanding of the efficient use of online marketing tools and associated benefits.

About 148.3 million online bookings are made per year, directly on the hotel website, via e-mail or through online booking platforms (Statistic Brain, 2016). TripAdvisor, founded in

2000, is considered the largest travel website in the world and supports the motto "learn more, book more, travel more". This website allows users to consult and create information related to the services provided in the tourism sector around the world. Online marketing as a means of endorsing a product or service has become a significant part of the present economy. The travel and tourism sector, which is most active in the execution of new digital trends and technologies.

Travel and Tourism industry consider digital technologies as the best and most valuable means to reach their potential customers. Many travel and tourism companies are also promoting their products and reaching their potential customer by providing best travel experience and services through using a variety of digital technologies consequently influencing the entire travel and tourism industry. Internet tends to be an essential tool of recent tourism promotion. The internet is broadly used by food & beverage outlets, transport companies, hotels and other travel and tourism enterprises.

Online marketing operation also supports travel and tourism businesses to reach their potential customers at a very low cost when compared to the traditional marketing approaches. Transformation of digital technologies has affected every area of business, and tourism, of course, is no exception! Tourism is experiencing tremendous growth at the present time due to digital marketing. Be it hotel booking, whether it is a plane seat, to get information about any tourist place. We can say that online marketing can see tremendous growth in the field of travel and tourism. Digitization also made easier for travel and tourism businesses to connect with potential customers. Travel and tourism industry is using different online marketing policies and strategies to increase the awareness about their products or services, reach a much larger audience and offer exclusive deals that will inspire and entice travelers.

Companies can easily reach to their potential customers any time in any part of the world and helps us to know the mentality of our customer and what our customers expect before they even inquire about our services. Through online or digital marketing travel and tourism companies can regulate their advertisements to reveal their product, services, destinations, travel itinerary etc. that work best for their interests, and giving them encouragement for their next adventure. Social media posts can also motivate potential customers to see the pleasure that others have experienced in traveling to a certain destination through our company.

Importance of online marketing for tourism

This industry is highly impacted due to technological changes. For engaging the communities and to provide best possible gateway to the client, travel & tourism come under the first ones who adopted the digital marketing techniques in their practices.

Here are various reasons which can clarify the importance of this in tourism –

- Increased number of mobile user
- Impact of SEO on decision making
- Online marketing replaced traditional marketing
- Convenient and updated information availability to the client's hand
- Fast and cheap way for marketing

On the basis of above mentioned point we can summarize the need to make use online marketing –

- Engaging more & more customers
- For more exposure in search engine results
- To use social media platforms to communicate
- To provide customization facility

Various ways & strategies for tourism online marketing

The online marketing business has introduced plentiful online marketing networks which help sellers to aim the exact or potential customers and pull them towards the goods or services being marketed.

Establishing user friendly website

In current scenario the customers try to obtain the information about the services offered by any business before conducting the purchase decision. A good user handy website, which can provide them facility to proper customization, can definitely push them to purchase services offered by you rather than your competitors. The website should be fast & safe as well as full of contents and should be friendly to mobile because the major role for traffic generation on website is coming from the mobile gadgets. Website should be optimized as per the google standard to rank in search engine pages, so going for the SEO is very important and business have to go for this.

Email marketing

The most beneficial, proven and trustworthy form of internet marketing is e-mail marketing. It is also commonly referred to as direct e-mail marketing. Email marketing, as the name proposes, is a online marketing channel which is used to market brands and businesses through emails. Email marketing is the use of email to promote products or services while developing relationships with potential customers or clients. It gives us a direct line to existing, past and potential customers. Email marketing can include newsletters with updates on the company, or promotions of sales and exclusive deals for subscribers. In this context tourism organization should have to adopt strategies for this and have to regularly keep in touch with customer through e-mails & newsletters.

Affiliate Marketing

Affiliate marketing is presently a very popular and attractive way of internet marketing. In affiliate marketing there are normally three main parties involved: the owner of the product or service, the affiliate marketer and the consumer of the product or services. The affiliate marketer promotes the products or services on the behalf of owner. When the consumer buys the product through the affiliate marketer the affiliate marketer gets a pre-determined percentage as commission. Hence tourism organization continuously should have to make liaison with these affiliate marketers for boosting the sales and also have to search for new ones.

Social Media Marketing

Social media marketing has become one of the most important and essential forms of internet marketing. Whether we want to sell products, market services, raise awareness for our brand Social media marketing is a great device to use. Single most famous types of online marketing is social media marketing. The development of Facebook, Twitter, LinkedIn, Instagram, YouTube and many other platforms playing a vital role for online marketing. Tourism

organizations have to look for this social media platform for creation of good presence in the market and have to think out of the box to reach the target audience.

PPC (pay per click)

Pay-per-click refers to paid advertisements and promoted search engine results. This is a short-term form of digital marketing, meaning that once you are no longer paying, the ad no longer exists. Pay-per-click can refer to the advertisements you see at the top and sides of a page of search results, the ads you see while browsing the web, ads before YouTube videos and in ads in mobile apps. So the organizations that are providing tourism services will have to go for PPC for short term for enhancing the sales from where the potential customers can be generated.

Search Engine Marketing

Search engine marketing, is the act of using paid strategies to increase search visibility. With SEM, brands pay for ads to appear as search results on search engine results pages. Search engine marketing, is the strategy of using paid advertising to get our website to appear on the first page of the search engine results pages. It becomes crucial for the tourism organization to look for this tool and have to make proper actionable planned decision for the same which can provide them good benefit.

Influence Marketing

This can provide opportunity to interact and to build relationship with customers. For this one have to analyze the strength of organization and have to develop well planned content to spread it. For this organizations can hire the influencer marketers, Influencer marketing is a type of social media marketing that uses endorsements and product mentions from influencers—individuals who have a dedicated social following and are viewed as experts within their niche. Influencer marketing usages persons with huge online spread careful authorities by your target marketplace to drive traffic and deals. Influencer marketing involves a brand collaborating with an online influencer to market one of its products or services. Influencer marketing is well-known on social media systems like Instagram and Snap chat. Businesses hire Instagramers with vast followings to approve their product by post one or more pictures with the product. So adopting this strategy definitely will be very fruitful for the tourism organizations.

Future trends for online tourism marketing

Technological changes are dynamic in nature whatever is newer today will become older tomorrow. Hence adaptation of the latest technology is very essential for surviving in the market in this context here are also some latest future trends associated with online tourism marketing –

- **Video marketing** – tourism business organizations can prepare some of the videos reflecting the experience a customer can have. It can excite the customers desire for visiting the destination as soon as possible. These promotional videos can show best aspect of location and services as well as organization can also utilize vloggers videos and youtuber.

- **Content marketing** - its rising but not new, here we have to think from customers point of view and have to prepare useful and informative content further deliver it to the customer. Content Marketing is way of providing these content to the customer at the exact time that they may need it. With the help of this service providers will attract a huge flow of new leads to the business.
- **Virtual reality marketing** – by using the VR tools service providers can give the tour experience to the client before going to that place. With the help of these VR tools client can be able to look around the destination and can experience the ambience and services. This can be promoted as “try before you buy” and helpful for boosting up the confidence among the customer what exactly they are going to receive.

Conclusion

Online marketing has totally changed the way how products and services are promoted in the 21st Century. Online marketing plays vital role in business of travel and tourism and also responsible for growth & development. At present scenario online marketing has totally changed the way businesses reached out to customers. Online marketing has made tracking and analysis much easier with its various effective tools like Google and Social Media Analytics. This feature was not really applicable for traditional marketing and it was also difficult to assess approaches and its success rate. In the field of Travel & tourism, if there has been any change in the product or the product to be supplied by the company or firm to the customer. If there is any change in the features then it can be easily updated or changed. As in present scenario the customer want these tourism product and services at their door step, in this context the online marketing can play a vital role for retaining the customer and further can be useful for enhancing the customer satisfactory level. The organizations do not have to think how they can spare so much to invest in all these so they don't have to worry just they have to hire digital marketing agency and hand over the task to them. They can develop a comprehensive digital marketing strategy for your brand.

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