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STUDY OF CONSUMER BEHAVIOUR OF TOUR AND TRAVEL OPERATORS

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ABSTRACT

The offerings of various players in the online travel space are largely undifferentiated, with price playing a crucial role in consumer selection of an online site. The article deals with research and analysis about consumer perception & behaviour about major tour & travel operators and online travel sites with respect to Sahara Care House. Key factors that influence their choice and usage, and consumer expectations with respect to booking their travel online were found. On basis of research findings, recommendations regarding product concepts and features are given. An Analysis of Consumer Behaviour towards Major Tour & Travel Operators with respect to Sahara Care House has been done by proper marketing research, studying customers' need & their perception about online tours & travel portals.

(Key words: customer expectations consumer perception, Tour & travel)

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INTRODUCTION

Online travelling is the newest addition to the travelling ecosystem in India. The advent and proliferation of computers, coupled with the increasingly acceptable leveraging of the Internet has caused some major changes in the travel industry.

Online travelling in India is yet at a very nascent stage.. The engagement level of most users has also been low with infrequent usage and loyalty.

However all this is changing with the spotlight sharply focused on complete travel booking. The traditional means of procuring airline tickets and associate travel arrangements are rapidly changing. These changes are primarily being facilitated by Internet travel marketplaces (such as makemytrip.com, yatra.com, etc) that claim to provide an easier, less expensive alternative to traditional methods of ticket procurement without sacrificing service quality. This project aims to report a descriptive study that investigated the perceptions of consumers in New Delhi for online travel and online travel portals with respect to Sahara Care House. As consumers' perceptions and attitude towards online travelling is a prominent factor

affecting actual buying behaviour, this research has tried to investigate a modest part of that area.

OBJECTIVES:

To understand the perceptions and attitude of internet users related to online travel and ticket booking.

To analyze the customers' perceived importance of attributes related to online travel portals.

To compare customers' perceptions on several dimensions related to prominent online travel portals with respect to Sahara Care House (Membership of "Sahara Global" travel agent)

REVIEW OF LITERATURE

Possibly the most challenging concept in the marketing is to deal with understanding the buyer behaviour. The attitude of Indian consumers has undergone a major transformation over the last few years. The Indian consumer today wants to lead a life full of luxury and comfort. He wants to live in present and does not believe in savings for the future. An important and recent development in India's consumerism is the emergence of the rural market for several basic consumer goods. The Indian middle class has provided a big boost to the consumer culture during the recent past and it is hoped that their buying

behaviour will continue to change in the coming future. Due to fast growth of the services sector per capita income of people of India is also increasing. The number of middle class is increasing due to another fact that people are fast shifting from agriculture to the services and industry sector where growth prospects are reasonably high as compared to the agriculture sector which is showing slow growth. The consumption pattern of a country depends on liberalization of economic policies, buying habits of the younger generation, financial independence at a young age, increase in number of nuclear families and increase in media exposure of the people. The tastes and preferences of the current generation are changing rapidly. The current generation does not mind paying extra for better facilities and ambience. Another major factor that has led to increased consumerism is the growth of credit culture in India. The Indian consumer does not feel shy to purchase products on credit and pay tomorrow for what they use or buy today. This tendency has led to a tremendous increase in purchase of homes, cars, two-wheelers and consumer goods. The market for luxury products in India is also climbing at an astonishing rate as compared to a decade ago when it was almost negligible. The reason behind this is that the purchasing power of people of India is rising very steeply. The Indian consumer today is highly aware about the product, price, quality and the options available with him. The purchasing is done by keeping all these factors in mind. Today, price is not the only consideration as it

was a few years back when prices played a major role in purchasing. Marketers are trying hard to capture this ever increasing Indian middle class as they form the bulk of Indian consumers.

RESEARCH METHODOLOGY

The study involved both exploratory and descriptive research techniques using both primary and secondary sources.

Sample size: 150 Research Tool: Questionnaire & unstructured interview.

Statistical Techniques: Cross Tabulation

DATA ANALYSIS:

Cross Tabulation

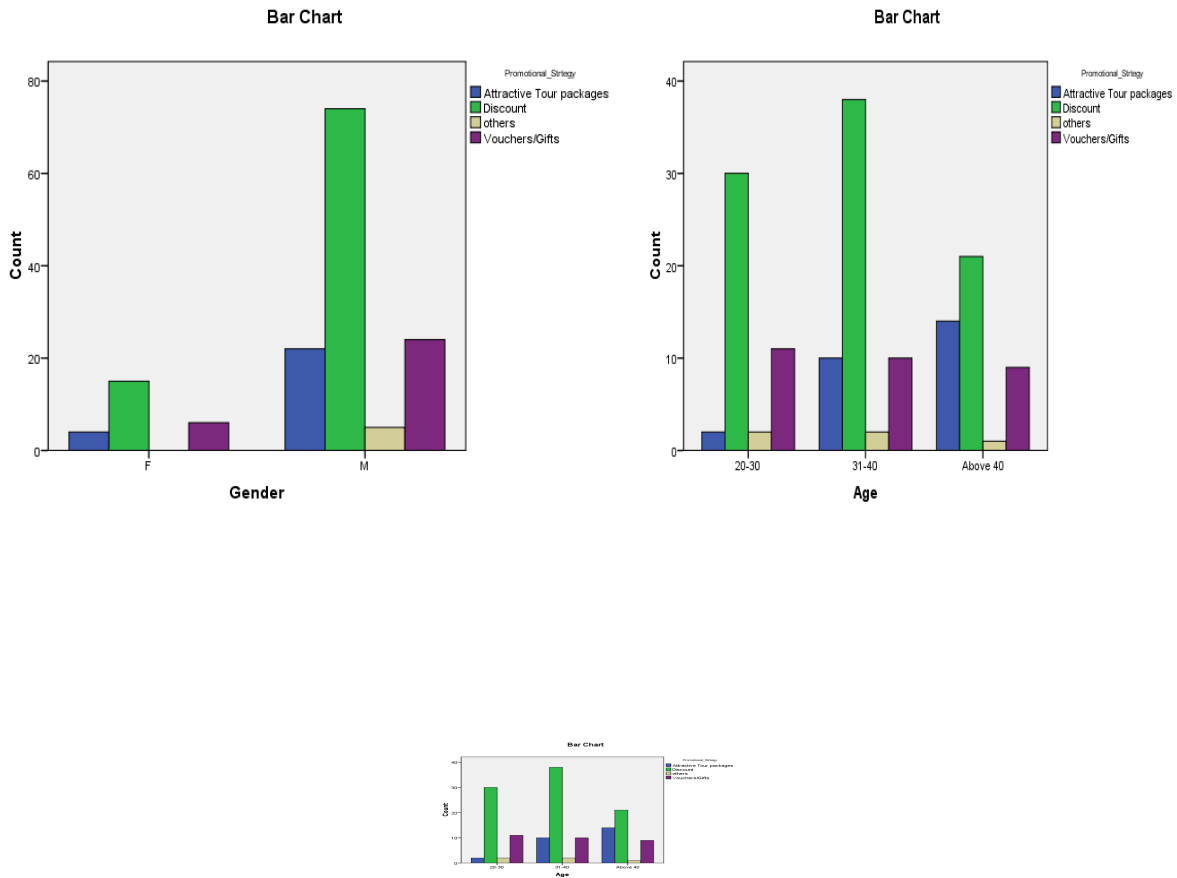
With the help of SPSS 16.0(Statistical Process for Social Sciences) cross-tabulations were prepared. The findings are given below.

Gender * Promotional Plan Cross tabulation

Count		Promotional Plan				Total
		Attractive Tour				
		Packages	Discount	others	Vouchers/Gifts	
Sex	F	4	15	0	6	25
	M	21	75	5	24	125
Total		25	90	5	30	150

Age * Promotional Strategy Cross tabulation

Count		Promotional Strategy				Total
		Attractive				
		Tour	Vouchers/Gift			
		packages	Discount	others	s	
Age	20-30	2	30	2	11	45
	31-40	10	38	2	10	60
	Above 40	14	21	1	9	45
Total		26	89	5	30	150



It was found that both male & female respondents are mostly attracted by discount on booking & vouchers/gifts. It was also found that irrespective of age discount on booking plays a major role to choose online travel portal.

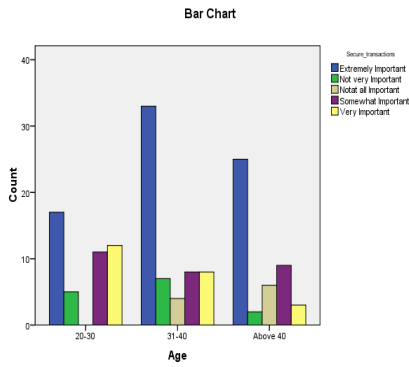
Age*Online Travel Portal Attributes Cross Tabulation

The total respondents were divided in three age groups, i.e. 20-30, 30-40, & above 40. The attributes chosen to judge customer perceptions about online travel portal were secure transactions, lower prices, quality of web, attractive travel packages,

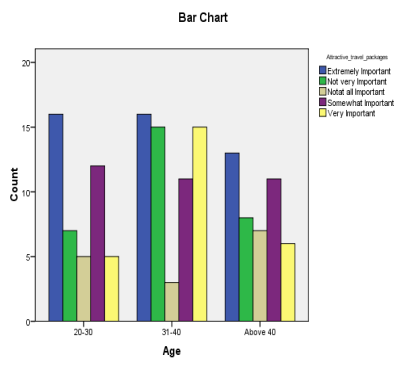
web design factors, customer support, other secondary facilities (ForEx, visa, and insurance) and brand awareness.

A scale was prepared to rate the importance of the attributes. When respondents were asked to indicate their perceived importance of attributes for an online travel portal, it was found that secure transactions, lower prices and quality of web content were found to be most important. Attractive travel packages, web design factors and customer support are also perceived to be important while other secondary facilities (ForEx, visa, insurance) and brand awareness were found to be less important.

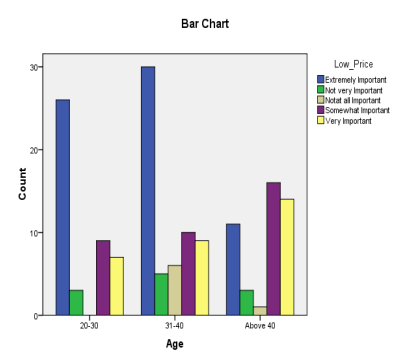
The findings are graphically represented below,



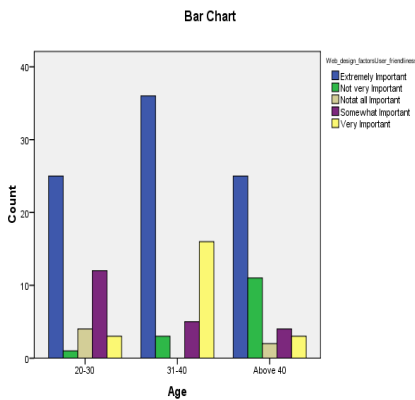
Age*Secure Transaction



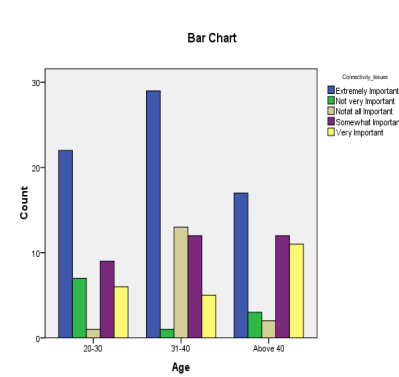
Age*Attractive Packages



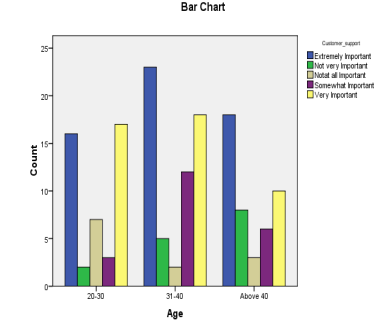
Age* Low Price



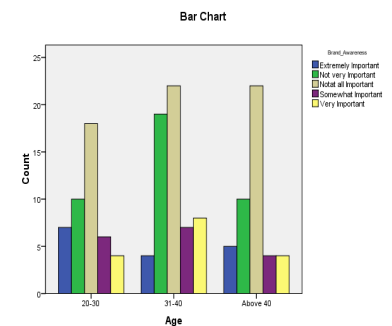
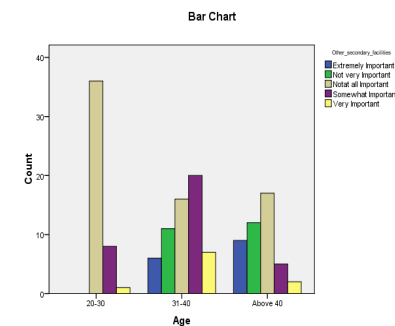
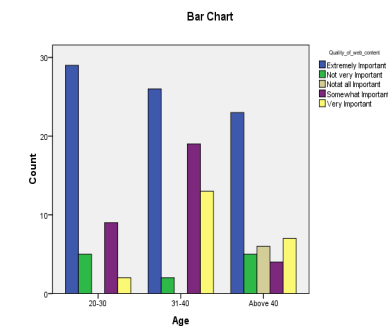
Age* Web design Factors



Age* Connectivity Issues



Age*Customer Support



Recommendations & Conclusion

Consumers are price-conscious and are attracted towards an OTA offering by promotional offers. The firm's strategy in this respect should be:

- I. Give the usual promotional offers that other OTA sites do, like cash back offers on usage of certain credit cards.
- II. Provide free service of cab pickups and drops on certain flights (with price exceeding a certain base amount).
- III. Give small discounts on complete holiday packages, among others.

Easy and quick access to customer care acts as a re-assuring factor and increases customer satisfaction with service offering. The company should look at providing multiple channels of customer care, though the focus should be on customer care over phone, as revealed through data analysis.

Usability of site is an important criterion affecting choice of an OTA site. The start-up firm should not just create a user-friendly interface, but streamline the process of booking tickets by creating a simple 2-step process. Through this, it should be ensured that the time for a typical booking is around 5 minutes.

Consumers do not trust the hotel ratings available on an OTA site as the perception seems to be that these might be subjected to bias. Hence ratings and reviews of Users and 3rd party should be included on the website to increase credibility.

Users are increasingly asking for door-to-door service and wide range of features such as cab pickups and special care at airports. By providing the complete

package, the company can create differentiated offering and thus charge a small premium.

Considering that mobile penetration is growing at a faster rate than Internet penetration, this mode of sale should not be ignored.

Referrals seem to play a significant role in consumer choice process. Use of network marketing & word-of-mouth advertising, collaboration with online metasearch travel engines is recommended.

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