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## Online Marketing Strategies for Travel Agencies

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### **Abstract**

*This paper describes the theoretical foundations of marketing in the online environment in which a travel agency may develop an effective strategy for selling their products. In the first part of the article the author is focusing on functions of online marketing as well as on its advantages over traditional marketing instruments. In the next section the author addresses the search engine optimization in order to improve the position of a travel agency when searching for potential customers. In the final section the author describes the key social media as well as the right method how a travel agency should enter them. The basics and experiences described in the paper can be used as a universal guide for all travel agencies intending to successfully manage their marketing activities in the online environment.*

### **Key words**

*Online marketing, travel agency, activation of tourist industry, Russia*

**JEL Classification:** M31

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### **Introduction**

Today, a successful marketing strategy of a travel agency cannot be complete without an active presence in the online environment. This is mainly caused by the increasing availability of the Internet and the growing number of potential customers who may purchase products and services online.

The purpose of this paper is to describe the theoretical foundations of marketing in the online environment based on which it is possible to build a valid and effective online strategy for travel agencies. With these online strategies, the travel agency should report greater success in its website traffic and subsequently in the successful marketing of its products.

At the beginning of my paper, I would therefore like to focus on the specific aspects of online marketing. Essential for the success in online marketing is to create a good web presentation, followed by control and the subsequent analysis of website traffic and a continuous improvement based on regular monitoring. For this reason I will focus on this area in the next part of my paper. Given that the Web space is huge and there are numerous websites of travel agencies, the search engines have taken the key role in the usage of Internet as they are capable based on keywords to select from the vast amount of websites, only the relevant ones. The search engines are also the most common starting point when working with the web, so it is important for travel agencies to be placed in the first positions in the search engines. In my paper I

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will discuss the methods to achieve this goal. Success in the online world has to be supported in particular by monitoring new trends and one of the most important trends in terms of marketing is the great expansion of social media. In conclusion of this paper I will therefore present an overview and basic rules of the activities within the social media.

## **1 The Tasks of Online Marketing**

Online marketing is subject to different regulations than the traditional marketing. Internet creates completely different communication scenarios between customers and travel agencies. In the online environment not the travel agency determines the flow of communication but the web users do when they decide when, how long, where and how they will be engaged with the particular web site.

The primary objective of a travel agency is to find out what the customers need, continue to attract these customers to its website and finally trying to sell its product.

In every online marketing campaign the travel agency should focus on three basic tasks:

- To attract: Attract customers to a web page requires great effort, but it is necessary to focus on attracting "qualitative" visitors, in the sense that these people are really interested in the product or service of that concrete travel agency.
- To awake the interest: When a visitor finds himself on the website, how to make that he will come back? The interest of the audience can be taken by e-mail newsletter, RSS feeds or community development around the product or service.
- To activate: Community of visitors, that are impressed by marketing activities is generally a good thing, but useless, if there is no activity to convert the visitors into customers. Such activity, called the conversion may be for example purchase of the product (e.g. a weekend trip to russian capital Moscow), interest in e-mail newsletter, or phone call from a travel agent.

### **1.1 The End of Disturbing Marketing**

Standard marketing channels such as television, radio, outdoor media and prints have one common attribute. The principle of its operation is that people should stop their activities that they were previously carrying out. An example might be the travelling on the highway where the driver admires the scenery and suddenly he is interrupted from this activity by a billboard ad placed by the roadside promoting a travel agency. Similarly, articles in magazines are placed across multiple pages, often being mixed with ads. All traditional media are thus designed to draw the attention beside other, unrelated activities, while distorting the concentration of the individual.

Disturbing marketing can work, but it should be noted that over the time people will see all ads alike, so only an extraordinary advertising can win their attention. However, people are generally ignoring this kind of advertising more and more.

Online marketing allows you to reach only those customers who actively show interest in the kind of product or service of that relevant travel agency. Social media allows to speak directly to prospective customers to obtain from them immediate feedback. Since it is not a disturbing form of marketing, by the help of online media one can achieve higher efficiency than advertising or commercials in traditional media.

## 1.2 Advantages of Online Marketing

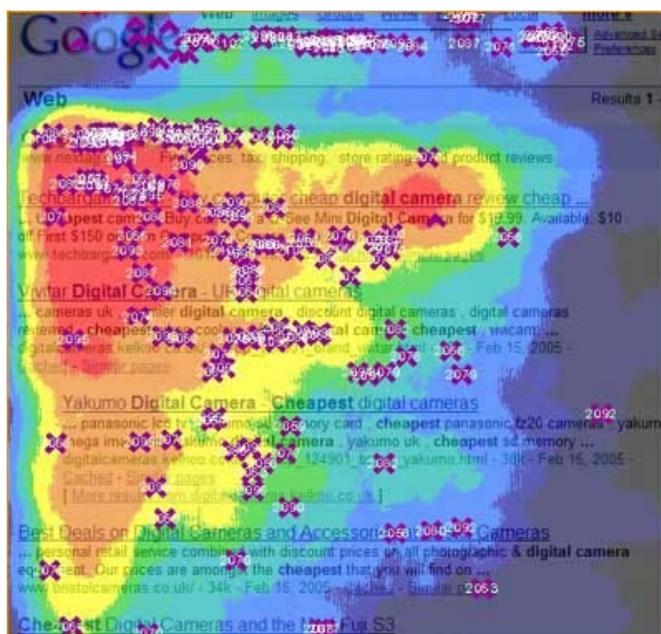
On-line marketing channels are gaining in popularity among travel agents. They allow targeting people who are interested in a particular product or service when they are considering purchasing them. At the same time the whole process can be measured in order to confirm that it works.

- **Measurability:** The biggest advantage of online marketing is measurability, which makes it very easy to measure the success of the campaign. It is possible for each campaign to find out the exact number of clicks and compare it with the number of sales and also calculate the cost of converting visitors into customers. Statistical outputs may already be used during the course of the campaign and thus the travel agencies may perform operational changes – e.g. eliminate ads, in which people will not click and replace them with more successful ones.
- **Targeting:** Online marketing allows the targeting of a very specific audience so that advertisements for certain products or services are really showing only to people in those market segments in which the travel agency has its interest. If a potential client is looking for a language course in Russia, advertising on language course in Russia should be presented to the customer rather than in England. The relevance of advertising messages is increasing the usefulness of advertising for the visitor and thus increases the chance that the visitor becomes a paying customer.
- **Permission Marketing:** Permission Marketing can be defined as a privilege (not right) to deliver relevant, personalized expectable information to the customers who have expressed interest in such kind of information. This kind of marketing does not interrupt people during they work, as traditional media do (TV, radio, press, outdoor), but rather connects travel agencies with people who are interested in their products or services. Overall, online marketing is considered as a combination of disturbing marketing and permission marketing, the banner advertising is disturbing marketing (it is shown for example in addition to articles and is partly distracting), but the contextual advertising on search engine marketing belongs to the permission marketing, because a person clicks on an advertising link only if he wants to see and know more.
- **Interaction:** In comparison with the media, allowing communication in only one direction (TV, radio, press ...) the online advertising allows direct interaction with customers. They can click on an ad, look through the web site of the travel agency and ask for more information without having to trace the information on the address or contact telephone number. With immediate results it is possible to edit any campaign during its run.

## 2 Optimization of Online Search Engines

The purpose of the web-based search engine is to help Internet users to find web pages that are most relevant to them. When a user enters search keyword or phrase, the search engine will go through the database and view the pages that it knows. If the search engine has a problem reading or navigating to a web page, this web page will be placed in the search engine on a bad position. Search engine will selected from its database only those web sites that it considers relevant and will offer them as search results pages (SERPs also often called in English. Search Engine Result Pages).

**Figure 1** The study on eye movements of users on Google search clearly shows on which placement in search engines it should be focused in order to be successful in optimization.



Source: EyeTools.com

The goal of an online strategy is to increase the travel agency's position in search results for keywords that relate to its offered products – a good position is when the web site is located on the first page, ideally located in the first place (which may be difficult in a big competition). According to the study 89 % of Microsoft's search engine users click on Bing page on the search results appeared on the first page on the very top, but on the page placed as second only 33 % of users click. Another study of the Google search engine brought slightly different results (see figure).

**Figure 2** Cornell University study reveals what percentage of people clicked on links in Google search results

	% of Clicks	% Time Spent
<b>Something</b>	56.36	28.43
Something	13.45	25.08
Something	9.82	14.72
Something	4.00	8.70
Something	4.73	6.02
Something	3.27	4.01
Something	0.36	3.01
Something	2.91	3.68
Something	1.45	3.01
Something	2.55	2.34

The exact method of sorting sites in the search engine is not publicly known. According to published information, the sorting system of the search engine Google has been changed more than 400 times and is currently using more than 200 factors in determining the order of a web page. According to a survey SEOmoz community in 2009, following are the most important factors:

1. The presence of keywords in the external links to web page;
2. Quality vs. quantity of external links;
3. Diversity of external links;
4. The presence of keywords in the title page (TITLE);
5. The credibility of the domain based on the calculation of the range from the most trusted domains (eg, Wikipedia.org, CNN.com, Facebook.com, etc.).

Keywords are the basis for the optimization. These words, combination of words or phrases are the phrases that the internet user types into a search engine and search results will appear on the result page. But it depends on many factors; one of them is a suitable choice of keywords. This should be done prior to the optimization.

In practice, we will first focus on finding the generic keywords, ie. the most general words that should attract people to the website. For example, the travel agency might choose the keyword "holiday" or "vacation". Such simple keywords are frequently entered into search engines.

Identification of generic keywords should therefore serve only as a "jumping-board" for the identification of specific keywords or more precise phrases that better

describe the products and services of the travel agency. Usually such specific keywords are phrases consisting of two to four words. To identify the ideal phrase it is necessary to consider also other factors: search volume, competition and size variations of the keywords. This step can greatly facilitate the optimization of various online tools available free of charge.

It is important to consider various modifications of keywords, for example: "Holiday in Sochi", or "cheap language course in Moscow". Although modern search engines know how to recognize the singular and plural of same words, sometimes it is better to target SEO campaign as one of the options. E.g. for "cheap holiday" Google returns about 468 thousand pages for "cheap holidays" results only 198 thousand pages.

### 3 Social Media and Social Networks

Before we define the concept of social media, it is necessary to define the concept of **social networks**. The social network represents the second generation of the World Wide Web, which is aimed at a bilateral conversation, interaction and communication, where the content is generated by the user. Its name is also Web 2.0.

People were always situated to certain social groups, which were interconnected by relations, whether through the family links, friends links, shared ideas, education, or income level. Internet connections allow such people, people with common interests outweigh and overcome common barriers, for example geography, making it easy for Internet users with similar interests communicate and exchange experiences, no matter that they may be physically located apart from several thousand kilometers away. This unique feature of the Internet has meant that in recent years the electronic services enabled the creation of social networks, very popularity with millions of users worldwide.

**Social media** is any form of communication and publishing placed on social networks. It is a term used to describe the wider context of any content occurring on social networks. It may be a contribution to the discussion forums or blogs, photos, audio clips, links, user profiles etc.

#### 3.1 Types of Social Media

##### Social Networks

This is the most popular social media, because the essential characteristic of these services is to connect people with other people. After a registration, the user of such service can create its profile, where he may state its resume, interests, upload photos or videos. Subsequently, the service will find close people, either by common interests, or it can be his friends from the real world, work colleagues, classmates, or family – those people he specified in its user profile, allowing other users to find mutual friends.

A good example of social networks is Facebook and MySpace, with a focus on bringing together friends and family, while other social networking sites like LinkedIn and Plaxo are aimed at linking business acquaintances, colleagues, or even offer jobs. If a travel agency is looking for a new employee, it might be able to find him/her on LinkedIn.

### Blogs

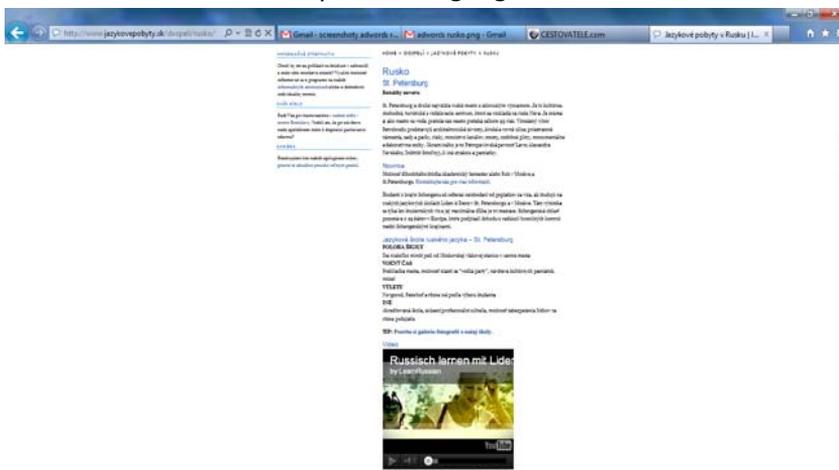
Blog is a word that was created by shortening the English term web log, or a sort of The Web log. It is usually a frequently updated web page containing the individual contributions, while they are in chronological order, from newest to oldest. It may be an author's personal diary blog, but is often used to targeting interesting links to other sites and evaluation of products and services. Recently there have been several popular blogs that do not represent only the individual but may be a kind of project, team or corporate blog. Regarding the update frequency, variability in this case is very large. There are several travel related blogs in the web.

Microblogs as electronic publishing services are enabling short text information, usually limited to a length of 140 to 160 characters. This is due to the fact that these updates can be sent in addition to the standard method of using mobile equipment, for example via SMS. After the publication of such updates, all users of services who have demonstrated interest in receiving such information (so-called followers, from the English word "Followers") are notified. The most successful microblog service is now Twitter. For example, the users could get information like, "Flights to Moscow for only 149, - Euro for the purchase today, the departure until 31.12 2011 – more on www.plus-tour.eu".

Other types of so-called social networks are:

- A server to share videos and photos – YouTube is now considered as the second largest search engine in the world by number of searches.

**Figure 3** Slovak travel agency specializing in offering language courses is publishing on its website video of its Russian partner language schools



Note: This video is primarily placed on YouTube. In this case, it is linked to their web site, where it serves as a supplement to the information about St. Petersburg city, school, program and pricing.

- Social news – servers providing so-called social news services, collecting links to news articles on other websites;
- Podcasts – producers of audio or video recordings provide their content in one place, with a rise in frequency of new recordings;
- Discussion forums – it is the oldest type of social media, where people meet in online discussions on various topics, whether general but also very specific.

### 3.2 How to Start

The key moment in the process of entering into the social media environment is to realize that social networking is built around people and relationships between them, hence it is necessary to act like a human. Create a corporate travel agency page on Facebook or Twitter and posting only press releases from other sites is not a suitable strategy and usually has a similar effect as billboards along the road. It is therefore necessary for social networks to act as a real person and engage in conversations in the same way as ordinary people and social network users do. This also means that on social networks there are not many places for the usual corporate vocabulary marketing and writing style. It is necessary to discuss, not to repeat ad headlines you know from billboards and prints.

Simple monitoring can be initiated in the form of regular monitoring of certain influential blogs and forums focusing on a particular specific area in which the company operates. The travel agency may search through influential blogs and forums containing the words "travel" or "holiday" and actively watch what are people's views on that particular area, eventually if the users or bloggers mention the name of a specific product and services, the travel agency can give feedback to improve their reputation.

If monitoring has helped to understand in what condition the community is, it's time to start thinking of engaging in brief conversations. The operation usually requires registration of the participant. It is appropriate to comply with the following rules:

- To register under the name of the travel agency that no one could present opinions under the name of the travel agency with a false identity;
- To upload your real photo, it is a signal that people are not communicating with some virtual company, but on the other side is a real person who understands their needs;
- To provide contact information (business contacts) if the person is available under this contact;
- To be professional, under any circumstances, is particularly useful because people always will associate a particular person with a tour operator or a brand.

After the travel agency has created multiple accounts on social services, it can begin to actively engage in discussions. The method of involvement may be specific to different types of social media:

- Blogs: Add a comment to those places where you can give your opinion or unique experience;
- Discussion Forums: Create discussion topics relevant to traveling, send comments and added value to other topics;

- Share photos and videos: Add comments to pictures and videos. Videos about the destinations both from the travel agency and customers.

**Figure 4** The picture shows a funpage of a specialized Slovak travel agency site "Jazykove pobyty" (in English: Language Travel) on Facebook that shares information about the language course in Russia to its more than 50,000 fans. The information sparked debate among fans and thus met the objective.



Such simple interaction has a very positive effect on awareness of the travel agency. Correct approach to the conversation will allow other parties to have positive attitude to the travel agency. If the travel agency needs to share some new information about them, the people on the social media help to spread the information. With a long-term awareness and a gained respect from people spreading such information it will not be necessary to ask them to do that.

After the travel agency will successfully establish itself in various online communities it can begin to create original content and be the initiator of the communication. The online community highly appreciates the original and valuable content, therefore, to publish ads in online communities at the beginning in not the right choice.

## Conclusion

Text of the paper summarizes on example of a travel business the theoretical foundations and practical aspects through which it provides answers to some questions, how to prepare and implement successful online marketing strategy. In addition to the cornerstones of online marketing, such as a good website, its continuous improvement, maintaining a good position in search engines and paid advertising – the significant new technological trends are those things, which should attract greater importance and dedicate more energy as to the other traditional areas of marketing.

At the time of writing this paper social media where those trends, dominated by the social networking site Facebook, and YouTube. In the near future an increase is expected in advertising effectiveness in modern portable devices, mobile phones, tablets, or ultra-light computers, the so-called mobile marketing, e.g. iAd for mobile devices from Apple can be an example of such new interactive advertising formats. Mobile devices usually allow the user to find the exact location through Global Positioning System GPS, therefore the geo-marketing is increasingly gaining the popularity, as it gives the user the marketing information based on his position.

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