CHARACTERISTICS OF RESERVATION SYSTEMS IN TOURISM MARKETING

MARKETINŠKE KARAKTERISTIKE REZERVACIJSKIH SUSTAVA U TURIZMU

ANDRLIC, Berislav

Abstract: *The aim of the paper is to explore the theoretical settings of e-distribution marketing processes in tourist catering, with a special emphasis on online reservation services. Practical research provides an overview of the positive experiences of using these systems in marketing practice.*

Key words: *e-marketing, distribution, reservation systems, tourism*

Sažetak: *Cilj rada je istražiti teorijske postavke e-distribucijskih marketinških procesa u turističkom ugostiteljstvu, s posebnim osvrtom na rezervacijske servise na Internetu. Praktično istraživanje daje pregled pozitivnih iskustava korištenja navedenih sustava u marketinškoj praksi.*

Ključne riječi: *e-marketing, distribucija, rezervacijski sustavi, turizam*

Author´s data: Berislav **Andrlić**, PhD., Polytechnic in Pozega, Vukovarska 17, Požega, bandrlic@vup.hr

1. Introduction

In today's dynamic and dynamic business environment, marketers are pushing to reduce product development cycle time, improve end-user service, and improve product and service quality. To tackle such challenges, many subjects have developed a concept of closer relationships with their consumers and shortened distribution channels with the use of information technology. E-distribution is a set of interconnected organizations involved in the process of placing goods available to consumers (consumers), whereby this process is supported by information technologies, in particular the Internet. In this case, new technologies transform the existing channel structures and relations between the intermediaries in the distribution chain.

2. Relationship between marketing and distribution on the Internet

ICT have provided new paths for relationships across tourism distribution channels, leading to increases in competitiveness and efficiency in the sector, and improved business performance. [1]

E-distribution system provides many benefits to the organization that uses it. It is important to emphasize more efficient and quality business processes, which in turn leads to high profitability. Like any technology, it is necessary to plan the price of implementing such a system. The level used and the time of introduction of the said system depends on the industry branch and the level of introduction. Generally speaking, the underlying benefits deriving from the implementation of the e-distribution system are: [2]

• Reduced labor costs and data entry via a computer. A business entity sends information that is entered into another computer system. The system eliminates the need to re-enter this information and reduce the cost of sending and receiving documents because it has no more mail costs.
• Timely information. The information was transmitted much faster than one computer system to another using the system. The relative importance of this factor varies depending on the industry, but will often result in better business management.
• High level of information quality. Typographic errors can have far greater consequences than just review work costs and re-entry of data. Some of these costs can easily be quantified and others are less straightforward (or by entering incorrect items, the user may incur additional costs of work and shipping with the customer support needed to investigate and correct the problem).

• Better communication and improved business processes. The system also generates feedback systems to ensure that documents actually delivered and received from the other side are correct.

• Standardization. The introduction of the system brings standardization of the usual business operations into distribution channels.

If we look at the above mentioned benefits, it should be noted that e- distribution in tourist catering is necessary because of the existence of the encountered distribution, and in this way the tour operator enters the potential guest through the virtualization of the subject.

There are two possibilities of e-distribution: direct distribution and distribution through e-brokers. In the case of direct e-distribution, there is a process of booking and purchasing through the web site of the tour operator. In this case, this system is connected to the hotel ERP system and as such exists independently on the market. Such examples appear in smaller family hotels, which make their reservation and purchase of a tourist-brothel product within their own e-distribution system.
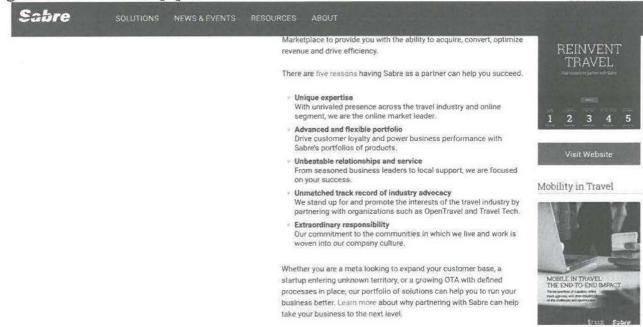
3. Internet reservation systems characteristics and impact on e-marketing

Looking at the development and present situation of intermediaries - reservation systems can be distinguished: [3]
• transformed reservation systems from former closed reservation systems,
• hotel chain reservation systems,
• reservation services.

The forerunners of the development of reservation systems on the Internet were closed reservation systems for airline tickets and reservation of accommodation in international hotel chains and before the Internet was developed. In the business world of airline companies, the use of CRS (computer reservation systems) and GDS (global distribution systems) systems is still prevalent. From the very beginning of the development of such systems, they sought to offer services to other service providers and well-known hotels and car rental agencies in order to provide the most complete service to the targeted business travel segment. They allow visitors to book and buy airline tickets, hotels, car rental and other travel services. Some websites allow visitors to price hotels and flights with the rest of the market, free of charge. It is usually possible to sort tourist packages according to tourist affinities - price, number of days, country or destination etc. The unmatched spread of these systems is also confirmed by the fact that almost all US travel agencies are associated with at least one computer reservation system, while some and more. The following example shows the Sabre GDS reservation system web site.

Figure 1. Sabre GDS [4]

The system uses around 60,000 travel agencies from all continents of the world, which is the largest number compared to competitors. It offers solutions for hotels, rent-a-car, airline and other arrangements, and compares them according to different purchase criteria. Hotel chain reservation systems are another form of distribution in tourist catering and appear in most international hotel chains. Visitors to the hotel reservation system web site provide information about free rooms, hotel service rates, and so on, which affects the decision making process. Now, back in 1996, users have booked tourist services worth $ 276 million through the Internet, of which 90% of the airline tickets. In 1997, the amount of traffic tripled and amounted to $ 827 million.

There are three basic approaches to building a reservation system on the Internet: [3]
• Reservation request via e-mail,
• Online reservation with Internet server database,
• Online reservation integrated with the hotel information system.

Far more advanced systems are online reservation with an Internet server base and online booking integrated with the hotel information system, which provides instant room availability, pricing and offer credit card payments, which will be the subject of more detailed research. This analysis should also mention the most important services in tourism today.

TripAdvisor (www.tripadvisor.com) is the most comprehensive reservation service (mega site) to provide hotel review information as well as a wide range of other tourist information. Expedia (www.expedia.com) is a mega site that, in addition to providing hotel services, also provides a wealth of useful information about a tourist

destination, maps, distances, weather forecasts, guest reviews and the like, all in order to facilitate the decision making process. surely the highest quality online reservation service. New trends in the tourism industry have also led to new travel trends, where it is worth mentioning the option of traveling and providing accommodation services according to the principle of solidarity among tourists. For these are known services such as HomeExchange.com (www.homeexchange.co) and Couchsurfing (www.couchsurfing.org). Couchsurfing is a predominantly non-commercial accommodation where hosts offer "couch" to travelers through a hospitality network. [5]

4. Conclusion

With the development of Internet business, tourists offer a range of booking options, except for the ones already mentioned, and through specialized sites or reservation services. E-distribution services integrate all participants in the hotel market, and everything is automated and technically easy to solve. In contentious terms, tourist catering consists of individual services (airline services, overnight stays, rent-a-car, etc.), for which specialized online reservation services have been developed and will continue to be developed in the future.

5. Literature

[1] Berné, Carmen, et al. (2015). The effect of ICT on relationship enhancement and performance in tourism channels, *Tourism Management* Vol. 48, p. 188-198

[2] Raghunathan, S., Yeh, A. (2001). Beyond EDI: Impact of continuous replenishment program (CRP) between a manufacturer and its retailers, *Information Systems Research,* Vol. 12., No.4., 2001., p. 406.

[3] Ružić, D., Biloš, A., Turkalj, D. (2009): *e- Marketing*, Ekonomski fakultet Osijek, Osijek, 2009., p. 333.

[4] Sabre GDS portal, avaliable at: https://www.sabretravelnetwork.com/home/ solutions/online/ , 06.05.2018.

[5] Decrop, A., Del Chiappa, G., Mallargé, J., & Zidda, P. (2018). Couchsurfing has made me a better person and the world a better place: the transformative power of collaborative tourism experiences. *Journal of Travel & Tourism Marketing*, *35*(1), p. 57.