



EVALUATION OF TRADITIONAL AND MODERN DISTRIBUTION CHANNELS IN TOURIST MARKET

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Abstract: Tourist services sector occupies a very important place in today's global market. It became the main market growth motor due to dynamic internet development, increasing competition and growth and variability of customer requirements. The article discusses the preferences of choosing traditional and modern distribution channels in tourist services by customers. The aim of the article is to know the consumers' opinions on traditional and modern distribution channels in tourist market. For this purpose, a survey was conducted in April 2018. The authors examined, among others, factors determining consumer preferences. In addition, the consumer opinion on the advantages and disadvantages of traditional modern distribution channels has been presented.

Keywords: tourist services, distribution, traditional and modern distribution channels

DOI: 10.17512/znpcz.2019.1.29

Introduction

In the 21st century, the services industry is developing very dynamically. The specificity of marketing used in tourist services is also changing. Marketing of tourist services involves the use of marketing mix instruments in the market activity of service enterprises on the tourist services market. It can therefore be described as an activity conducted to examine consumer demand and preferences, to shape needs not previously disclosed, to effectively encourage the purchase of services, and to provide them to the customer at the right time and place at the right price. In other words, it is the use of integrated marketing-mix elements through which the tourism company influences market processes (Panasiuk 2006, p. 67). In the article, distribution is understood as a two-way flow of information at the level of travel agency - customer. Information is therefore considered the basis of tourism, people are looking for information to minimize the difference between what they expect and what they will receive. Without the relevant information, the motives and travel possibilities would be significantly reduced. Therefore, a fast, cheap and effective mutual exchange of information is the basis for the effective distribution and sale of travel services (O'Connor, Frew 2002, p. 14). Traditional channels of distribution of tourist services require the customer to obtain information in the form of a leaflet,

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catalog or folder, make a reservation by phone, fax or travel agency, etc. and finalize transactions at a bank, post office or travel agency. The development of information technologies, especially the Internet, has contributed to a significant improvement of this process at any time and place.

In many countries tourist services are the basic and leading sector of economic and social development. The service industry has become one of the trends of our time. The service sector is constantly evolving around the world and is constantly adapting to rapid changes in the environment. The tourist services sector is undoubtedly characterized by a strong growth of competitive companies, which are forced to constantly modernize and optimize distribution channels in order to satisfy ever more demanding customers. On the other hand, the sector requires a constant effort on the part of the staff to improve the productivity and quality of services offered.

In recent years, technological progress and the development of information technology have contributed to a key impact on changes in the process of creating and delivering services. However, the Internet has made significant changes in the distribution channels of services. According to A. Czubała, the use of the Internet to provide and provide services to buyers who have access to the network, i.e. the development of electronic distribution channels, has significantly changed the structure of channels, their functions and costs (Czubała 2006, p. 180). Available data (including Global eCommerce Report www.tns-global.com) also show that more and more people can, want and make purchases via the Internet, and travel services are among the most frequently purchased by electronic means.

Characteristics of tourist services

The dynamic development of tourist services is closely related with the need to adapt to the increase in tourists' requirements relative to the standard and scope of services. In Poland, tourist services according to the Ministry of Sport and Tourism account for 6% of GDP and increased by 20% over the last three years.

There are many definitions of the concept of service in the literature on the subject. The review of definitions should be started by explaining this term proposed by Ph. Kotler, who considers any service or benefit to be services, which one of the parties may offer to another, in principle immaterial and not leading to any property. Ch. Lovelock and J. Wirtz defined the service as an economic activity offered to one party by the other party. In exchange for money, time, effort, the customer expects benefits in the form of access to goods, work, skills, equipment, network, service provider system, but in fact does not acquire ownership of any production factor involved in the service delivery process (Czubała et al. 2012, p. 14). However, according to the current Polish Classification of Products and Services (1994, p. 6, 7) the service is:

- "all activities carried out for the benefit of economic entities conducting production activities, not directly producing new material goods, i.e. services for production purposes,

- activities performed for the benefit of national economy entities and for the benefit of the population, intended for individual, collective and general social consumption".

At the end of the terminological and definitional review on the concept of services, one should also mention the definition of W. Gaworecki regarding tourist services, which the author of the article considered adequate for the subject of discussion. According to W. Gaworecki, tourist service is all socially useful activities used to satisfy material (eg lodging) and non-material - spiritual needs (eg cultural and entertainment needs (Gaworecki 2010, p. 289).

Taking into account all the above definitions, it can be said that in a globalized economy based on adapting to dynamically changing changes in consumer attitudes, the service aims to satisfy all consumer needs. In addition, it should be emphasized that services are characterized by impermanence due to the inability to create inventory, inseparability of production and consumption (how long the service is provided, so long consumed), inseparability of the service with the contractor (contractor presence is required), diversity (how many service providers so many services), inability to acquire ownership (you can not take possession of the property, you own it). The most important feature, however, is immateriality - services can not be measured, weighed, touched, or seen (Czubala et al. 2012, p. 14-18). In addition to the typical features of consumer services, tourism services are additionally characterized by dynamic development, complementarity and substitution, a wide variety in terms of industry, distribution in space and seasonality (Naumowicz 1998, p. 25). Therefore, from the customer's point of view, the purchase of a service entails a risk. It is mainly connected with the features of services that make the consumer know little at the time of purchase about the service and rather looking for material forms confirming its quality. In addition, the customer is concerned about the poor quality of service and certain losses, because it is not possible to properly assess the quality of the service (Kachniewska 2011, p. 244). The criteria for the division of services are many because of its diversity, which is why, due to the purpose of the article, the field of interest of authors is the division of tourist services according to their types. The table below presents the synthesis of types of tourist services:

Table 1. Types of tourist services

Name	Description	Range
Transport	Include transport of participants of tourist traffic	Aautomobile, coach railway air passenger shipping
Accommodation	Provide tourists with accommodation for the time of rest	hotels motels campings holiday houses pensions campsites shelters

Information	Provide information about the place, tourist infrastructure, attractions	information points
Catering	Provide alimentation	catering outlets (pump rooms, buffets, ice cream shops) food plants (restaurants, bars, bistros, eating houses) supplementary plants (tearooms, coffee shops, confectionery, wineries, brasseries)
Mediation and organization	Provide comprehensiveness of stay	sale and reservation of accommodation sale and reservation of tickets for means of transport sale of catering services sale of leisure and insurance services
Guide	Guiding tourists around a given area of facility and providing accurate information	city mountain off-road
Insurance	Provide securing the safety of rest	insurance
Cultural and entertainment	Provide entertainment	cinema theatre museum
Trade		sale of souvenirs
Local infrastructure	Provide physical care of tourist traffic	health care police fire brigade

Source: Own elaboration based on (Cymańska-Garbowska, Steblik-Wlazlak 2011; Gaworecki 2010; Kaczmarek, Stasiak, Włodarczyk 2005; Meyer 2004; Walas, Kruczek 2013)

According to M. Kachniewska, classifying enterprises by type of activity is becoming more and more difficult, because as a result of vertical integration, difficulties arise with the separation of those that deal with the production or supply of only one product or service (Kachniewska 2011, p. 243). According to the authors of the article, the increased consumer needs in a fairly competitive tourist services market mean that service providers are forced to combine different types of travel services such as transport, accommodation and catering at the best price and quality.

Typology of distribution channels in tourist services

The concept of distribution is often equated with sales, however the scope of activities is much broader. In the literature on the subject, distribution is defined as a function of making services and products available to the final buyers. It is an element of the communication process during which the company gives the market information about its products. There are practically two distribution streams. The first one is distribution channels, and the other is the physical delivery of products to these channels. The physical delivery of products is related with inventory, storage and transport. These functions illustrate primarily the distribution of material products. In tourism, customers are looking for a product themselves, not a product is supplied to them (Holloway, Robinson 1997, p. 193). On the other hand, distribution of products and services takes place via distribution channels, which constitute a set of market intermediaries cooperating with the producer when making the product available to final purchasers (Davis 1972, p. 425). Thus, the distribution channel is the path that the product gets from one end of the road (producer) to the other (final recipient). The distribution channels flow primarily through material streams - eg products, information - for example, promotion, financial - eg payments and other - such as negotiations or risks (Baruk, Hys, Dżidowski 2012, p. 107). From the review of the ways of understanding the concept of distribution channels proposed by various authors, one can conclude that they focus on two concepts. The first one (called the traditional one) depicting the market on which the producers themselves deal with sales, while the second concept is based on intermediaries. The consequence of an ambiguous understanding of the nature of distribution channels is the multitude of their typology and classification. The table below shows the types of distribution channels.

Table 2. Selected types of distribution channels

Number	Classification criteria	Types of channels
1	Type of intermediaries	direct indirect
2	Number of intermediate steps	short long
3	Number of intermediaries at the same trading level	narrow wide
4	The degree of channel complexity	simple complex

Source: (Czubala 2001, p. 25)

Due to the service nature of tourist products, the characteristic feature of distribution is the lack of their physical portability in space, as well as the lack of transmission of title. The tourist product can therefore be distributed via various distribution channels. All channel types can be in a variety of combinations. Tourist enterprises usually combine distribution channels, creating at the same time various combinations, e.g.:

- a short and narrow channel will be used by a hotel that sells its own accommodation,
- a long and wide channel will be preferred by airlines offering tickets through their own businesses, many travel agencies and agencies (Marcinkiewicz 2005, p. 71).

Due to the number of links intermediating sales, short channels with a small number of intermediaries can be distinguished, or even without them, and long channels with a large number of intermediary links. However, taking into account the differences in the distribution of tourism products and services and material goods, in literature, the most common is the division into direct channels (without intermediaries) and indirect channels that use intermediaries (Marcinkiewicz 2005, p. 71). The direct channel is the shortest and allows for the greatest control of the service provider. This is particularly true for the speed of information flow, price formation, and the speed of reaction to changes in demand. This channel is used primarily by small travel agencies or well-known large companies whose brand enjoys social trust.

Table 3. Comparison of direct and indirect distribution channels

	Direct	Indirect
Advantages	<ul style="list-style-type: none"> - direct control over product movement, - two-sided rapid information flow, - taking over the wholesale margin and the ability to set a lower price, - direct reaction to changes taking place on the market, - shortening the time of product flow from manufacturers to final buyers, - establishing long-lasting bonds with the client, - creating your own brand, 	<ul style="list-style-type: none"> - implementation of benefits resulting from specialization (large-scale operations by intermediaries, reduction of unit costs of storage, transport, forwarding and trade), - reduction of the total number of producer's transactions with buyers, - reduction of related costs with the search for potential buyers, - reduction of commercial risk (transfer of part of the risk to an intermediary),
Disadvantages	<ul style="list-style-type: none"> - the necessity to bear all expenditures (including those related to with distribution) and full sales risk, - limiting the possibilities of distribution development (limited number of market contracts), - high costs of servicing a limited number of clients (high unit cost of distribution), 	<ul style="list-style-type: none"> - the possibility of conflicts between intermediaries in the channel, - less control over the distribution of goods in the distribution channel, over its quality and price, - extended information flow time and money, - sharing profit with intermediaries,
Typical forms	<ul style="list-style-type: none"> - a network of own showrooms, - online booking and sales system, - helpline, - call center. 	<ul style="list-style-type: none"> - travel agents, - GDS systems.

Source: (Pilarczyk, Mruk 2006, p. 192)

In the tourism industry, indirect channels with various intermediaries are used on a par with direct channels. The role of intermediaries is significant and in the event that they perform their duties correctly, they support transaction streams (Pazio 2013, p. 245-247).

In practice, travel agencies use both direct and indirect distribution channels and forms of sales. In connection with the above, the appropriate division of distribution of distribution channels of tourist services seems to be divided according to the type of technology used:

- traditional direct channels,
- modern distribution channels (Michalska-Dudek, Przeorek-Smyka 2010, p. 222-226).

Modern distribution channels include:

- distribution channels using television (TV channel on which tourist offers are sold). The bulk of the program is covered by filmed tours, reports from stays. The supplements are geographic and travel programs, interviews with travelers, quizzes and tourist puzzles. A large part of the airtime is taken up by extensive advertising blocks. The offers presented on this channel can be purchased by making a reservation via call center and the internet (the TV Travel channel was the first on the Polish market);
- distribution channels using the Internet - implemented via websites, profiles in social media, reservation systems (eg booking.com), newsletters. In the era of electronisation of social life and the growing importance of social media, this channel is currently experiencing a "golden age";
- distribution channels using global reservation systems - GDS. These systems are primarily used to sell hotel rooms through intermediaries who have access to the booking system. Intermediaries usually charge a commission for booking services. Currently, indirect channel systems are being replaced by booking.com systems that support the buyers themselves.

Findings

The key objective of the study was to try to understand consumers' opinions on traditional and modern distribution channels in tourist services. The research was carried out in April 2018. The original data was collected using an online survey. Participation in the study was anonymous. The estimated time to complete the questionnaire was set at 6 minutes. The questionnaire included seven main questions and two metrics questions. These were closed, single or multiple choice questions. Subjects in different age groups were subjected to the study. The survey is only a part of the general population of the country and it is only for illustrative purposes. A wider survey (on a larger population) can serve as a diagnosis of consumer needs regarding traditional implementations and modern distribution channels in the tourist services sector.

The research sample consisted of 186 respondents, of which 63% were women and 47% were men. Most of the respondents were people from the age range 28-35

(38.7%). In addition, 25.8% belonged to the 18-27 age group, 19.4% to the group of 38-45 years, 9.7% to the 46-55 year group and 6.4% above 55 years.

The first question concerned sources of information on tourist services. Among the following sources: leaflets / brochures, a personal visit to a travel agency, a social media travel profile, a travel agency website, a travel agency helpline, a travel agency newsletter, respondents had to indicate those from which they obtain information on tourist services. The survey showed that in the search for information about tourist services, the majority of respondents voted for the travel agency's website (74.2% of responses). The leaflets / brochures enjoy the least interest among respondents (54.8% of responses). In turn, from the profile of a travel agency in social media, 41.9% of respondents receive information on tourist services, and 19.3% during a personal visit to a travel agency. The survey also showed that 9.7% of respondents find out about the offers of the travel agency from the newsletter and only 6.4% from the travel agency helpline.

In the second question respondents were asked to indicate the distribution channels they use in tourist services. The question is a 5-step scale (1-never, 2-rarely, 3-often, 4-very often, 5-always). The *Figure 1* below presents a summary list of distribution channels together with the number of responses expressed in percent.

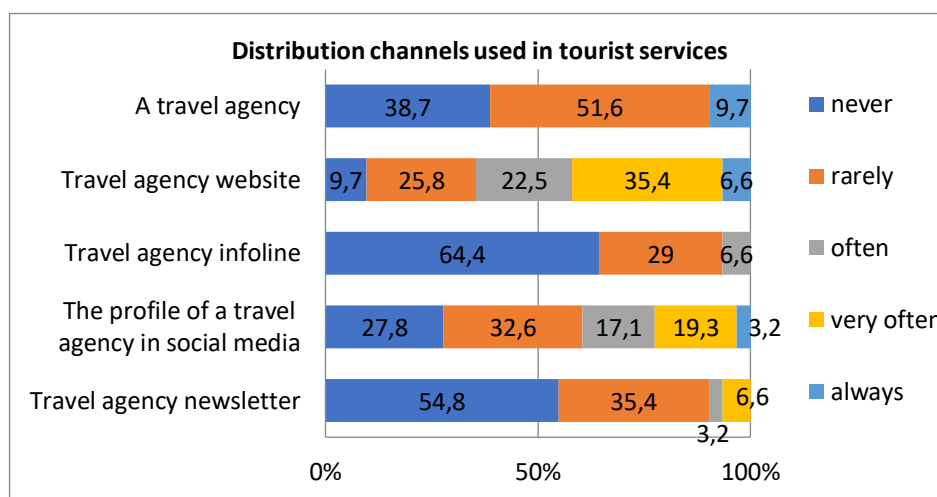


Figure 1. Distribution channels used in tourist services

Source: Own study based on research results

The research results show that only 9.7% of the respondents "always" use from a travel agency. In the search for tourist offers "very often", as many as 35.4% of respondents use the website of a travel agency, while 64.4% of the respondents "never" use the helpline of a travel agency.

In the next question, the questionnaire was to indicate any number of determinants that guide the selection of the distribution channel in tourist services. The results of the research are presented in *Figure 2* below.

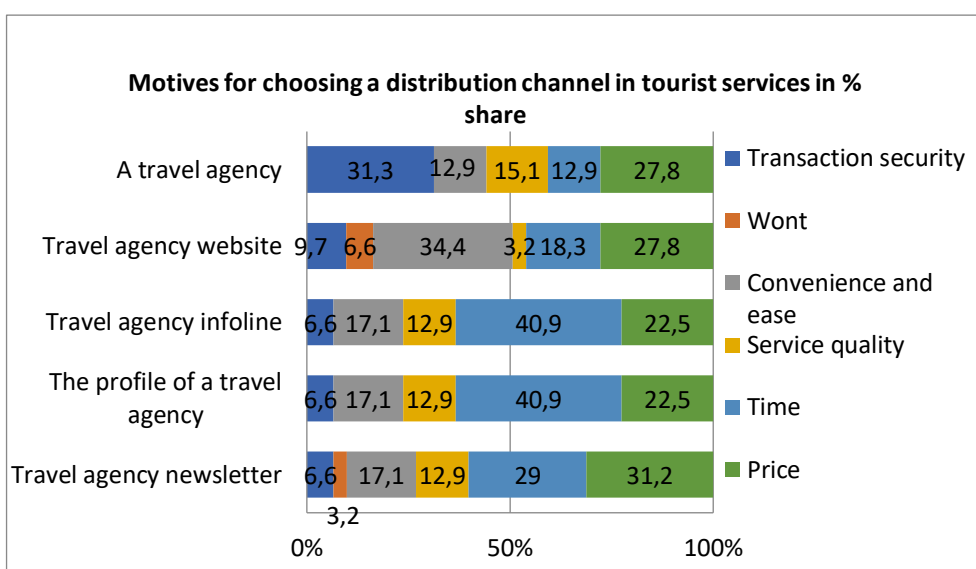


Figure 2. Motives for choosing a distribution channel in tourist services

Source: Own study based on research results

The observation shows that the travel agency is chosen by the respondents for reasons of transaction security (31.3% of indications), on the other hand, a website and a travel agent's profile in social media due to "convenience and ease" (34.4% and 35.4% responses respectively), helpline for "time" (40.9% of responses), and newsletter travel agencies due to "prices" (31.2% of indications).

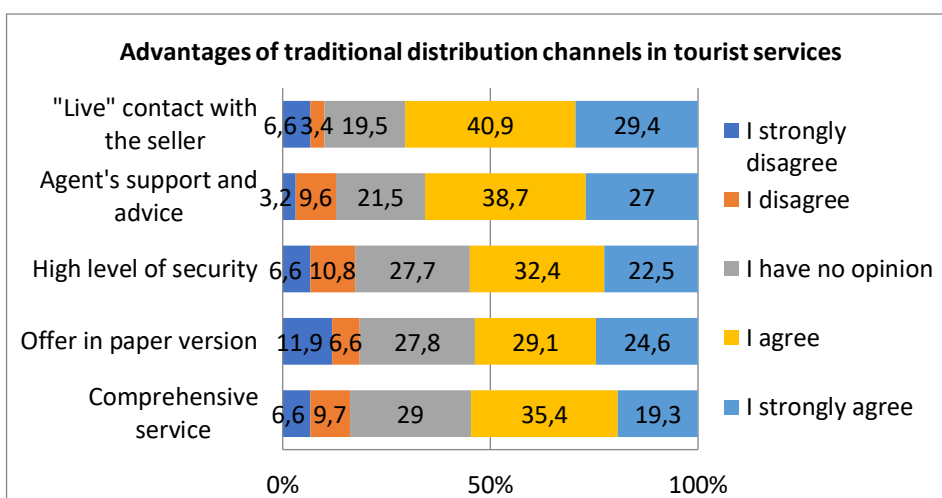


Figure 3. Advantages of traditional distribution channels in tourist services

Source: Own study based on research results

In the next two questions, the respondents had to indicate the advantages and disadvantages of traditional distribution channels in tourist services. *Figure 3* presents the results of the advantages of traditional distribution channels, while *Figure 4* presents the results of the disadvantages of these distribution channels.

Respondents strongly agreed with the suggestion that "live contact with the seller" is an attribute of the traditional distribution channel (29.4% of indications). 38.7% of respondents agree with the statement that "agent's support and advice" is an advantage of the traditional distribution channel. In turn, 10.8% of respondents disagree with the statement that the advantage of the traditional distribution channel is "a high level of transaction security". Moreover, 11.9% of respondents strongly disagree with the opinion that the offer in paper version is an advantage that distinguishes traditional distribution channels in tourist services.

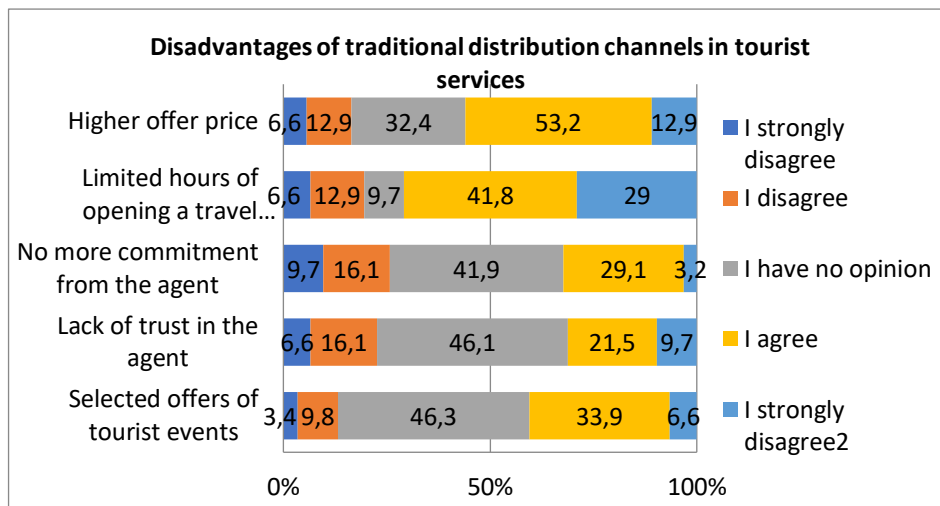


Figure 4. Disadvantages of traditional distribution channels in tourist services

Source: Own study based on research results

Respondents strongly agreed that the disadvantage of traditional distribution channels in tourist services is "limited opening hours of the travel agency / hotline work" (29% of responses). 35.2% of respondents agree with the opinion that traditional distribution channels have "higher offer prices". In turn, 16.1% of respondents disagree with the statement that they do not "trust the agent" or see "no more commitment from the agent".

The next two questions concerned, similarly to the two previous questions, the advantages and disadvantages of modern distribution channels. The summary of responses expressed in percentages is shown in *Figure 5* and *Figure 6*, respectively.

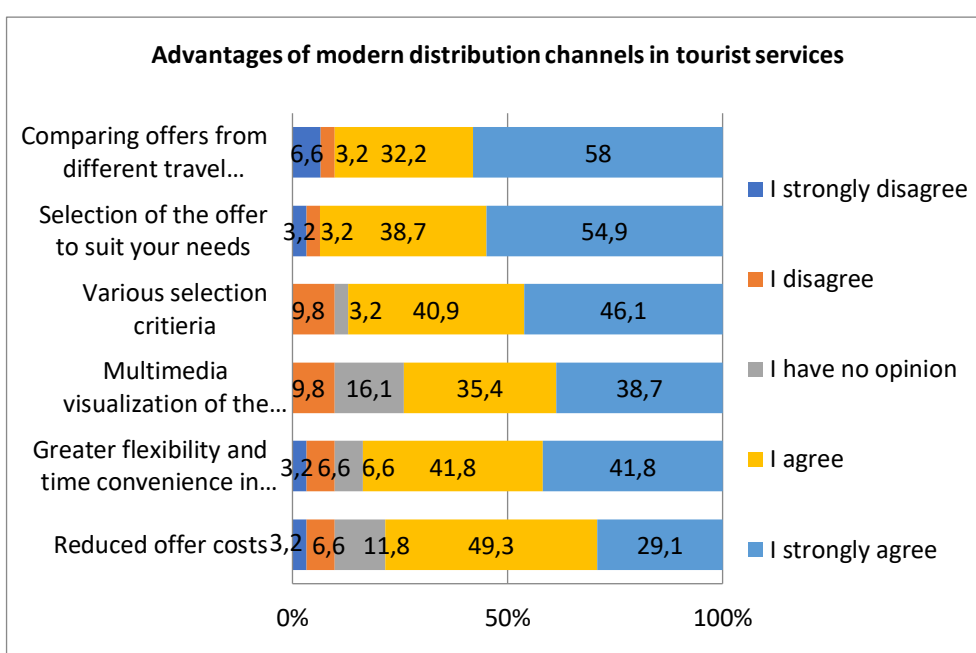


Figure 5. Advantages of modern distribution channels in tourist services

Source: Own study based on research results

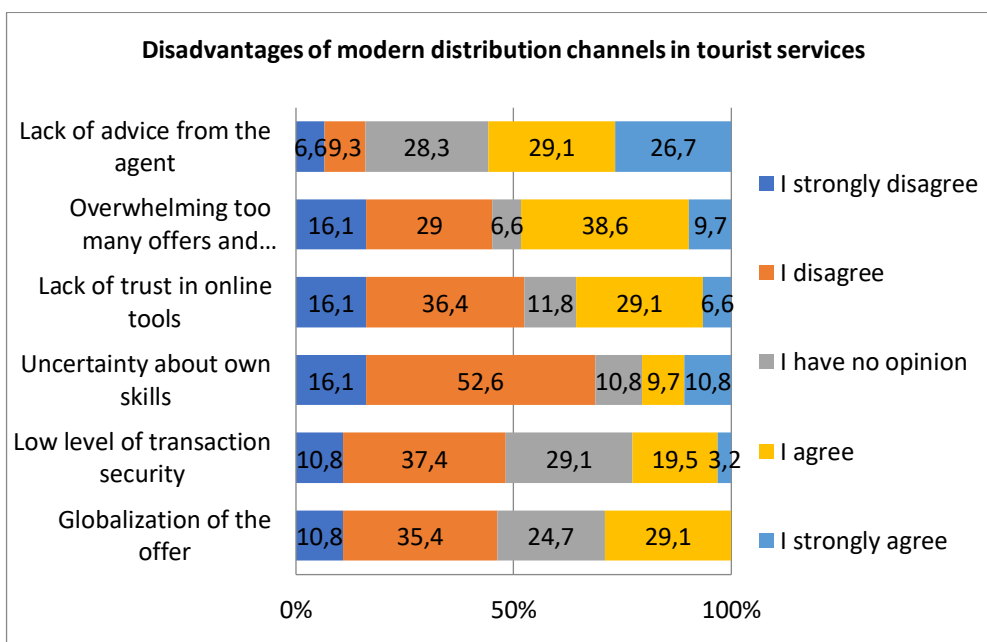


Figure 6. Disadvantages of modern distribution channels in tourist services

Source: Own study based on research results

The survey shows that 54.9% of respondents strongly agreed with the opinion that the advantage of modern distribution channels is "selection of the offer to their own needs", while 49.3% of respondents agreed with the statement that the "reduced costs of the offer" are also an advantage". According to 9.8% of the respondents, "various selection criteria" and "multimedia visualization of the offer" are not significant advantages of modern distribution channels. What's more, 6.6% of respondents strongly disagree that "comparing offers from different travel agencies" decides about the advantages of modern distribution channels in tourist services.

Respondents strongly agreed that the disadvantage of modern distribution channels is "lack of advice from the agent" (26.7% of indications). 38.6% of respondents stated that they were "overwhelmed by too many offers and selection criteria". On the other hand, 52.6% disagree with the statement that the disadvantage of modern distribution channels is "uncertainty about own skills", and 16.1% strongly disagree that modern distribution channels have "a low level of transaction security".

Conclusions

Tourist services companies offer customers various forms of distribution channels of their services, however, the customer ultimately decides whether the proposed distribution channel is convenient for him, practical and will benefit from it (Jelonek 2014, p. 322). A survey of consumer opinions on traditional and modern distribution channels revealed quite different preferences of buyers of tourist services. The research results show that consumer choice between traditional and modern distribution channels is conditioned by various factors. Among them should be distinguished: the customer segment, the price of the service, the usefulness of time, the quality of the service, the ability to make a purchase in the most convenient and safe place for the consumer. The research suggests that the development of the Internet has increased the advantage of modern distribution channels over traditional channels in tourist services. In summary, in the opinion of the respondents, the advantage of modern distribution channels consists mainly of:

- faster, easier and more convenient access to information,
- improving the quality and timeliness of the information obtained,
- bigger possibilities of offer selection,
- opportunities to purchase services at a lower price.

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OCENA TRADYCYJNYCH I NOWOCZESNYCH KANAŁÓW DYSTRYBUCJI NA RYNKU TURYSTYCZNYM

Streszczenie: Sektor usług turystycznych zajmuje bardzo ważne miejsce w dzisiejszej globalnej gospodarce. Stał się głównym motorem wzrostu gospodarczego z uwagi na dynamiczny rozwój Internetu, rosnącą konkurencję oraz zwiększenie i zmienność wymagań konsumentów. W artykule zawarto rozważania na temat preferencji wyboru tradycyjnych i nowoczesnych kanałów dystrybucji w usługach turystycznych przez konsumentów. Celem publikacji jest próba poznania opinii konsumentów odnośnie tradycyjnych i nowoczesnych kanałów dystrybucji w usługach turystycznych. W celu analizy tych uwarunkowań przeprowadzono badanie ankietowe, zrealizowano je w kwietniu 2018 roku. Autorki zbadały m.in. czynniki determinujące upodobania konsumentów. Ponadto w artykule została przedstawiona opinia konsumentów dotycząca wad oraz zalet tradycyjnych i nowoczesnych kanałów dystrybucji.

Słowa kluczowe: usługi turystyczne, dystrybucja, tradycyjne i nowoczesne kanały dystrybucji