THE INFLUENCE OF INFORMATION TECHNOLOGY ON MARKETING PERFORMANCES OF TOURIST AGENCIES

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The implementation of information technology in tourism brings numerous advantages for all participants in the chain of the tourism offer. Traditional tourist agencies also orient themselves towards online business doing *via* the Internet. On the other hand, the Internet has an influence on the reduction in the mediation role of tourist agencies. The subject matter of the research done in this paper is the implementation of the Internet in the business doing of tourist agencies with the aim to improve their marketing performances. The aim of the research is the influence of the quality of the Internet offer of tourist agencies on the development of the relationships with buyers and the improvement of the image of tourist agencies operating in The Republic of Serbia. The research results presented in the paper have shown that a higher level of the quality of agencies' Internet offer has a positive influence on buyer loyalty, as well as on the image of an agency. The business success of tourist agencies is based on a combined approach of traditional and online business doing.

Keywords: tourist agency, Internet, business image, buyer loyalty

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INTRODUCTION

The efficient management of the relationships between the entities in the tourism chain of the offer is conducted by applying information technology (hereinafter referred to as IT). *Via* the Internet, providers of tourism services (e.g. airline companies or hotels) provide intermediaries (tourist agencies) or the end users of tourism services with useful pieces of information about the offer and sale of services. During the 1960s, the Computer Reservation System - CRS, which was in the function of forming the bases of data in the Airline Sector, was introduced (Radosavljević, 2009, 321). *Via* this system, airline companies were managing their electronic reservations and forwarding them to their remote branches, tourism intermediaries and passengers. That enabled agencies, too, to make reservations more simply, operate more flexibly and cooperate with service providers. Later, by the introduction of the Global Distribution System (GDS) during the 1980s, electronic tourism (i.e. e-tourism) began to develop at a more intensive pace.

The relevant literature states both advantages and disadvantages of the implementation of IT in tourism.

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According to K. Nusair (2008, 9), the key advantages of IT implementation for enterprises operating in tourism are as follows: global connecting, monitoring the Internet processes and competitors' activities, adapting services to the user's needs, increasing the online user loyalty and so forth. On the other hand, IT implementation in tourism enables service users: interactivity, flexibility, the simplicity of executing transactions, a larger possibility of making a choice of tourism offers, the availability of information and so on. R. Elliot and C. Boshoff (2005), however, also point out the limitations of the implementation of electronic tourism in small and medium-sized enterprises; small and medium-sized enterprises' limited opportunities for entering the electronic market; a lack of an efficient Internet bandwidth since enterprises need to additionally pay for doing a quicker Internet search so as to avoid congestion in online business doing and so on.

The subject matter of the research conducted in this paper is the implementation of the Internet in the business doing of tourist agencies with the aim to improve their marketing performances. The aim of the research is to determine the degree of the influence of the quality of tourist agencies' Internet offer on the development of the relationships with buyers and the improvement of the image of tourist agencies operating in the Republic of Serbia (RS). The basic assumption which the paper starts from is the influence of the Internet offer of tourist agencies on increasing the degree of service user loyalty, i.e. the user's decision to recommend an agency's services to others and use the services provided by the same agency again. By applying binary logistic regression, the validity of the initial assumptions in the paper has been tested.

In the first part of the paper, the significance of the implementation of the Internet in the business operations of tourism enterprises and the ways of providing online services to end users in indicated. In the second part of the paper, the characteristics of tourist agencies' online services, as well as the relationship between traditional agencies doing business *via* the Internet and virtual agencies, are discussed. The third part of the paper is dedicated

to research into the influence of the quality of tourist agencies' websites on their marketing performances.

THE IMPLEMENTATION OF THE INTERNET IN ENTERPRISES OPERATING IN TOURISM

The implementation of the Internet as a marketing instrument in enterprises operating in tourism enables cost savings, the quickness in the execution of transactions, the availability of information, efficient communication, comfortability while purchasing, the implementation of target marketing, the entrance of small enterprises into the international tourism market and the development of relationships with buyers (Elliott & Boshoff, 2009).

The implementation of the Internet in tourism business doing is based on a resource-based approach. Successful resource management (of technical, information, human and other resources) contributes to the achievement of the comparative advantage of enterprises operating in tourism. The implementation of the Internet, the GPS or mobile phones has an influence on the creation of a positive impression and experience with tourists. Travelers use the GPS with the aim to find the desired tourism destinations more simply and more quickly. Airliners offer passengers online reservations *via* mobile implementations and enable electronic checking at airports (e-boarding passes), which enhances the comfortability of traveling, reduces operating costs as well as the number of the employed, since sale is done exclusively *via* electronic kiosks (Yoo, Lee & Park, 2010). For example, the implementation of new technological implementations in hotels offers a better control of costs, the more efficient implementation of marketing strategies and information flows, the simplicity and comfortability of online purchase, the availability of the service 24 h 365 days in the year and so forth. According to A. Bilgihan, F. Okumus, K. Nusair and D. Kwun (2011, 140), the successfulness of the implementation of technological implementations in enterprises operating in tourism will depend on the following: the alignment of the business strategy with the implementation of IT solutions; the types of IT implementations; the possibilities of applying IT; the available financial means, and the manner in

which decisions are made in hotels as well as in other enterprises operating in the field of tourism.

In the budget hotels and economic types of hotels, IT is applied with the aim to increase operating efficiency, whereas in luxury hotels, the introduction of technological innovations contributes to the improvement of the quality of the accommodation offer. According to the data of the American Society of Travel Agents from 2003, over 64 million citizens used the Internet with the aim to search destinations, compare prices of tourism offers or airline tickets. Out of the total number of the citizens who used the Internet, almost 42 million booked their travels *via* the Internet (Nusair, 2008, 21). Starting from the significance of IT in tourism, the paper analyzes the quality of the Internet offer and its influence on an increase in client loyalty towards the tourist agencies operating in RS.

The Internet has led to the transformation of certain elements of the traditional concept of the marketing mix. In that context, the so-called "dynamic package" in tourism (Middletion, Fayll & Morgan, 2009, 268) stands for a replacement for the tourist product because it offers a more flexible and faster system of reservations for passengers, enables mass customization and adaptation to individual users' needs. The tourist agencies that cooperate with the so-called "banks offering accommodation services" (bad banks) offer lower prices for hotel services in comparison with other agencies. Apart from the online transparency of the prices stipulated in offers, the travelers also have a possibility of choosing the date of travel, the type of the transportation means, the type of accommodation *via* the Internet and so on. Online distribution includes online reservation and additional contents of the destination offer, such as social attractions or optional outings, simultaneously enabling clients not to queue at agencies' branch offices. The sale of arrangements *via* online distribution channels enables tourism enterprises to appear on the foreign market. Online promotion is conducted *via* the website, and the quality of the website plays a particularly significant role in increasing the level of online user loyalty, which on its part is the subject matter of the research conducted in this paper.

Internet business operations can be performed through the reservation systems, virtual or online agencies

(Expedia), search engines (Google, Kayak), social networks, web-portals (Tripadvisor), websites for comparing prices for different package arrangements (Kelkoo) and tourism bidders' or intermediaries' websites (Buhalis & Law, 2009). K. Nusair (2008) demonstrated different manners of providing online services to end users in Table 1.

On the basis of the Table 1, a conclusion can be drawn that there are enterprises that offer different manners in which the online sale of tourism arrangements is conducted. Online agencies sell services of accommodation, transportation, rent-a-car and so forth provided by several bidders. Tourism enterprises can sell their own arrangements *via* their websites or hyperlinks, on the basis of which users search tourism offers.

There is a difference in prices in the sale of package arrangements or airline tickets of traditional and virtual agencies. Namely, they are lower in the tourism offer of virtual agencies (Ngai, 2005). As far as airline tickets are concerned, travelers search for more favorable ticket prices *via* the Internet, which increases the comfortability of buying and the degree of the competitiveness in the online environment. Global virtual agencies (e.g. Expedia, Orbitz, Lastminute.com, Opodo, Travelocity etc.) provide clients a possibility of buying in a single place (one-stop shopping) *via* the interactive website, which is an advantage in comparison with traditional tourist agencies. Search for information and giving recommendations *via* the Internet, as well as the online complaint management process, can have a positive influence on agencies' image, too. Also, with the aim to minimize insecurity while buying online, users have ever-increasingly been relying on other online users' recommendations (Thao & Swierczek, 2008). According to the results of a research study (according to Liu & Park, 2015), 83% of international tourists use the Internet in the phase of planning a journey, while simultaneously 43% of them rely on other tourists' online comments and recommendations.

TOURIST AGENCIES' INTERNET OFFER

The implementation of Information Technology in tourism leads to a reduction in the costs of business operations and the elimination of intermediaries' role

in marketing channels (Álvarez *et al*, 2007). Many tourism services providers register their own online agencies. Tour operators can place their offers through their online portals. Independent virtual agencies (e.g. Lastminute.com, Booking.com, Expedia etc.) are becoming the major competitors to traditional agencies. Also, traditional business doing of agencies is also influenced by low cost companies because they mainly provide more favorable intermediation services than agencies do (e.g. information-advisory and promotion-sale activities), such as: car renting services, hotel accommodation, insurance services etc. (Mamaghani, 2009).

The implementation of the Internet in tourism, however, offers a possibility for tourist agencies to orient themselves towards online sale as well. In that context, they provide individual services and special treatments, which is also going to indirectly lead to an increase in traditional buying, i.e. to an increase in the number of clients visiting the agency in person (Álvarez, 2007). On the other hand, the Internet has an influence on a reduction in agencies' intermediation role. Agencies will, however, keep on maintaining their dominant role on the foreign and domestic tourism markets since buyers will still be relying on their professional services related to the provision of information, journey planning and booking (Unković and Zečević, 2013, 95). This is for the reason of the fact that there will be a decrease in the uncertainty of online sale and an increase in the level of user trust in a particular tourist agency.

Table 1 Ways of online business doing

Retailers	Description of Business	Example
Online agencies	The sale of different types of tourist products by several bidders. Tourist products include services of airline transportation, hotels, *rent-a-car*, cruisers etc.	www.travelocity.com www.expedia.com www.orbitz.com
Service providers' websites	The sale of own package arrangements *via* the Internet or through business partners.	www.Starwood.com www.AA.com
Auctions	The portals offering booking possibilities within the tourism section. Booking requests are filled in in compliance with an agreement with agencies. Yahoo uses Travelocity reservation capacities.	www.yahoo.com
Search Engines	Buyers search products by entering the key word and *via* hyperlinks of tourism bidders, a particular offer can be chosen.	www.gooogle.com www.travelzoo.com www.overture.com
Shopping bidders	They offer bidders' websites and present total search results.	www.kayak.com www.sidestep.com
Reverse auction websites	Buyers make certain requests for desired attributes of products, the price and other conditions, whereas the website searches the bidders who will fulfil the requested or preset conditions.	www.priceline.com

Source: Author, based on: Nusair, 2008, 22

The characteristics of online services are a high degree of the differentiation and intangibility of the offer, as well as the low degree of client participation in creating package arrangements (Chiam, Soutar & Yeo, 2009). The research study has shown that around 95% of tourists in the world obtain information *via* the Internet, about 93% of tourists visit websites with the aim to search tourism destinations, whereas around 45% of them contact tourist agencies by email with the aim to obtain additional pieces of information and useful pieces of advice (Mamaghani, 2009, 365). This is yet another proof that agencies should be doing their business *via* the Internet, as well as within the premises of their traditional business units. As M. Mamaghani (2009) states, there are different client profiles when opting for a tourism arrangement. One group of clients will wish to buy the total tourism offer, namely "purchase in a single place", whereas the other will wish to independently create an arrangement in compliance with their preferences.

Tourist agencies have ever-increasingly been developing their online relationships with service providers (e.g. hotels, airline companies etc.) and service users. According to the data obtained from the Center for Market Information Provision (Agag & el-Masry, 2016), the sale of tourist journeys has achieved the greatest participation (48.9%) in the total sale of online products and services. In the period from 2011 to 2014, there was an increase in the sale of online tourism offers by 10% on the international market, whereas by the end of 2016, the annual rate of online tourism arrangements will have amounted to 8%.

With the aim to analyze the level of the implementation of electronic business operations in tourist agencies in RS, a research study was conducted on the territories of major cities/towns (Radosavljević, Maksimović & Borisavljević, 2012). On the basis of the structured questionnaire, the managers of 62 tourist agencies operating in Serbia were subjected to an in-person interview. On the basis of the collected data, we became aware of the fact that about 15% of the tourist agencies offered their package arrangements exclusively *via* the Internet, whereas the other agencies sold their package arrangements in a traditional and electronic way. The research study also showed that the agencies used the mail and the telephone for the most part with the aim

to build and maintain their relationships with their business partners and clients. Besides, they used the fax, catalogues or websites. The research results also revealed that there were a large number of the factors that had an influence on the implementation of the Internet in the business operations conducted by the tourist agencies. Agencies' employees' and clients' requests have, to the greatest extent, an influence on the implementation of the Internet in agencies' business operations (over 50%), which is also followed by their business partners' requests and the influence coming from their competitors (approximately 20%). On the basis of the mentioned research results, a conclusion can be drawn that Serbian tourist agencies apply traditional and electronic ways in their respective communication with their partners (hotels, airline companies etc.) and clients. Similarly to the mentioned results, there are also the other authors (Mihajlović, 2012) who conclude that the implementation of the Internet in tourist agencies' business doing cannot replace the traditional activities based on the establishment of a personal contact with clients, as a precondition for enhancing their loyalty. The Internet also offers users a possibility of moving on to another bidder or comparing the prices of competitive offers with "only a few clicks with the mouse" as well, which has a negative influence on the maintenance of long-term relationships between the online user and tourist agencies.

In less developed countries, clients rather prefer buying their tourism arrangement by paying a visit to a local tourist agency and establishing a personal contact with the agency's personnel. For that reason, the traditional way of sale combined with tourist agencies' online sale has for the most part an influence on the development of client relationships.

In the analysis of the influence of the implementation of the Internet in tourist agencies on an increase in online user satisfaction and loyalty enhancement, the following initial dimensions of the quality of online services are as follows: the knowledge of information, the security and functionality of the website, which are only followed by relationships with users, providing individual services, interactive communication, as well as the rate of responding to users' individual requests. The quality level of agencies' tourism offer

has a significant influence on the degree of the user's e-satisfaction and e-loyalty (Ho & Lee, 2007).

In the analysis of the development of online relationships with buyers in agencies, M. Chen and Y. Kao (2010) have identified the two key dimensions of the online service quality: the quality of the process and the quality of the service. The quality of the process is analyzed on the basis of the simplicity of use, good layout and functionality of the website, on the basis of its ability to provide correct and precise pieces of information, as well as on the basis of the website's design, which has a positive influence on online clients' satisfaction and loyalty. The quality of the process is measured on the basis of the analysis of the interaction between visitors and the website, which will have a positive reflection on the perceived level of the total quality of online services and user online satisfaction.
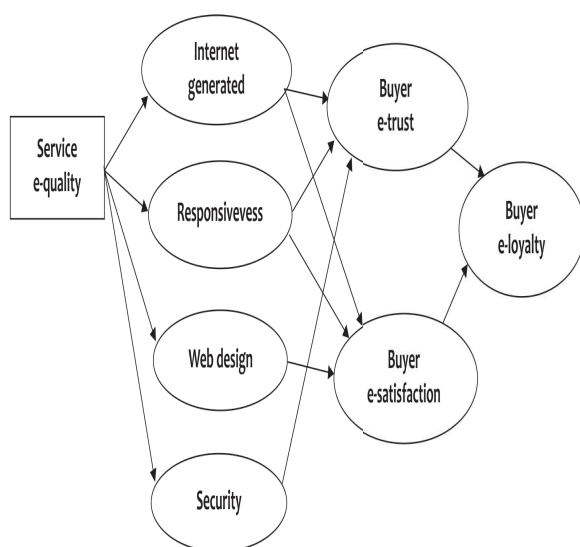

Figure 1 The influence of the dimensions of service
e-quality on service user e-loyalty

Source: Kim, Jin & Swinney, 2009, 240

The Internet conveniences offered to users by tourist agencies include: comfortability, a possibility of 24-hour purchase 7 days in the week, time saving, the quickness and simplicity of searching offers, updated information and so on. Also, such favorable conditions

disadvantages of the Internet purchase are reflected in the insecurity of performing financial transactions, a lack of trust and the elimination of personal contact between the agent and the client.

By identifying the dimensions of the quality of online services, their influence on the e-satisfaction of the users of tourism services is also analyzed. Figure 1 is the presentation of the influence of the determinants of the quality of online services on user e-loyalty. The key dimensions of the quality that have an influence on online buyers' trust and satisfaction are: accessibility, responsiveness, the website design and the degree of security in performing online transactions (Kim, Jin & Swinney, 2009).

for payment exclude agencies' commissions and additional costs of purchase on the Internet. The

The dimensions of the online quality of services have an influence on the level of the service user e-trust and e-satisfaction. When developing online marketing relationships in tourism, first the segments of the online users of services who belong to the so-called "Y" Buyers generation are initially identified (Nusair, Parsa & Cobanoglu, 2011). Young users are mainly more motivated for online buying, but there has also been an ongoing increase in the number of those elderly ones, who, for the reason of their lacking free time, decide to buy *via* the Internet (Radosavljević, Maksimović & Borisavljević, 2012). Buyers of online services, however, are less price sensitive in comparison with traditional buyers. On the other hand, they are more sensitive in view of providing comfortability when buying *via* the Internet. Accordingly, N. Ndubisi (2007) has proved that elderly buyers and women have a greater chance to become loyal in comparison with the others. Those with bigger salaries and making more valuable purchases are enabled special conveniences when purchasing and belong to the group of profitable buyers.

Similarly to traditional business operations, the interdependence between the service quality, the level of satisfaction and buyer loyalty is analyzed in online business operations in tourism. The perceived level of the service quality is the critical factor for the buyer's decision to stay loyal to an enterprise (stayers), whereas

the price perception is only significant when they are making a decision to switch to another enterprise (switchers). The perceived service quality/price ratio can influence the level of user loyalty (Koi-Akrofi, Koi-Akrofi & Welbeck, 2013). Apart from the service price, it is also significant to examine the influence of promotion, the type of the activity, the size of the enterprise, the business tradition and image, the buyer's decision to use the services provided by the same enterprises again.

THE INFLUENCE OF THE WEBSITE ON TOURIST AGENCIES' MARKETING PERFORMANCES

The process of creating a website in tourism encompasses the identification of the web elements, the visual context and the connecting of webpages. The three basic elements of the website are the construction, the content and the design (Siegel, 2004). The web content in tourist agencies includes detailed information about the tourism offer and the price, business contacts, the map of the agency's locations, hotels, restaurants and so on, which are compatible with the design of the website. Web design stands for the manner of organizing and presenting the web content.

Tourist agencies' web design represents the visual layout of the site which should contain an emotional dimension because it has an influence on the visitor's impression and experience and causes the buyer's positive or negative reactions. The building of the visitor's positive experience is also influenced by the content of the web with respect to the simplicity of search, the choice of a menu, updated and timely provided information and adaptation to visitors' individual requests and so forth (Chaffey, Mayer, Johnston & Ellis-Chadwick, 2000). The same was also demonstrated by another study (Dedeke, 2016), which was conducted on the influence of the design and the content of a website on the decision the buyer makes on buying tourism services. In any case, the design and the content of tourist agencies' webs have a significant influence on the degree of the loyalty of the users of tourism services who search agencies' offers

via the Internet. That is the subject matter of analysis in further in this paper.

On the basis of the presented model of the implementation of web marketing in tourist agencies (Figure 2), it can be concluded that management support, their proneness to risk and the introduction of innovative services are the key factors of an increase in the online sale of package arrangements in tourist agencies (Hussein, Ennew & Kortam, 2012). The influence of the quality of the website on the satisfaction and loyalty of the users of tourism services also depends on their sociodemographic characteristics since mainly young and educated users, those who receive high monthly salaries, buy *via* the Internet the most.

The ways of using the website in tourist agencies are different. Primarily, the website serves to provide information, promote and conduct the placement of brochures, then to make orders and payments for and delivery of services *via* the Internet (e.g. by downloading) (Middleton *et al*, 2009, 263-264). However, it is also important to attract traditional users to visit agencies' websites in as big a number as possible. Virtual agencies (e.g. the "Expedia" online agency) invest in traditional promotional activities and *via* the electronic and printed media they create a positive image in the public and, to a great extent, attract traditional users of their services. In enterprises in tourism, operating mainly in a traditional way, the "marketing search" concept (search engine marketing) …has ever-increasingly been applied. The process of users' search for information about tourism offers is conducted *via* the major Internet search engines, e.g. Google or Yahoo (Google recording over 82 million visits per month). The implementation of this concept of search engine marketing in doing business enables the improvement of the quality of the website and a better positioning of tourism enterprises while searching different online offers.

By giving recommendations or making comments on different Internet websites, tour operators help clients to make the right choice when travelling. The website visitors have a possibility of gaining an insight into the comments and experiences of those users who have previously travelled using the same
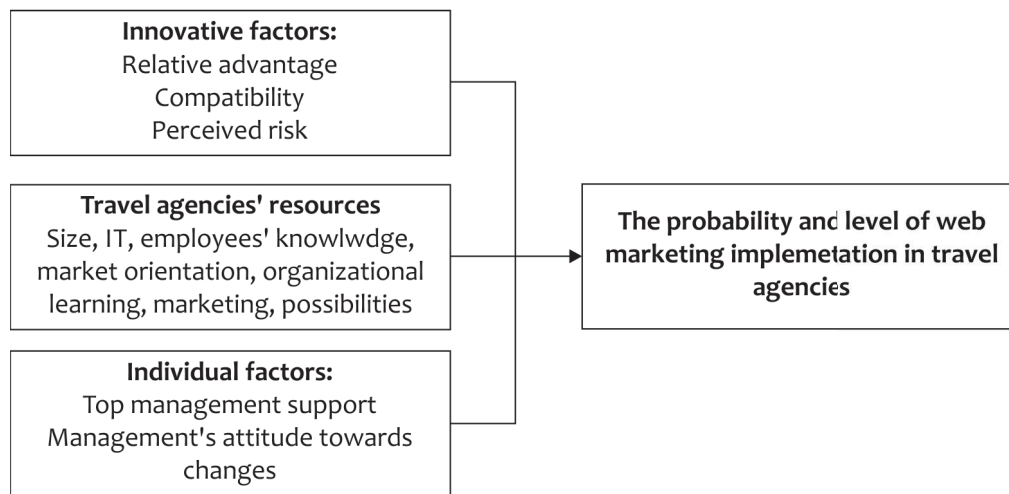
Figure 2 Web Marketing implementation in tourist agencies

Source: Hussein, Ennew &Kortam, 2012, 5

agency. The results of the study (Phillips, Barners, Zigan & Schegg, 2016) have shown that users' positive online recommendations have a significant influence on the improvement of tourism enterprises' business performances. Apart from the said, the number of independent websites that advertise traditional agencies and advise their clients for free, both prior to and during the travel (e.g. Tripadvisor), has also been increasing.

Specialized blogs provide free web spaces to enterprises with the aim to make a placement of their tourism offers and enable online visitors to share their unique experiences and impressions of their journeys. Blogs are a part of the online community, which consists of the groups of the visitors who have common interest and exchange their experiences *via* a forum or a chat (Álvarez *et al*, 2007). The sites of social networks, such as Facebook or Myspace, also enable visitors to create online communities. Blogs and social networks' sites have growing significance in making people knowledgeable of information and the promotion of tourism offers with the young population.

Tourist agencies' websites motivate clients to also personally come to the agency in case they may feel financially insecure when buying online. In RS, there

have been an ever-increasing number of passengers who obtain information and make a buy *via* traditional agencies' websites, whereas there have been a smaller number of those who use online agencies' services. It can be concluded that, in the first phase of doing search and obtaining information, clients go on the Internet site and gain a certain level of trust in the agency. Should clients be making reservations for and buying arrangements exclusively *via* the Internet, the level of the current e-satisfaction will have no influence on an increase in the level of trust they have in traditional agencies. The reason for that is the fact that passengers make all their transactions *via* the website and there is no personal contact between the agency and the client.

The results of a study in the field of international tourism (Mamaghani, 2009) have shown that about 95% of tourists obtain information *via* the Internet; then, about 93% of tourists visit websites with the aim to search tourism destinations, whereas approximately 45% of them contact tourist agencies by email, with the aim to obtain additional information and useful pieces of advice. This also confirms the starting assumption of the paper that agencies should be performing their business operations both *via* the Internet and in a traditional manner because there are those clients who

will wish to make "a buy in a single place" (one stop shopping) and those who will independently create their arrangements, too. For example, *via* their websites, traditional agencies provide clients with useful pieces of information, brochures, catalogues and a possibility of making reservations and payments for and delivery of arrangements by downloading. On the other hand, online agencies (e.g. Expedia) invest in traditional promotion forms (e.g. by the electronic and printed media) so as to attract as big a number of the website visitors as possible, simultaneously contributing to the building of online agencies' better image (Middleton *et al*, 2009, 260).

Starting from the said theoretical and practical aspects of tourist agencies' business operations, the subject matter of the research conducted in the paper is related to the role the Internet offer has in the development of relationships with clients. The aim of the research is to determine the extent to which the quality of a website has an influence on the buyer's decision to use the services of the same agency again and to recommend its services to others as well as on the business image. The research is based on a representative sample of tourism services users, who buy arrangements by going to the agency in person or *via* the website. The field research was conducted in the period from March to May 2015, within the territories of bigger cities/ towns in RS. The total number of the surveyed is 491 interviewees. The obtained data were processed and analyzed by applying statistical methods.

The research hypotheses we start from in this paper are as follows:

H1: A higher level of the quality of the Internet offer of an agency has a positive influence on the buyer's decision to use the services of the same agency again.

H2: A higher level of the quality of the Internet offer of an agency has a positive influence on the buyer's decision to recommend the agency's services to others.

H3: A higher level of the quality of the Internet offer of an agency has a positive influence on the business image of the agency.

By applying the binary logistic regression, the testing of the starting hypotheses was conducted, which is shown in the tables 2, 3 and 4.

During the testing of the factors of buyers' decision to recommend the services to others, the research results showed that the quality of the Internet offer has an influence on the buyer's decision to recommend the agency's services to other users as well, namely that the website design and content represent statistically significant variables in increasing the degree of user loyalty (Table 3). While examining the influence of the online offer on the competitiveness of enterprises in tourism, the influence of the quality of agencies' websites on the improvement of the agency's image on the market is also separately discussed. A research study in Egypt (Agag & El-Masry, 2016), has also shown that users first of all buy the online services of those agencies which have an already established image on the market.

On the basis of the conducted binary logistic regression (Table 4), the research results showed that the quality design of the website has a significant influence on the improvement of the image of the agency, whereas the content of the website of an agency has no significant influence on the business image of the agency.

In connection with that, some authors (Chaffey *et al*, 2000) have also pointed at the connection between the online and the offline image of an enterprise. Namely, the implementation of Information Technology in an enterprise enables personalization and an individual treatment for service users, the availability of information accompanied by minimal costs of search for information, the simplicity of executing transactions *via* the Internet, comfortability, simplicity, as well as enjoyment, which leads to an increase Iin the level of online user satisfaction and loyalty, and indirectly to an increase in their trust in the traditional manner of buying. The research studies conducted in tourism so far have not been indicative of the positive influence of user online satisfaction on the level of trust they have in making a purchase of package arrangements in a traditional way (Álvarez *et al*, 2007). This is so for the reason of the fact that in traditional (offline) business operations the level of trust is built on the basis of personal relationships

Table 2 The analysis of the influence of the quality of a website on the buyer's decision to use the services of the same agency again

Classification Table					
			Anticipated Outcomes		
			Would you return and use your tourist agency's services again?		Percentage of accurate anticipations
	Observed Outcomes		No	Yes	
Step 1	Would you return and use your tourist agency's services again?	No	25	61	29.1
		Yes	15	316	95.5
	Total Percentage				81.8
Model Assessment					
		Coefficient B	Standard deviation	Wald	Statistical significance of the Test	Exp(B)
Step1	Website design	.941	.165	32.458	.000	2.564
	Website content	.206	.143	2.071	.150	1.229
	Constant	-2.474	.484	26.082	.000	.084

Source: Author

Table 3 The analysis of the influence of the quality of agencies' websites on the buyer's decision to recommend the agency's services to others

			Anticipated Outcomes		
			Would you gladly recommend your tourist agency to others?		Percentage of accurate anticipations
	Observed Outcomes		No	Yes	
Step 1	Would you gladly recommend your tourist agency to others?	No	25	67	27.
		Yes	15	312	95.
	Total percentage				80.
Model Assessment					
		Coefficient B	Standard deviation	Wald	Statistical significance of the Test	Exp(B)
Step 1	Website design	.578	.158	13.379	.000	1.78
	Website content	.675	.149	20.546	.000	1.96
	Constant	-2.936	.506	33.664	.000	.05

Source: Author

and contacts with the agency's employees. Clients who search, make reservations and buy offers *via* the Internet rarely decide to go to the agency in person, so that, simultaneously with an increase in the level of trust in online transactions, there is a decrease in the individual treatment for service users, the availability of information accompanied by minimal costs of search for information, the simplicity of executing transactions *via* the Internet, comfortability, simplicity, as well as enjoyment, which leads to an increase Iin the level of online user satisfaction and loyalty, and indirectly to an increase in their trust in the traditional manner of buying. The research studies conducted in tourism so far have not been indicative of the positive influence of user online satisfaction on

the level of trust they have in making a purchase of package arrangements in a traditional way (Álvarez *et al.*, 2007). This is due to the fact that in traditional (offline) business operations the level of trust is built on the basis of personal relationships and contacts with the agency's employees. Clients who search, make reservations and buy offers *via* the Internet rarely decide to go to the agency in person, so that, simultaneously with an increase in the level of trust in online transactions, there is a decrease in the degree of clients' trust in agencies' business operations conducted in a traditional way. That is yet another reason why tourist agencies decided to do business both in the traditional way (through their business units) and *via* the Internet. A certain number of users wish to search *via* the Internet, but for the reason of their financial security, they make their purchase in a traditional way by going to the agency in person.

Table 4 The analysis of the influence of the level of the quality of agencies' websites on the business image of the agency

Classification Table					
		Anticipated Outcomes			
		Agency's image			
	Observed Outcomes	1.00	2.00	Percentage of accuracy	
Step 1	Agency's image 1.00	27	60	31.0	
	2.00	13	291	95.7	
	Total percentage			81.3	
Model Assessment					
		Coefficient B	Standard deviation	Wald	Statistical significance of the Test	Exp(B)
Step 1	Website design	.926	.167	30.645	.000	2.525
	Website content	.066	.142	.215	.643	1.068
	Constant	-2.131	.489	18.958	.000	.119

Source: Author

CONCLUSION

The implementation of the Internet in tourism business operations enables offering individual services to and a special treatment for users, but indirectly also has an influence on an increase in the purchasing arrangements in a traditional way. Tourist agencies step into online business operations and are competitors to virtual agencies by reducing the level of uncertainty during online purchasing, on the one

hand, and increasing the level of client trust, on the other.

The research results presented in the paper have shown that tourist agencies' business success is based on the combined traditional and online approach. On the basis of the testing of the initial assumptions in the paper, it has been confirmed that tourist agencies' online offer represents a significant factor of increasing the degree of buyer loyalty and improving the image of

agencies. At the same time, the design and the content of the websites of tourist agencies have to a significant extent an influence on buyers' decision to use the services of the same agency again, whereas the content of the website has no significant influence on buyers' decision to recommend the services of the agency to others. Differently from agencies' website design, a higher quality of the web content does not have an influence on the improvement of the agency's image. In the paper, however, the other dimensions of the online quality of the services that can significantly influence an increase in the degree of the loyalty of users of tourism services are not analyzed, which can be the subject matter of a future research study. In building quality relationships between enterprises and service users, the other factors, e.g. the level of user trust and loyalty, the process of resolving buyers' complaints in agencies etc. should be taken into consideration, too. Also, the subject matter of a separate examination can be the implementation of online business doing, too, in other tourism enterprises and the influence of the online offer on the improvement of total business performances.

The scientific contribution of this paper is reflected in the fact that the significant implementation of the combined traditional and online business doing in agencies in the improvement of their marketing performances has been proved. The practical contribution of the paper is related to a possibility of using the research results in the building of more quality relationships with buyers in agencies in the Republic of Serbia. It can be concluded that online business operations enable not only tourist agencies, but also the other participants in the tourism chain of the offer to achieve a competitive advantage and step onto the international tourism market.

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