Consumer behaviour examination in case of a package tour purchase: example of Slovak citizens

Abstract. Understanding of consumer behaviour is crucial for gaining a competitive advantage, keeping consumer's attention and achieving bigger market share. The authors examine consumer behaviour when buying a package tour on the example of Slovakia’s population. Its objective is to identify observable processes that take place prior, during and after the purchase. Based on questionnaire survey, we evaluate how Slovak respondents gain information about package tours, we identify factors influencing a package tour selection and the mean and time advance of its booking, methods of payment, preferred services as a part of package tour and its evaluation in post-purchase phase. Research results outline options for tour operators’ adaptation activities of to current consumer behaviour.

Keywords: Consumer; Consumer Behaviour; Package Tour; Tour Operator

JEL Classification: D11; L83; M31

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Oценка поведения потребителя в случае покупки турпакета: пример словацких граждан

Аннотация. Розуміння поведінки споживачів має вирішальне значення для одержання конкурентних переваг, зберігаючи увагу споживачів і досягнення більшої частки ринку. У статті розглядається поведінка споживачів при покупці турпакету на прикладі населення Словаччини. Мета полягає в тому, щоб ідентифікувати спостережувані процеси, які відбуваються до, під час і після покупки. На підставі анкетного опитування ми оцінили, як словацькі респонденти одержали інформацію про тури, визначили фактори, що впливають на вибір пакета туристами, форму бронювання і час, який минає між бронюванням та початком проживання, способи оплати, яким надається перевага, яким надається перевага, а також послуги, що обираються як частина турпакета, і його оцінку після поїздки. Результати авторського дослідження допомогуть туроператорам більшою мірою адаптувати свою діяльність до особливостей поведінки споживачів.

Ключові слова: споживач; поведінка споживачів; туристичний пакет; туроператор.

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Introduction & Brief Literature Review. In scientific literature a significant attention is paid to consumer behaviour as a key factor of successful orientation in the market. Various authors focus on food products (e.g. Carlucci et al., 2015 [1]; Daniele et al., 2012; Mohadevan et al., 2014 [3]), recycled products (e.g. Jimenez-Parras et al., 2014 [4]; Michaud & Llerena, 2011 [5]), energies (e.g. Frederiks et al., 2015 [6]; Manjunath et al. 2014 [7]), but as well on tourism products, mostly in relation to development and use of information and communication technologies (e.g. Amaro & Duarte, 2015 [8]; Gao & Bai, 2014 [9]; Jiang et al., 2015 [10]).

Since tourism-related products, compared to everyday consumption products, have several specificities (grouping of diverse goods and services and interdependence of their producers, immateriality, time value, complexity and complementarity, volatility, possibility of substitution effect, seasonality), we decided to examine consumer behaviour when purchasing tourism products. In regard to the heterogeneity of tourism products (Bednarczyk, Malachowsky & Wszendybly-Skulisa, 2012 [11]; Tej & Matusikova, 2014[12]), we focus on package tours, thus a pre-arranged combination of accommodation, transportation, and/or other significant tourist services (Council Directive 90/314/EEC) [13], which represent its illustrative example.

In this context, a consumer can be defined as a person who takes or agrees to take the package (‘the principal contractor’), or any person on whose behalf the principal contractor agrees to purchase the package (‘the other beneficiaries’) or any person to whom the principal contractor or any of the other beneficiaries transfers the package (‘the transferee’) [13].

A consumer is a bearer of consumer behaviour that can be characterized by openly observable activities in the process of purchase and consumption. These represent consumer’s response to specific events, which are influenced by a number of stimuli (Kita et al., 2010, p. 84) [14]; Pcolinska (2007, p. 601-602) [15] comprehensively define consumer behaviour as mental and social processes that take place prior to purchase (need recognition, information search, evaluation of alternatives, alternatives selection) during purchase (buying behaviour) and post purchase (evaluation of utility, comparison of expectations and reality, satisfaction etc.). Consumer behaviour thus includes the way of selection, purchase and use of product which meets the needs and desires of individuals (Kotler & Keller, 2013, p.189) [16].

In last decades, many models of consumer behaviour have been constructed. Decrop et al. (2010, p. 21) [17] classified microeconomic and interpretative models.

Microeconomic models are based on the demand theory. Consumer is understood as a rational being, which seeks to maximize the utility of his/hers choices with respect to the limited budget. Classical economics, that comprehend the consumer only through maximization of utility and sees the product as replaceable by another, as explained by the substitution effect, cannot adequately answer the question what makes each product so exceptional that it becomes the object of consumer’s final decision; however, in terms of marketing needs it is dysfunctional.

Available models of consumer behaviour rather deal with decision-making process than with individual’s behaviour before, during and after the purchase. Consumer is perceived mainly as a rational being, and the hedonistic and experiential aspect of decision, which is typical for tourism products, is neglected. The fact, that holiday selection is undertaken predominantly in a particular social unit (family, couples, friends etc.) and not by the individual alone, is forgotten as well. In addition, most models of consumer behaviour applied to tourism examine primarily consumers choice of destination and of individual services (accommodation, transport, hospitality, etc.); in case of decision-making process in package tour purchase (as a pre-arranged package of services), it is inapplicable. When examining consumer behaviour related to package tour purchase, we understand the consumer behaviour as a set of processes that take place prior to purchase, during the purchase and after the purchase.

Methodology. The aim of this paper is to identify consumer behaviour when buying a package tour on the example of Slovak citizens. We pay attention to selected processes, which take place prior to the purchase (information search, factors influencing package tour selection), during the purchase (buying behaviour with focus on characteristics of selected product) and after the purchase (satisfaction evaluation).

Primary research of consumer behaviour was carried out between October 2013 and April 2014. The sample consisted of Slovak residents over the age of 15. The respondents were selected randomly.

Data obtained from 1813 questionnaires were re-coded and a data matrix was created using table processor Excel. During the control of sample representativeness (using Chi-square test in statistical programme PASW SPSS) 124 questionnaires were eliminated.

The final sample consisted of 1689 respondents. Due to the Chi-square test, this sample fits a representative picture of Slovaks by age (Asymp.Sig. = 0.902, Chi Square=1,596) and sex (Asymp.Sig. = 0.886, Chi Square=0.221).

Obtained data were processed by mathematical-statistical methods using PASW SPSS. 5% significance level was identified ($\alpha = 0.05$).
We found out that 15.9% of respondents (269) purchased the package tour at a tour operator in 2013. With a 95% probability, we assume that it was equivalent to 14%–18% of Slovak residents over the age of 15. This result is equivalent to the purchase decision on Eurobarometer 392 – Preferences of Europeans towards Tourism [21], according to which one, 18% of Slovaks reserved their holiday via a tour operator. Further, we analyse their consumer behaviour.

Results. The information obtained from various heterogeneous sources represents consumers’ first impulse leading to the purchase decision of a package tour. Based on responses of interviewed respondents who purchased a package tour in 2013, it is evident that individuals decided mainly on recommendations of friends and relatives (33.1%) having legitimizing and evaluation function, followed by tour operator catalogue (18.2%), the information published on the tour operator website (17.6%) and personal experience (14.0%), which, according to Kotler & Keller [16] are the most effective. A small group of respondents decided on the basis of holiday (4.5%) and discount portals (4.2%) that provide favourable prices of package tours or other stimuli (bidding sheet of tour operator sent online to storefront tour operator, TV, etc.). Despite the massive use of information communication technologies and current trends, only 30% of respondents considered the information communicated via Internet as the main source of information, leading to a purchase decision of the package tour.

As proved by One-Sample Kolmogor-Smirnov Test the test distribution is normal, therefore we used statistical induction to extend sample results on the population of Slovaks. With a reliability of 95% we may assume that while 25 to 35% of Slovak citizens, who purchased a package tour in 2013, obtained necessary information from the Internet, 65 to 75% used other sources than the Internet.

When gathering the information consumer learns about individual products. The individuals are generally aware only about a particular subset from the overall group of package tours available in the market. Only small number fits the initial purchase criteria and after a more detailed search, only few of them meets the expectations of consumer. It is therefore necessary to identify hierarchy of attributes influencing consumer’s decision-making process.

We found that more than a third (34.2%) of respondents orientated in the package tour selection according to a favourable ratio of quality and price; the tourism destination played a key role for a quarter (25.6%) of respondents, while the price was crucial for 17.1% of respondents. Factors, such as discount of original price (7.4%), quality of provided services (7.2%), original price (7.4%), and reputation of the tour operator (1.8%), were less important in the decision-making process.

As the tourism products are characterised by possibility, plus in case of package tours, the necessity of an advance purchase, we verified the length of time advance of a decision-making concerning a package tour purchase. More than a fifth (21.8%) of respondents considered the purchase 15 to 30 days before the package tour purchase. Approximately 17.3% of respondents selected the package tour from seven to one day in advance and 3.1% even the day of package tour beginning, which means that these respondents profited from ultra-last minute. More than one tenth (11.7%) selected eight to fourteen days before the package tour purchase and a similar number of respondents (11.2%) decided two to four months in advance. 14.5% of respondents decided in a longer time period (9.4% four to six months and 5.3% even more than six months before the package tour realization).

With a reliability of 95% we may assume that 41 to 51% of Slovak citizens who purchased a package tour in 2013, considered its purchase in a time advance longer than a month. 49 to 59% of Slovak citizens who purchased a package tour in 2013 decided in a shorter time advance; from which 27 to 37% selected the package tour less than two weeks before its beginning. Such behavior brings risk to tour operators who purchase services on the basis of guarantee.

Consumer’s final purchase decision leads to selection of a concrete package tour. A package tour may be characterized mainly by time of product realization, its length, type of transport means, type of accommodation facility and range of catering and hospitality services.

Respondents who purchased a package tour in 2013, preferred mainly summer period (32.5% travelled to the package tour in August, 29.3% in July, 13.6% in June and 12.6% in September). Only 5.4% of respondents participated in a package tour from January to April, in May 4.1% and between October and December 2.6% of respondents. We assume that these were mainly sightseeing tours.

The biggest share of respondents decided for a package tour with length between 9 up to 12 days (46.8%) and between 5 to 8 days (33.3%). 8.5% of respondents participated in short-time package tours (with maximum 4 overnight stays), while 10.9% of respondents participated into package tours with longer length over 13 days.

Half of respondents (50.9%) selected a plane when considering the means of transport, one fourth (24.3%) preferred coach package tour, one fifth (20.5%) used own transport (car, motorbike) and only 2.3% used combined transportation, which is offered by tour operators less often than it used be in the past. Railway transport which stood by the origins of first modern tour operator was used in a minimal way (1.5% of respondents), followed by waterways transport 0.6%.

Even 70.5% decided for accommodation in a hotel, with predominance **** hotels (28.3%), *** hotels (21.5%) and **** hotels (15%). Respondents were less interested into hotels providing lower standard of services (1.8% of respondents preferred * hotels, 3.8% of respondents preferred ** hotels). 10.3% accommodated person stayed at pension, 9.4% in the apartment house and 5.3% private accommodation. Respondents were merely interested into other types of accommodation.

We examined range of provided hospitality services included in price of purchased package tour. Results of this research proved preference of all inclusive, when customer pays the tour operator one sum for all services (included all-day meals, soft drinks (74%), alcoholic and non-alcoholic drinks), besides he/she knows the package tour price in advance (Table).

With a reliability of 95% we may confirm that 36 to 46% Slovak citizens, who purchased a package tour in 2013, preferred all inclusive package tour, 20 to 29% decided for half-board and 15 to 23% purchased a combination of services except hospitality services. We cannot assume that majority of respondents preferred all inclusive package tours in 2013.

The final decision is followed by reservation and payment for the package tour. Most often, respondents booked package tours personally at the premises of a tour operator that organized the trip (42.1%) or at the seller’s premises (17.5%). Therefore it was confirmed, that despite a massive expansion of information and communication technologies existing custo-
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In post-purchase phase, the consumer compares his/hers expectations with gained value. We assumed that a thoughtful package tour selection, which belongs to luxury goods according to economic theory, leads to a positive post-purchase attitude towards the product. Besides, it is a necessary precondition of next purchase. This assumption was statistically accepted. Tour operators may profit from this opportunity to intensify communication with consumers in favour of repeated purchases and purchases initiated by positive references. It is therefore important to reach consumers immediately after return from a package tour: hereafter tour operator signals that it cares about its customers and about their satisfaction. An adequate personal support (friendly employees) and links of customers and businesses (creation of discussion forums, blogs, comments, message boards on tour operator’s website, or social networks) may persuade customers to express their post-purchase opinion and attitude towards package tour, share it with other potential customers and thanks to an innovative approach (Mihaylichenko, 2013 [22]) to increase tour operator’s turnover.

Despite the fact that consumer behaviour is not a new topic in scientific literature, there has not been a found consensus about its evaluation. A large number of existing models, whose marketing application is questionable, confirms this situation. It is important that businesses regularly follow the way customers buy selected type of product, which factors influence the purchase consideration, which product do they prefer and whether they feel satisfied about it. This kind of information may be practically useful in the process of product’s adaption and the whole marketing mix to customer’s preferences. With regard to heterogeneity of customers’ preferences, in further research it would be appropriate to use cluster analysis when identifying internally homogeneous segments of customers (Kucerova, Marcekova & Nedelova, 2010 [23]).

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