The use of Internet for travel purposes in the Norwegian population.

Ingvar Tjøstheim & Kristin Skeide Fuglerud
Researchers
Norwegian Computing Center
www.nr.no

ABSTRACT
The Internet contains a very high number of tourism sites. Who are the users of these sites and do they find the information useful? This paper address these questions based on national surveys in Norway among users of travel and tourism web sites. Key findings are; a majority of the Internet-population (60 percent) is using the web for travel search or planning purposes, online booking is not as common, but it is growing. There are needs for improvements in many areas with regard to travel web-sites - more detailed information is ranked as the most important to improve in our main survey. The travel patterns of the users of online travel information seems to be not very different from the travellers in general. A substantial part of those that are using Internet for searching information states that the information was useful with regard to their holiday planning.

Keywords: Internet, Internet use, consumer behaviour, travel services, holiday planning

INTRODUCTION

The Internet contains a very high number of tourism sites. The travel and tourism industry is using the Internet both as a marketing and distribution channel. In the press, e-commerce or e-business is getting a lot of attention. According to a Special Report by Business Week, October 1999 e-business will in the travel industry in 2003 account for 17% of the total. This prediction might be too optimistic, but the industry often base their long term decisions on such forecasts.

There are number of information sources available for travellers and tourists, and Internet is just one of them. Vogt and Fesenmaier (1998) distinguish between these four categories; social, personal, marketing and editorial. Web-site from private companies and tourism-organisations can normally be regarded as a marketing type (of information source). However, if Internet is used as an interactive medium - e. g. web-users communication with other web-users, it is also a social information source. And some researchers have studied the tourists' valuation of other tourists' contributions to travel web sites (Dellaert, 2000).

In Scandinavia the Internet-penetration is high – approximately 60 percent of the population has access to Internet. The actual use is somewhat lower – approximately 40 percent are weekly users. Moreover, the welfare system is good and the income level is also relatively high. An employee has at least four weeks of paid holidays each year and the number travelling abroad is quite high. This is relevant information for this study of how a national population, in this case, the Norwegian is using the Internet for travel-purposes.

THE PURPOSE OF THE STUDY AND THE DATA-SETS

In this paper four surveys are used. A telephone survey about Internet-use was carried out in October 1999 and in November 2000 by a market research firm[1] based in Oslo. The number of respondents was 2000 for each year of the two years and contained questions about Internet-usage in general and a section about travel and tourism. The exact response rate is unknown, but according to the market research it is normally around 50%. Since these telephone surveys do not contain information about travel habits, a second data set is used to study similarity and differences with regard to this issue. This was a postal survey, a panel survey, carried out from March to September in 2000 by the same market research firm. Of the total sample of 8081 panel members (respondents) 813 had booked travel-services online. In addition a telephone survey from May 2000 about how Internet-users view the functionality of a web-site is used to supplement the findings from the other surveys.

The purpose of this paper is to analyse the use of online travel services in a national population by studying Internet-users with the following characteristics:
- have searched the web for travel information
- regarded Internet as useful for the planning of the summer-holiday or main holiday
- have booked or is planning to book travel services online.

We address questions like "*to what extent was the online travel information important for you when planning your holiday*" and with regard to travel information or services "*which areas do you feel need to be improved?*"

[1] Marked og Media Instituttet - MMI (www.mmi.no)

THE FINDINGS

The first table gives an overview over the use of online travel services in the Norwegian population.

Table 1 – Internet-use and travel services

	December, 1998 In percent – in numbers (thousand)	November, 2000 In percent – in numbers (thousand)
Population (15 years or older)	100% - 3.580'	100% - 3.600'
Internet-population (has access to Internet)	44% - 1.560'	62% - 2.250'
Has searched for travel information online	22% - 780'	39% - 1.380'
Has booked travel services online (air-tickets & holiday packages)	-	16% - 570'
N=	2004	2007

Since the telephone survey 1999 did contain the *question "have you used Internet to search for travel information"*, a similar survey from 1998 was used as reference-point. In 1998 the percentage that had booked or purchased something (books, CD, software, air tickets etc.) online was 10. It means that less than 10% had booked travel services online.

Figure 1
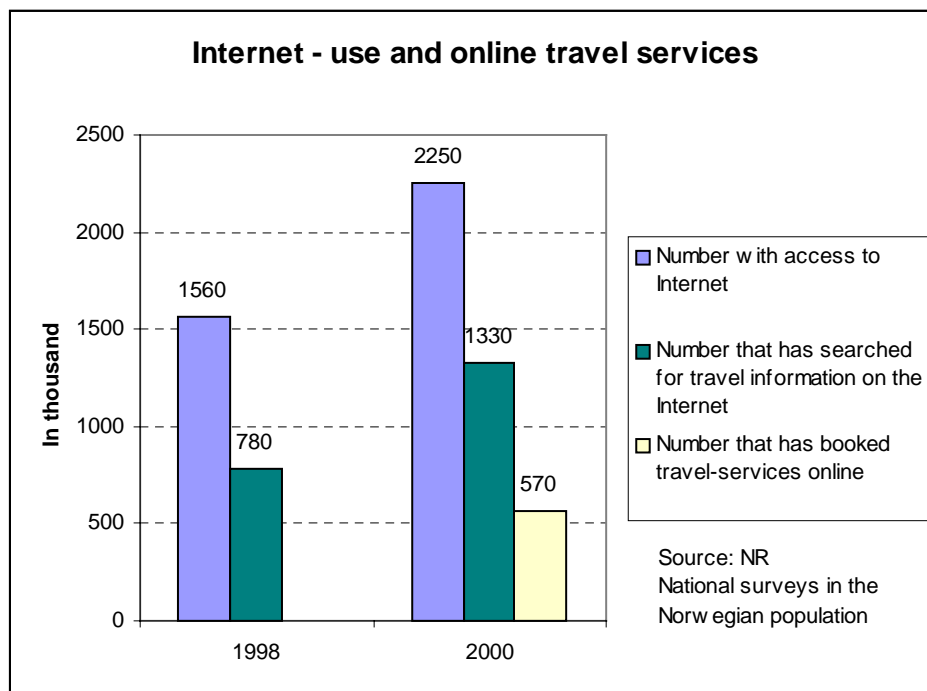
Even though such surveys can contain baises due to low response rate and incorrect answers from the respondents (in addition to some uncertainty), the results are unambiguous. It is very common to search for travel information online, and approximately one out of four Internet-users have booked air-tickets and holiday packages online. These figures are also high compared to US-figures. According to TIA (2001); *"more than 59 million online travelers used the Internet last year (2000) to get information on destinations or to check prices or schedules... ....of that group, 25 million actually purchased travel products or services online during 2000"* It is not clear how a "traveler" is defined in this survey. However, out of a population of 275 million, 202

million people are 18 years or older. Then the 59 million and 25 million represent 29% and 12% (of the 202) which are lower figures compared to the Norwegian figures presented in table 1. However, it is likely that not all Americans with access to Internet (over 18 years old) belong to the "US travel-population" studied by TIA. On the other hand, it is not inappropriate to compare the booking figures since online travellers are booking travel services.

Table 2 - Online search for travel information
How important was the use of Internet with regard to collecting information for your holiday(s) in 1999, 2000

	October 1999 In percent – in numbers (thousand)	November 2000 In percent – in numbers (thousand)
Not important	62% - 1.240'	34% - 470'
Of minor importance	15% - 290'	30% - 410'
Quite important	13% - 250'	19% - 270'
Very important	10% - 200'	16% - 220'
N=	969	769

It should noticed that the question was given to all with access to Internet in 1999, but only to those who had search for travel information on in 2000 which was 61% of the Internet-population. Hence, it is not appropriate to compare the "not important" figures. There are several relevant observations with regard to these figures. First, in 2000 a majority of the respondents said that travel information on the Internet was useful if the three importance categories are looked upon as one group. Approximately 900.000 Norwegians or 40% of the online population belong to this group. Secondly, the numbers that answered quite or very important has no significant increase from 1999 to 2000. However, it is a high number - nearly half a million Norwegians that belong to this group of people.

The next topic we have studied is what areas that need to be improved according to the Internet-users. Since we used a telephone survey fixed categories for the alternatives was chosen. It can be argued that important options are left out. The percentage choosing the "other" category gives an indication in this matter. However, we will use results from a second telephone survey in the discussion of this question – see table 6.

Table 3 – areas that need to be improved
'With regard to travel-information or travel-services on the Internet, which area needs improvement. In my opinion it is most important to improve…?'

	October, 1999 Most important	November, 2000 Most important
More detailed information	38%	28%
The information on the web-sites need up-dating	26%	23%
Interactive maps	20%	14%
Better booking facilities(with immediate confirmation)	15%	8%
Lack of simplicity - the booking-service is to		12%
complicated?(*added in 2000*)	12%	15%
Other		
N=	689	710

In 2000 one more answer-category was added to this question. Hence, a direct comparison of the percentages cannot be recommended. However, it is interesting to notice that the ranking of the alternative didn't change, more detailed information is still

number one and better up-dating number two in 2000. As expected the alternative did compete with the other alternatives and it seems that lack of simplicity is a somewhat greater weakness than lack of real-time confirmation.

The number of Internet-users increased from 1999 to 2000, and figure 2 shows the population numbers based on percentages in table 3.
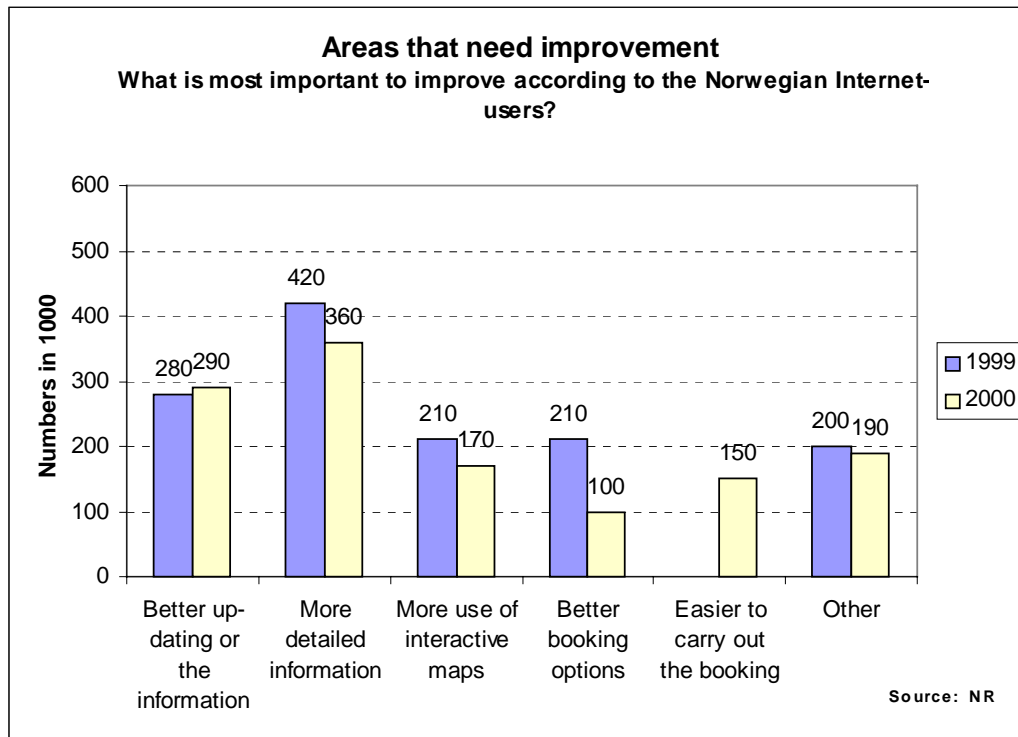
Figure 2

Table 4 - areas that need improvements among those that answered quite or very important in table 2.

'With regard to travel-information or travel-services on the Internet, which area needs improvement. In my opinion it is most important to improve……?'

November, 2000	Most important
More detailed information	27%
The information on the web-sites need up-dating	26%
Interactive maps	15%
Better booking facilities (with immediate confirmation)	10%
Lack of simplicity - the booking-service is to complicated (*added in 2000*)	12%
Other	11%
N=	265

Table 5 - areas that need improvements among those that have booked holiday-packages online
'With regard to travel-information or travel-services on the Internet, which area needs improvement. In my opinion it is most important to improve……?'

November, 2000	Most important
More detailed information	26%
The information on the web-sites need up-dating	25%
Interactive maps	15%
Better booking facilities (with immediate confirmation)	11%
Lack of simplicity - the booking-service is to complicated (*added in 2000*)	12%
Other	10%
N=	202

Table 4 and 5 show two sub-groups that partly overlap. Of the 202 respondents that have booked travel services online 127, or 63% answered quite or very important on the question presented in table 2. It is quite interesting that for these sub-segments the rating of the alternatives is the same. The number that uses the "other" category has decreased, but it shows that relevant alternatives or categories seem to be missing also for these sub-segments. The next table shows the results from a telephone survey[2] in May 2000.

Table 6 – how Internet users view the functionality and other aspects regard web-sites
'How important is the following functions on a web-site with regard to planning a holiday in Norway?'

May 2000	Is planning to book travel services online	The Internet-users in general
	Very important	Very important
1. Fast downloading	76%	64%
2. A well organised web-site for performing detailed search	68%	51%
3. Online booking	56%	34%
4. Interactive maps	39%	28%
5. Extensive description of the products	36%	33%
6. Extensive use of visual presentations of the products	33%	28%
7. The web-site contain recommendations from other travellers	24%	20%
8. Personalization – the system recognises when you visit the web-site	24%	18%
9. Other functions		9%
N=	165	587

The second row is a sub-segment of the "Internet-users" or to be more precise those with access to Internet in the Norwegian population. The first row contains a sub-segment of the respondents that answered quite or very likely on the following question: *'How likely is it that you will book holiday and/or accommodation online the next 12 months?'* The ranking of the alternatives are the same in the two segments with one exception, interactive maps are moving down one place among the members in the second segment. As expected those that are in a booking mode were more likely to answer "very important" than the Internet-users in general.

---

[2] The telephone interviews were done by MMI, and the total number of respondents were 1001 Norwegians

Fast downloading was not included in the list presented for the respondents in the telephone survey (see table 3). However, if this alternative had been included in the list we think it is likely that the percentage answering "other" would have dropped.

Table 7 - Travel pattern (type of holidays in 2000)

	Has booked travel-services online	Is planning to book travel-services online the next 12 months	All Norwegians (total population)
1. Car holiday	44%	45%	42%
2. Holiday in cottage (a summer house)	37%	38%	36%
3. Holiday at the sea	34%	34%	28%
4. Holiday in the mountain region	21%	21%	21%
5. Holiday in a city	21%	19%	13%
6. Charter holiday in the Mediterranean region	19%	17%	13%
7. No holiday	5%	6%	12%
8. Camping-holiday	12%	11%	12%
9. Charter-tour	16%	16%	12%
10. Holiday by travelling by plain	16%	15%	9%
Postal survey, March 2000 – September 2000	N=813	N=1303	N=8081

Approximately 40% of those with access to Internet answered of little, some or very important on the question; *"How important was the use of Internet with regard to collecting information for your holiday in 2000."* For the tourism industry is it relevant to ask what are the characteristics of these people or sub-groups, and in the following tables this segment, users of online travel information is compared to the internet-users in general. Approximately 22% of the Internet-users belong to the sub-group that answered quite or very important and 10% to the sub-group that answered that Internet was very important with regard to collecting information for the holiday.

Table 8 - Age profile

	Users of online travel information ("very important")	Users of online travel information ("quite or very")	Users of online travel information ("minor, quite or very")	Internet users in general ("has access to the Internet")
15 - 19 years old	6%	6%	8%	12%
20 – 29 years old	18%	21%	19%	16%
30 – 39 years old	33%	29%	29%	26%
40 – 49 years old	24%	27%	22%	22%
50 – 59 years old	16%	13%	16%	16%
60 +	3%	4%	5%	7%
N=	125	274	504	1255

Table 9 - sex

	Users of online travel information ("very important")	Users of online travel information ("quite or very")	Users of online travel information ("minor, quite or very")	Internet users in general ("has access to the Internet")
Women	44%	45%	44%	48%
Men	56%	55%	56%	52%
N=	125	274	504	1255

Table 10 - level of education

	Users of online travel information ("very important")	Users of online travel information ("quite or very")	Users of online travel information ("minor, quite or very")	Internet users in general ("has access to the Internet")
primary school	6%	7%	11%	17%
senior high school & technical school	40%	38%	38%	39%
College 1 – 4 years	33%	32%	31%	29%
College or University 5 or more	21%	22%	19%	14%
N=	125	274	503	1255

Table 11 - level of income (net monthly income)

	Users of online travel information ("very important")	Users of online travel information ("quite or very")	Users of online travel information ("minor, quite or very")	Internet users in general ("has access to the Internet")
under 8.000 NOK	14%	19%	19%	24%
8.000 – 15.999 NOK	37%	35%	37%	42%
16.000 – 21.999 NOK	26%	26%	27%	22%
22.000 NOK or more	23%	20%	18%	11%
N=	115	274	461	1148

There are only minor (or no) differences between the "travel information segments" (the first three segments) and the online population with regard to age and sex. However, it seems that the members of travel information segments are better educated and have higher incomes than the average person with Internet-access. The difference in income-level is the most distinct in this comparison.

CONCLUDING REMARKS

In this paper we have presented some results from some surveys among Norwegian Internet-users. It is documented that a high percentage of the online population uses the web to search for travel information. This is relevant information for the travel industry for several reasons. The most obvious one is that marketing activities should be canalised in the relevant places or media. Further information about how the online population is using the Internet for planning and booking purposes is needed. Hence, more research in this field is warranted.

REFERENCES

Business Week (1999), The Internet Age, Special Report, October 4, p. 56.

Dellaert, Benedict G. C. (2000) Tourists' Valuation of Other Tourists' Contribution to Travel Web Sites. in D. Fesenmaier, S. Klein and D. Buhalis eds., in *Information and Communication Technologies in Tourism 2000*, Proceedings, Vienna: Springer-Verlag, pp. 293-302.

TIA (2001) – Travel Industry Association of America, Press releases February 2001, ww.tia.org/Press/022701etravel.asp

Vogt, C., A. & Fesenmaier, D., R. (1998) Expanding the Functional Information Search Model *Annals of Tourism Research*, Vol., 25, No.3, pp. 551-578