Online communications in tour operators marketing strategies

A case study on how and why do tour operators integrate online communications in their marketing strategies

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ONLINE COMMUNICATIONS IN TOUR OPERATORS MARKETING STRATEGIES

A case study on how and why do tour operators integrate online communications in their marketing strategies

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Lysa Thorbecke                                                    Thomas Britos
ABSTRACT

Title: Online Communications in Tour Operator Marketing Strategies

Research Question: How and why do tours operators integrate online communications in their marketing strategies?

Supervisor: Mikael Hilmersson

Course: Strategic Marketing with Independent Project

Keywords: Tour operators, marketing strategy, online communications, service marketing, outbound tourism market, mix marketing

Purpose: The purpose of this thesis is to explore the different Internet tools in a marketing strategy, which can be used within a tour operator in Sweden. The question is why did they choose these specifics Internet tools and how do they use it. Further, this project aims to contribute to the development of new knowledge regarding the online marketing strategies in the outbound tourism market.

Methodology: A qualitative research method with an abductive research approach has been used for this study. An unstructured interview in a one-to-one format has been conducted with the help of two Swedish companies in Halmstad and Helsingborg. Some theoretical concepts (Traffic-Building campaign Framework) have been described and from which a number of Internet tools have derived and have been used for the analysis of the data.
I. Introduction
In this first chapter the authors provide a background to the main concepts leading to the research problem and research question, which will be discussed. The authors will talk about the tour operator in Sweden, and describe the different marketing strategies with the rise of Internet. The authors discuss this topic by identifying a gap within research in this field and what the purpose of this paper will be.

1.1. Background

1.1.1 Tours Operators in Sweden
Tourism is one of the fastest growing economic sectors in the world. In 2014, it contributed for 9% of the world GDP with nearly 260 million jobs worldwide in the industry or in related sectors. The actors of this sector are various, from construction to agriculture (UNWTO). Involved companies provide their customers and clients a wide variety of products, from food to clothes or souvenirs, and services. Those services include for instance hotels, restaurants, and transportation…There are direct distribution channels, in which there are no intermediaries between the suppliers and customers, but also indirect distribution channels involving various intermediaries such as tour operators or travel agencies.

Tour operators are firms responsible for operating and providing their clients a vacation package from arrival to the end in a destination. The main point of their activity is to contract, book a package together the different aspects of a tour such as hotel, restaurants, transportation, visits, activities, guides, and sometimes even the flights. Tour operators can either sell directly to the customers, or pass through travel agencies. The role of travel agencies is to sell tours from various tour operators, according to what suits best regarding the destination, price and activities of the tours for their own clients. Another responsibility is giving advices to the customers regarding the destination, visas, and currency exchange… (Dodu Silva, 2008)

Outbound tourism refers to tourism of residents outside the economic territory of the country of reference. The Swedish outbound tourism market keeps growing since 2005. The favorite destination is Europe (80% trips). The largest category of Swedish outbound travelers is the middle-ages (45-64 years) traveling without children. The mains factors that influence the choice of a holiday destination for Swedes are the price, the weather in the destination, the nature, the food, the culture and also safety. (Swedish Chamber of Commerce, 2011)

The Swedish market is share by three major outbound tour operators: Ving Sverige, owned by
Thomas Cook, Fritidsresor, owned by TUI Travel and Apollo Resor, owned by Kuoni. The three together hold 80% of the outbound market share. The 20% left of the market share are divided between a multitude of independent smaller-scaled tour operators that offer a wide range of tours, and are often niche operators, that offer tour on one or few specific markets (Swedish Chamber of Commerce, 2011)

1.1.2 The rise of Internet
Since the beginning of its democratization in the 1990’s, Internet has become increasingly popular. The access to an Internet connection keeps increasing. In 2013 in the European Union, 80% households had an Internet connection at home, most of them high speed Internet, against 70% in 2010 and 60% in 2008. It even reaches 95% in Denmark. The daily rate use of Internet has also increased a lot, as 60% of the people have a daily use (L’Observatoire du numérique, 2013).

This popularization made Internet become one of the most influent media. It is now the first source of information with the advices of the entourage. Its influence is twice stronger than TV when it comes to aid to decision-making, by allowing to “compare the options” and taking advices from other users (Beuth, 2010).

What about the influence on customers? According to IFOP, Internet is the most decisive media in the purchasing decision process. An explanation of this fact is that Internet is perceived as making the buying process simpler and providing a lot of different and trustable information about the prices, the existing products. The main advantages are that it allows saving time, comparing the offers, and getting easily all sort of information about the desired product. (Roustan, Lehuede, Hebel, 2005).

With such a huge source of accessible and trustable information, the customer behavior went to remarkable changes in the way they go through their buying process. Before the rise of Internet, the main source of information for customers was mostly what they could get from advertisements on TV, radio… or from their entourage, and of course from the salesmen. Nowadays, it has become possible to everyone to get informed easily on more or less everything about everything. At the time a customer arrives in front of a salesman, he just wants to achieve his purchase, to pay. The information research has been done before and the salesman is no more the only knowledge keeper.
1.1.3 Internet in tourism

Tourism sector has adapted to the Internet era. The distribution channel competition has been changed due to alternatives such as Internet (e-commerce platforms) that made suppliers closer to the customers. Intermediaries that added extra costs and were between suppliers and customers disappeared. This is called disintermediation. (PRO€INVEST, 2004) With new customer behavior and technologies, firms have an opportunity to adapt their offer to the demand. To learn about their customer’s insight, have a better understanding of their wants and needs, tourism firms use virtual communities. It is a way they drive product innovation and sustain a competitive advantage. (Baglieri and Consoli, 2009). Customers’ decisions are now very influenced by the information they can get from social media such as Facebook or Twitter, but also from other platforms that play an important role in tourism: TripAdvisor, Travelforum, Youtube (Swedish Chamber of Commerce, 2011). In addition, Internet is now one of the most important mean for tour operators and travel agencies to reach their customers in the first place, whether by selling online or just to gain visibility (Swedish Chamber of Commerce, 2011).

That’s why the Swedish Chamber of Commerce strongly advices to have a high quality website and a good website promotion strategy for tourism companies.

1.2 Strategies in service Marketing

The simplest definition of Marketing is managing profitable customer relationship (Kotler et al, 2014). Indeed, the main goal is to attract new customers using a process by which companies create values for customers and build strong customer relationship. Nowadays, marketers want to become a part of customers’ life and enrich experiences with their brands. Today, marketing must be understood not in the old sense of making a sale telling and selling but in the new sense of satisfying customer needs. If the marketer understands consumer needs, develops products that provide superior customer value and prices, distributes, and promotes them effectively, these products will sell easily (Kotler et al, 2014).

The main marketing objectives are to understand the market and customer needs: it crucial for a marketer in order to adapt and optimize the offer. Concerning the awareness of the brand, marketers have to make sure that the consumers correctly differentiate the brand from another. Indeed, brand awareness plays a major role in a consumer’s buying decision-making process. Finally build a strong relationship between the brand and the customer is primordial to make them loyal to the brand. In sum, in the marketing process, marketers have to find targeted customer and build a relationship in order to create value for them.
Zeithaml et al. define service as all economics activities consumed at the time, which is produced and provides added value in forms that are essentially intangible concerns of its purchase.

In a general sense, services are products but they have special characteristics and marketing needs. Knowing this difference, there is a need to adapt the marketing strategy and develop service marketing.

Service marketing has to consider 4 characteristics for a service, which are:

- **Intangibility**: Services are actions or events. They cannot be seen, felt, heard smelled or tasted before purchase.
- **Variability**: The quality of services depends on who provides them and when, where and how. There are no two-service experiences alike.
- **Perishability**: Services cannot be stored for later sale or use.
- **Inseparability**: Services cannot be saved, returned or resold. Once services are delivered they are lost.

In fact, it is challenging to get customers to notice and desire a product when it cannot be seen or touched, it is difficult to promote their value. Intangibility and variability makes customers difficult to assess, they have difficulty evaluating services. Also, due to the inseparability there is a difficulty to synchronize supply and demand. Finally, since service quality depends on uncontrollable factors, the actual service delivered often does not match with what was planned and promoted (Zeithaml et al, 2012).

Service firms establish their strategy and positioning through the traditional marketing mix which is associated with the four P’s: Product, Price, Promotion and Place. However, because service differs from tangible products, they require additional marketing approaches. They are called the additional three Ps, which results to the 7Ps in service marketing. The additional three Ps are: People, Physical environment and Process.

Those three additional marketing approaches influence the customer’s decision and his level of satisfaction.

**1.3. Online Marketing**

Internet brought changes in the customer behavior and new communication tools. Given these facts, today’s marketers have to apply the Internet and related technologies in conjunction with traditional communications to achieve their marketing objectives. That’s what Internet marketing is (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). Another term used by experts
is Digital Marketing. It is used for instance by the Institute of Direct Marketing, who explains that Digital marketing involves applying technologies from online channels, such as web, email, databases, plus mobile/wireless and digital TV, to market in order to support marketing activities aimed at achieving profitable acquisition and retention of customers within a multichannel buying process and customer life-circle. Digital Marketing recognizes the strategic importance of digital technologies and develops a planned approach to reach and migrate customers to online services through e-communications and traditional communications (Institute of Direct Marketing).

There are many different ways to use online communications. The various available tools, such as web sites, e-mail marketing, third-party web site can serve multiple purposes. Some will use them as an advertising medium to create brand or product awareness. Others made it a platform for sales transactions, sometimes even the only transaction platform (for instance Amazon). But online communications can also be used as a lead generation method, a customer service mechanism (for example in the FAQ section of a web site), or as a relationship-building medium. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

Those techniques need to be combined with traditional medias such as print, TV and direct mail. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

1.4. Problem discussion

Previous research has shown how the rise of Internet changed customer behavior; the buying journey has been deeply modified (Roustan et al, 2005). But Internet came also with a range of various powerful communication tools such as email, online advertisement, social media marketing, as well as new business models such as online selling platforms. Those tools have become strategic to manage to reach customers and to grow a business in the web 2.0 era (Chaffey et al, 2009). Applications in the Swedish tourism industry are multiple: customers share information on social media, they are influenced by other travelers’ experiences, they now have the possibility to book their holidays online, passing through travel agencies, tour operators even directly local providers. Therefore it is strategic to have a high quality website and a good website promotion strategy (Swedish Chamber of Commerce, 2011).

Within the large range of digital tools available for marketing strategies, previous research lacks data about which technologies should be used for tour operator businesses, in which combination. The authors could not know if tourism implied the use of specific tools or what the specificities of this sector lead to in terms of online communications. Implementing digital
communications and tools requires costs and expertise, which implies for companies to choose
the ones they can manage, afford and the ones at are the best adapted to their situation.

More particularly, as discussed previously, three major firms that are owned by strong
international groups dominate the Swedish outbound tour operator market. It can be assumed
that those firms, with strong financial resources, can dedicate time and money to their online
marketing strategies. But what about the rest of the small-sized independent companies that
share 20% of the market? They eventually do not have such strong resources, but they have the
same need of managing a good online strategy. Therefore the authors found interesting to focus
their study on those small actors of the Swedish outbound tourism market. They are numerous
and small-sized, and have to adapt in the new technological environment that changed
customers behavior and brought a new competition paradigm.

The gap in previous research lays on the lack of knowledge about how and why online
communications are used by independent tour operators, the way this use is implemented and
the reasons of the choice of the mix. Filling this gap with a qualitative case study would be
useful for practitioners who also have to adapt to the new technological environment and new
customer behavior. For other tour operator companies, it would enlighten the strength and
weaknesses of the cases’ online strategies.

1.5. Research Question

Based on the previous discussion, this study will focus on independent small-sized outbound tour
operators in Sweden, and will aim to answer the research question:

How and why do tours operators integrate online communications in their marketing
strategies?

1.6 Purpose of research

The purpose of this study is to explore how and why tour operators integrate online
communications in their marketing strategies regarding changes in customer habits.

II. Theory

The theory chapter reviews the existing literature regarding marketing strategies, more
specifically in service and Internet marketing.
2.1. Marketing

Marketing was born in the United States around 1950. This "marketing area" would have succeeded the sale’s area (1930-1950), preceded by the production period (1870-1930). Marketers must distinguish the marketing practices from ideas and concepts. In fact, the segmentation concept has been formalized in the fifties. However, the segmentation practices were common long time ago. Adam Smith, in ‘the Wealth of Nations’ (1776) wrote that the needs of producers should be considered with regard to meet the needs of consumers (Volle, 2012).

After World War II, customers were quite selective and used to buy only products that precisely met their needs, which weren’t that obvious. Then customer needs and satisfaction were questioned. Firms began to adopt the marketing concept which involves focusing on customer needs before developing product, aligning all functions of the company to focus on those needs, realizing a profit by successfully satisfying customer needs over the long term (Barton, 2010).

Simply, marketing is the homework that managers undertake to assess needs, measure their extent and intensity, and determine whether a profitable opportunity exists. Marketing continues throughout the product’s life, trying to find new customers and keep current customers by improving product appeal and performance, learning from product sales results and managing repeat performance. If the marketer understands consumer needs, develops products and services that provide superior customer value and prices, distributes and promotes them effectively, these products will sell easily (Kotler et al, 2014). The aim is to know and understand the customer so well that the product or service fits and sells itself. Thus, marketing is defined as a process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return (Kotler et al, 2014). It must be remembered that marketing is both spirit or market knowledge and a tool or set of market research methods.

2.1.1 Mix Marketing

The first decisive step in the marketing process is the market analysis. Once realized, the 4Ps model can be a decision-making tool for the managers. In addition to covering the fields of all the elements that marketers can do, this model is easy to use. Its particular designation also contributes to its success. This classification system is one of the most used in the marketing mix. Broadly, the model 4Ps can be used to help a decision-making in the context of a new offer on the market but also to test its own marketing strategy.
In the late 1940 James Clulliton had described the marketing manager as a ‘mixer of ingredients’ which had inspired Neil H. Borden to use the term ‘marketing mix’ in his article ‘the concept of marketing mix’. The ingredients included product planning, pricing, branding, distribution channels, personal selling… Later E. Jerome McCarthy grouped these ingredients into 4 categories that today are known as the 4 P’s of Marketing (Barton, 2010).

These four Ps are the parameters that the marketing manager can control in an internal and external environment. Making decisions that center the 4Ps on the customers in the target market in order to create perceived value and generate a positive response is the main goal of this model (Barton, 2010).

The marketing mix includes all marketing decisions and actions taken in order to make the product, service or brand a success in its market (Bathelot, 2013). As the authors mentioned before, the decisions and actions of the marketing mix are considered in four main areas, which are the 4Ps: Product - Price - Promotion - Place.

2.1.1.1. Product
The starting point is the product offering and product strategy. The product does not only include the physical unit but also its brand name, value, package, characteristics, after-sale service, warranty and many others factor. Products can be tangible goods or services; it should also offer customer value. Product mix is the instrument that mainly aims at the satisfaction of the customer. (Lamb et al, 2008)

2.1.1.2 Price
Price is what a buyer must give up to obtain a product. It is often the most flexible of the 4Ps, the quickest element to change. Marketers can raise or lower prices more frequently and easily than they can change other marketing mix variables. Price is an important competitive weapon and is very important to the organization because price multiplied by the number of units sold equals’ total revenue for the firm (Lamb et al, 2008). The Price mix is the instrument that mainly fixes the size and the way of payment exchanged for goods or services. For instance they can be the list price, usual term of payment, usual discounts, term of credit, long-term savings campaigns…

2.1.1.3 Place
Place or distribution, strategies are concerned with making products available when and where customers want them. A part of this Place is physical distribution, which involves all the business activities concerned with storing and transporting raw materials or finished products.
The goal is to make sure products arrive in usable condition at designated places when needed (Lamb et al, 2008). The distribution mix is the set of instruments that mainly determine the intensity and manner of how the goods or services will be made available. For instance they can be different types of distribution channels, density of the distribution system, trade relation mix (policy of margins, terms of delivery…).

2.1.1.4 Promotion
Promotion includes advertising, public relations, sales promotion and personal selling. Promotion’s role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an organization or a product. A good promotion strategy can increase sales but does not guarantee success. Each element of the promotion is coordinated and managed with the others to create a promotional blend. The authors will define these integrated marketing communications tools later in their work (Lamb et al, 2008).

Variations in marketing mixes do not occur by chance. Cleaver marketing managers use marketing strategies to gain advantages over competitors and best serve the needs and wants of a particular target market segment. By manipulating elements of the marketing mix, marketing managers can adjust customers offering and achieve competitive success. (Lamb et al, 2008)

2.1.2 Service Marketing
To talk about service marketing, it is needed to know what is a service and the difference with a product. A product is defined as anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need (Kotler et al, 2014). It means that physical goods are produced, stored, later sold and then still later consumed. In contrast, services are first sold and then produced and consumed at the same time. Indeed, a service is an activity, benefit, or satisfaction offered for sale that is essentially intangible and does not result in the ownership of anything (Kotler et al, 2014). In a general sense, services are products but they have special characteristics and marketing needs. Knowing this difference, it is needed to adapt the marketing strategy and develop service marketing.

2.1.2.1 The four characteristics of a service
Service marketing has to consider 4 characteristics, which involve challenges in Marketing Services.
2.1.2.1.1 Intangibility
The first characteristic of a service is Intangibility. Indeed, services are actions or performances; they cannot be seen, felt, tasted or touched in the same manner that we can sense tangible goods. Services cannot be inventoried, and therefore fluctuations in demand are often difficult to manage. Services cannot be patented legally and competitors can therefore easily copy new service concepts. Services cannot be readily displayed or easily communicated to customers, so quality may be difficult for consumers to assess. Decision about what to include in advertising and other promotional materials are challenging (Zeithaml et al, 2012).

2.1.2.1.2 Heterogeneity
Then comes the second characteristic: Heterogeneity. Services are performances, produced by humans; no two services will be precisely alike. The employees delivering the service frequently are the service customer’s eyes and people may differ a lot in their performance. Services are heterogeneous also because two customers are not the same. Indeed each will have unique demands and experience the service in a unique way. Thus the heterogeneity connected with services is largely the result of human interaction. Marketers’ challenge here can be about the quality, which depends on many factors that cannot be fully controlled by the service supplier. Thus, since service quality depends on uncontrollable factors, the actual service delivered often does not match with what was planned and promoted (Zeithaml et al, 2012).

2.1.2.1.3 Perishability
Concerning the perishability, it refers to the fact that services cannot be saved, stored, resold or returned. This is in contrast to goods that can be stored or resold another day or even returned if the customer is unhappy. A primary issue that marketers face in relation to service perishability is the inability to inventory. There is a need for strong recovery strategies when things do go wrong (Ex of a hairdresser) (Zeithaml et al, 2012).

2.1.2.1.4 Simultaneous production and consumption
Finally the 4th characteristic of a service is: simultaneous production and consumption. Contrarily to the goods, most services are sold first and then produced and consumed simultaneously. Services producers are actually playing a role as part of the product itself and as an essential ingredient in the service experience for the consumer. The main issue for marketers in that case is that the mass production is quite impossible because services are produced and consumed at the same time. The customer is directly involved in and observes the production process and this is affecting the result of the service. Also service quality and customer satisfaction depend a lot on what happens in the real time. Usually operations need to
be decentralized so that the service can be delivered directly to the consumer (Zeithaml et al, 2012).

To conclude in terms of marketing implications, marketers of service face some very real and distinctive challenges. Challenges, which revolve around understanding customer needs and expectations for service, making tangible the service offering, dealing with a lot of people and delivery issues, and keeping promises, made to customers.

Service marketing is a set of marketing techniques aimed to promote and sell services. It is not only about how to promote the service, but also how to build and maintain a relationship with the customer during buying-decision process. Service firms establish their strategy and positioning through the traditional marketing mix. However, as services differ from tangible products, they require additional marketing approaches. They are called the additional three Ps, which results to the 7Ps in service marketing.

The service marketing mix is an extension of the 4Ps framework. The essential elements of product, promotion, price and place are the same as those in the traditional marketing mix but three additional elements are included to the 7P’s mix: people, physical environment and process

2.1.2.2 The additional three Ps

2.1.2.2.1 People
Since services are provided by people, the selection, training and motivation of customercontact or front-line employees can make a huge difference in customer satisfaction. In fact all of the human actors participating in the delivery provide cues to the customer regarding the nature of the service itself. For some services, the provider is the service so it can be very important for the customer’s satisfaction. Ideally, employees should display competence, a caring attitude, responsiveness, initiative, problem-solving ability and goodwill to make sure the customer is satisfied (Kotler et al, 2014).

2.1.2.2.2 Physical environment
Secondly, the physical environment in which the service is delivered. Because of the intangibility of service products, service organizations can demonstrate their service quality by developing a superior physical environment in which the service product is presented and delivered. Thus, the physical environment includes all of the tangible representations of the service such as letterhead, business cards, and brochure. It can be as well where the service is offered like physical facilities.
Customers look to the physical environment for cues to the likely quality of a service. By managing the physical environment, service businesses can communicate the firm’s customer value proposition to target customers (Kotler et al, 2014).

2.1.2.2.3 Process
The last marketing approach for a service is the Process, i.e. procedures, mechanisms and the flow of activities by which the service is delivered. In fact, service organization can also design a superior delivery process. They can choose among different service processes to deliver their service (Kotler et al, 2014).

The three new marketing-mix elements are included in the marketing mix as separate elements because “according to Kotler et al, they are within the control of the firm and any or all of them may influence the customer’s initial decision to purchase a service, as well as the customer’s level of satisfaction.

2.2 Internet Marketing

2.2.1 The Web 2.0
The concept of Web 2.0 developed by Tim O’Reilly (O’Reilly, 2005) qualifies the new era of Internet with the advent of interactive tools and online communication techniques. One of the characteristics of this era is that web users are more numerous and more engaged to participate and interact through techniques such as blogs, podcasts or social networks.

Blog are personal, professional or news source content compiled by one several people with a possibility to ad comments on each post to create interactivity and feedback.
Podcasts are related to blogs, they are online posts of audio or video content created or shared by web users (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). Social networks have been defined by Boyd and Ellison (2007) as web-based services that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection, and view and traverse their list of connections and those made by others within the system. But this definition misses the important fact that users can interact with the content by posting comments or other content. Those sites actually provide facilities to develop users-generated content and to share and exchange this content between users (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009).

An example of the applications of the involvement of the Internet users is the virtual communities. Wang et al. (2002) characterized virtual communities as people who interact as
they strive to satisfy their own needs or perform special roles, sharing a purpose such as an interest, need, information exchange or service that provides a reason for the community, with policies that guide people interactions and computer systems which supports and mediate social interaction and facilitate a sense of togetherness. Firms can use virtual communities as a relationship-building tool as they enable information sharing between the members. This tool is a quite powerful one as half of the online buyers take into account the opinion of the members of their community. Those opinions have a great influence on the purchase decision-making process, especially when it comes from experts in the community (Wang et al, 2002).

2.2.2 Digital marketing and interactive marketing communication

Digital marketing involves applying technologies from online channels, such as web, e-mail, databases, plus mobile/wireless and digital TV, to market in order to support marketing activities aimed at achieving profitable acquisition and retention of customers within a multichannel buying process and customer life-circle. Digital Marketing recognizes the strategic importance of digital technologies and develops a planned approach to reach and migrate customers to online services through e-communications and traditional communications. Retention is achieved through improving the customer knowledge (of their profile, behavior, value and loyalty drivers), and then delivering integrated, targeted communications and online services that match their individual needs (Institute of Direct Marketing).

So in their strategies, companies need to use interactive marketing communications. Developing an interactive marketing communications program for Internet Marketing answers to three main objectives:

- Use online and offline promotion to drive quality traffic to a web-site
- Deliver an effective and relevant message to the visitor in order to achieve required marketing outcomes through conversion marketing
- Integrate all communication channels to help achieve marketing objectives by supporting Mixed-mode buying (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

Unlike traditional media such print, TV and radio, the web is a push media. That means that the consumer is proactive in selection of the message through actively seeking out a web site. So Internet insures that the prospect and customers visit a web site in response for a need or a want, and are not just passive recipients to the message. This has some implications for the marketer:
he has to provide physical stimuli to encourage visits to the web site (e.g. through ads, direct mails, physical reminders). Then he needs to maintain his web site optimized for search engines. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

The web is an interactive media: it enables a dialogue between company and customers. According to Peters (1998) and Deighton (1996) this interactivity is a benefit of the Internet as a mean of developing long-term relationship with customers. But it also enables companies to collect intelligence by recording clickstream analysis in web analytics. Thus, companies can understand better about their customers’ behaviors and preferences.

Instead of delivering a message to all the customers in a “one-to-many” traditional way, the web enables the marketer to create tailored marketing messages to reach different audiences and build a “one-to-some” communication. Moreover, customers interact with each other through web sites, social networks or blogs to create a “many-to-many” communication (Hoffman and Novak 1996). The web site visitor has the entire control of his visit and can decide anytime to leave the page if he is not satisfied with the content he finds. Therefore the web is a lean-forward media. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

2.2.3 Integrated Internet marketing communications

2.2.3.1 Integrated marketing communications

Integrated marketing communications were defined by Keegan et al. (1992) as the strategic coordination of all messages and media used by an organisation to collectively influence its perceived brand value. This cross-functional process is aimed to encourage data-driven and purposeful dialogue with customers and stakeholders by creating and nourishing profitable relationship with them. (Duncan, 2002)

The importance of integrated marketing communications is well known, however organisations often fail its implementation because of several structural barriers: lack of horizontal communication, functional specialisation, decentralisation, lack of integrated marketing communications planning and expertise, lack of budget, lack of database technology, corporate culture and fear of change (Percy, 1997)

Besides, traditional communication procedures have been impacted by the raise of the internet. According to (Blattberg and Deighton, 1991; Holtz, 1999) this is due to three main characteristics of the internet that differentiate online communications from traditional media. First, the interactivity: the internet is not only an interface, but also a communication agent, that allows communication to individuals, as well as interactions between users and software applications.
Second, transparency: any user can access the information published on the Internet. And third, the memory: when information is published online, it remains on the web. The internet stores the information if it is not erased.

Therefore, the process of integrating marketing communications in the online environment creates new challenges. Hart et al (2000) stated that the transparency of the internet increased the necessity of consistency in the planning, implementation and control of online communications, and Ashcroft and Hoey (2001) that PR and marketing online communications are to be more integrated as they share the same channels and audiences. Another challenge for organizations to face is that the interactivity, transparency and memory of the web necessitates the consistency of communication and the coherence of the transmitted meaning, when at the same time the fragmentation of audiences and communication contexts requires the customization of online marketing messages (Gurau, 2008)

2.2.3.2 Integrated Internet marketing communications: Traffic-Building campaign Framework
To increase the audience of web site, many techniques have online and offline promotion combined in what is called a traffic-building campaign.

To do offline promotion is to use traditional media such as TV, radio and prints to direct visitors to an online presence, through tools like advertising, personal selling, sales promotion, sponsorship, direct mail, exhibitions, merchandising, packing, word-of-mouth. Those techniques are effective reach the consumers, to achieve brand awareness, emotional connection with the brand and to give an explanation of the online value proposition for a brand. For instance, physical reminders such as brochures, catalogues, business cards, point-of-sale material, pens, postcards, and inserts in magazines can be useful to promote a web site in the real world. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009)

Online communication is managed through several digital media channel: online communication techniques such as search engine marketing, affiliate marketing and display advertising used to engage web users on third-party sites; encourage them to visit an organization’s web site or purchase through traditional channels such as phone or in-store. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009) The main ones are more developed below:

2.2.3.2.1 Search Engine Marketing (SEM)
“Search engine marketing is promoting an organization through search engines to meet its objectives by delivering relevant content in the search listings for searchers and encouraging
The aim of search engine marketing is to generate quality visitors to a web site through search engines such as Google, Yahoo!, Live, Ask… Search engine marketing uses principally two types of techniques: search engine optimization (SEO) and paid search marketing (or Pay-per-Click PPC).

SEO is implemented to improve web site rankings in search engine natural listings. This technique does not imply a fee per click and is focused on key words and phrases relevant to what the site is offering, and links to the page. The more relevant keywords regarding the content of the site, the better the web site ranking in search engines will be. Another important aspect of SEO is the links to the page the more external links to the web site from other sites; the better ranking (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009).

The second main SEM technique is paid search marketing (PPC). The principle of PPC is based on the possibility for an advertiser to purchase keywords. Then, when the internet user type a word which matches with a purchased keyword, the advertisement appears on his screen. (Scheid, Vaillant, de Montaigu, 2012) It consists in displaying a relevant text ad with a link to a company page on the search engine result page when a user writes specific keywords or phrases. Those ads can also be displayed on third-party web sites such as online publishers, aggregators or social networks, if they are relevant to the page content. This is called content network. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009) The message must be condensed (25 characters max) but should also attract the user to make him click. To make sure of its quality, four criteria must be taken into account, it must be specific, consistent, impactful and differentiating. (Scheid, Vaillant, de Montaigu, 2012)

2.2.3.2.2 Social media
The purpose of social media marketing is to monitor and facilitate customer’s interaction and participation throughout the web to encourage positive engagement with a company and its brands (Chaffey and Ellis-Chadwick, 2012). Social media is an important category of digital

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marketing which involves encouraging customer communications on a company’s own website, or social presences such as Facebook or Twitter (Chaffey and Ellis-Chadwick, 2012).

It is important to participate in customer conversation to take advantage of the benefits of social media. These can be related to products, promotions or customer service and are aimed at learning more about customers and providing support so improving the way a company is perceived (Chaffey and Ellis-Chadwick, 2012). There is this opportunity of communicating with customers through social networks and it has become a core element of e-business strategy.

When developing a social media strategy there seems to be a tendency for managers to turn straight to the tools they will be using (Facebook, Twitter or Instagram) but customer adoption of social media tools will vary according to customer segments and markets.

Some marketers will see social media primarily as a way of gaining new customers through the viral effect of social media as existing customers or contact discuss or recommend your content or products. For others the benefits may be focused more around how recommendations reviews and ratings can increase conversation rate. Finally social media can be viewed as a customer engagement and retention tool. Here social media are used to deliver customer service or are used as alternative channel to email marketing to inform customers about new product launches or promotions (Chaffey and Ellis-Chadwick, 2012).

The main advantage of social media is that an effective viral agent can reach a large audience in cost-effective way. Nowadays consumers rate the opinions of their friends and family very highly, so they can be highly influential.

The main disadvantage is that is it a high risk marketing communication technique since it requires significant initial investment in the viral agent and seeding. However there is no guarantee that the campaign will go viral in which case the investment will be wasted (Chaffey and Ellis-Chadwick, 2012).

2.2.3.2.3 Online partnerships
Online partnerships are great opportunities to increase traffic to a company’s web site. Link building, (discussed in Online PR section), affiliate marketing and online sponsorship are the main online partnerships to develop.

Affiliate marketing is a “pay-per-performance” method in which referring sites receive a commission every time the merchant makes a sale or gets a lead through the referring site. Those referring sites can be of many types: aggregators, such as comparison sites, review sites,
rewards sites, voucher code sites… The main advantage of those affiliates is that they are often SEO and PPC experts. Thus, affiliate marketing helps increase the search engine result page visibility of the merchant and benefit from the affiliate SEO expertise at low cost. Also, using different affiliates allows targeting different audiences (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). Ryan and Whiteman (2000) defined online sponsorship as the linking of a brand with related content or context for the purpose of creating brand awareness and strengthening appeal in a form that is clearly distinguishable from a banner, a button or other standardized ad unit. With online sponsorship, the advertiser benefits from the knowledge and trust visitors have in the site their name is associated with (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). One way of building online sponsorship can be co-branding of sites or e-mails: in order for their brands to be seen as complementary, companies can agree to jointly display content and perform joint promotion using brand logos, e-mail marketing or banner advertisement (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009).

2.2.3.2.4 Interactive display advertising
Display advertising is a process in which an advertiser pays is displayed for an ad placement on a third-party site such as social networks or publisher. Usually, those ads encourage the viewer to interact, by playing a video, or completing an online form… The advertiser can choose whether displaying his ad on specific web page that has a potential to reach his target, or he can choose to purchase the banner advertising across several sites. But the purchasing options can be even more precise, for example the ad can be purchased on particular web pages (no the entire site), or depending on the keywords entered on a search engine. This way, the advertiser is enabled to target relevant placements according to his activity and target audience (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009).

2.2.3.2.5 E-mail marketing
E-mail marketing appears as a very powerful channel, it has the advantage of being cheap, very easy to use and deliver good results. The only disadvantage for the users is to find their email boxes full of useless messages sometimes seen as SPAM (Scheid, Vaillant, de Montaigu, 2012).

The two main objectives for an e-mail campaign are to inform or to induce. The term opt-in applies when an individual agrees to receive e-mail communications. E-mail campaigns are mainly intended for customer retention and sales promotion, but other applications are gathering customer data, lead generation, and brand awareness or customer acquisition (Chittenden and Rettie, 2003). For prospect conversion and customer retention, email marketing uses an opt-in
list of prospects and customers that gave their names, addresses and profile information to the company. Several options of e-mail are possible. A regular enewsletter provides customers information about the products or promotions with a given frequency. Conversion e-mail can be sent to a potential customer who visited the site and registered without purchasing anything. A house-list campaign is periodic e-mail, sent to the list of prospect and customers owned by a company, to achieve different objectives such as encourage repeating purchases, or reactivate customers who no longer use a service (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). There are three principal options for customer acquisition: cold e-mail campaign, in which recipients receive effectively cold opt-in e-mail, co-branded e-mail which recipient receive an e-mail with a third-party company offer from a company he has affinities with, or a third-party e-newsletter, in which a company links its site in a third-party’s newsletter (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009).
III. Methodology
The methodology chapter explains the method used to collect information and to conduct this study. It starts by explaining the different choices made in the research method, and then it describes how the data was collected and finally how it was analyzed.

3.1 Exploratory Purpose
Exploratory research is defined as the initial research into a theoretical idea. This is where a researcher has an idea or has observed something and seeks to understand more about it. At the beginning of this study, the authors have collected information about online communications and the tour operators in Sweden, but they couldn’t find information that link both. An exploratory research project is an attempt to lay the groundwork that will lead to future studies, in other terms to determine if what is being observed might be explained by a currently existing theory. (Devin Kowalczyk, 2015)

3.2. Abductive research approach
In order to develop and interpret theory in a study, two different approaches can be used: the deductive and inductive approach. The deductive approach is a research approach involving the testing of a theoretical proposition by the employment of a research strategy specifically designed for the purpose of its testing (Saunders et al, 2009). Deductive approach process implies to start reviewing literature and theories in the domain of the study. From this knowledge, hypothesis must be deduced and will have to be subjected to empirical data. To do so, the hypothesis will be translated into researchable entities and will drive the process of gathering data. From the finding of the analysis that confronts data with theory, can then either confirm or reject their research hypothesis (Bryman and Bell, 2011).

The inductive approach on the other hand is a research approach involving the development of a theory as a result of the observation of empirical data. Thus the process starts with known observations, as a base for formulating that will be used to come up with a theory. Inductive approach is more appropriated than deductive approach when the purpose is to deep understanding of the problem. Moreover inductive reasoning usually implies qualitative data. (Saunders et al, 2009).

The process of this study has followed a combined mix of both approaches. This approach has been studied by Dubois and Gadde (2002) as abductive approach, or systematic combining.
They described it as a non-linear, path-dependent process of combining efforts with the ultimate objective of matching theory and reality. They argue that abductive matching requires more, and has the potential to yield more, than inductive fit.

This approach particularly fit to the case study of this study. A preliminary literature research was needed in order to raise the authors’ awareness of the state of the outbound tourism market, and to learn more about web marketing and online communications. Besides having allowed identifying the problem previously discussed and settling and refining a relevant research question, the preliminary theoretical findings have been used as a basis to initiate the data collection, as discussed further in the section “Question design”. The aimed of such a process was to take advantage not only of the systematic character of the empirical world, but also of the systemic character of theory, as stated by Dubois and Gadde (2002). This gives this study strength in the way that collected data was not collected randomly, but already focused on online communications.

Abductive approach also was a good choice for analyzing the collected data in order to explore how and why the case tour operators integrate online communications in their marketing strategies. In fact, having no obvious patterns, matching theory and reality can take researchers in various directions (Dubois and Gadde, 2002). Those issues will be discussed further in the “data analysis” section. Moreover, Dubois and Gadde (2002) argue that in systematic combining, confrontation of theory with the empirical world is more or less continuous throughout the research process. That has been the case in this study, where preliminary data lead to a problem and research question, which lead to further theory research to guide the data collection, and finally the need to further research theory in order to perform a relevant analysis of the data. This made the study more and more focused on its purpose by precising a bit at every step the issues regarding online communications.

There is a weakness concerning this approach, indeed when using abductive reasoning the authors are synthesizing a case from facts in the case and a principle in the theory. So the authors have used this procedure in order to make a generalization from the two cases. How to generalize from a case can be an issue for the study case. How this issue has been faced is discussed further in the “external validity” section.
3.3 Case Study

Yin argues that the research strategy can be chosen regarding the type of research question a study is aimed to answer. The most frequently used research strategies are experiment, survey, archival analysis, history and case study (Yin, 2014).

Robson defined a case study as a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence (Robson, 2002). A case can either be a single organization, a single location, a person or a single event, which is the basis of a study as an object of interest itself and researchers intend to provide an in-depth elucidation of it (Bryman & Bell, 2011). The case study research is concerned with the complexity and particular nature of the case in question (Stake, 1995). The study of the case allows the researcher to give a deep understanding of a phenomenon in a real life context (Merriam, 2009).

Yin argues that the research design of a case study has five components, which are the case study’s question, its propositions, its units of analysis, the logic linking the data to the propositions and the criteria for interpreting the findings.

Yin states that a case study is an efficient strategy to answer exploratory questions (Yin, 2014). To explore the phenomenon of using online communications, the authors chose a case study, as the research question is an exploratory question. Moreover, a case study is an accurate strategy to answer “How” and “Why” research questions. As the research phenomenon is relatively new, a case study is accurate to describe contemporary real life phenomenon over which the researcher has little or no control (Yin 2014) A case study always tries to illuminate a decision or a set of decisions: why they were taken, how they were implemented, and with what results. (Schramm, 1971) That is what this study aims to do with the use of online communications in tour operator businesses.

3.3.1 Type of case study

A case study can either be based on a single case or on multiple cases, and can either be holistic or embedded. A single case is based on collecting data from just one case, and a multiple case from several cases. A single case study is adapted if the case is unusual or extreme, and a multiple case more adapted for a critical case or a revelatory case (Yin, 2014). Holistic design
counts on phenomenological and narrative description and follows only a qualitative approach whereas embedded is not limited to qualitative approach (Yin, 2009).

Based on the discussion above, this study uses a multiple case study with a holistic design. Choosing a multiple case study against a single case study has the advantage of providing more robust evidences (Herriott & Firestone, 1983) and strengthens the stability, validity and precision of the findings and provides stronger interpretations (Merriam, 2009).

3.4 Qualitative Data collection
Qualitative data refers to all non-numeric data or data that have not been quantified and can be a product of all research strategies. Qualitative data analysis procedures assist this, allowing you to develop theory from your data. They include both inductive and deductive approaches (Saunders et al, 2009). A qualitative research usually emphasizes words rather than quantification in the collection and analysis of data (Bryman and Bell, 2011). The quantitative research is more experimental, based on hard facts using measurements. The quantitative method is often used when answering questions concerning how much, while qualitative methods answers questions of why and how (Bryman and Bell, 2011).

Qualitative research will aim to establish correlations between variables through statistical calculations in order to give an objective representation of the reality that can be generalized. In contrast, a qualitative research will use a combination.

In this study, a qualitative research method has been implemented. In fact, the purpose of this study is to describe the way tour operators use online communications, and to give an understanding on the reasons of this use.

3.5 Selecting case companies
When collecting data for a qualitative case study, it is important that the choice of the cases allows collection of rich information so that they can contribute to the deep understanding of the studied phenomena. Those cases are called purposeful sampling. They are the most common form of non-probability sampling. Non-probability sampling is relevant when examining what occurs, why it occurs and relationship between different occurrences. Therefore it is preferred in qualitative studies. For quantitative studies, probability sampling is more accurate (Merriam, 2009).
A purposeful sampling was used in this study. Due to the exploratory purpose of the study, the authors needed to access a lot of rich information to explore how and why tour operators integrate online communications in their marketing strategies. The selected cases in this study had to be independent tour operators, small-sized and working in outbound tourism. Of course they also had to be involved in online communications activities. In other terms, the cases were chosen according to their relevance to the research question, which, according to Merriam (2009) make them theoretical sampling cases. Another criteria of choice for the cases was their availability for the interview during the time the authors planned to collect the data. Geographical location was also a criteria as the authors preferred to manage the interviews in face-to-face. This selecting choice is called convenience sampling (Merriam, 2009).

The sections below give a short description of the selected case companies of this study.

3.5.1 Brasilienexperten
Brasilienexperten is a Swedish outbound tour operator that specializes in thematic group tours in Brazil. Apart from Brasilienexperten, the firm owns a second brand for organized tour in other South American countries. It was founded in 1993 by Björn Larsson and has its headquarter in Halmstad, and a filial in Stockholm. The interview was conducted with the owner Björn Larsson.

3.5.2 Tour Pacific
Tour Pacific is a Swedish outbound tour operator that specializes in tour in Australia and New Zealand. Its most successful tours are escorted tours, but the range of tours is various as it also includes cruise tours and tour in the Indian Ocean. It was founded in 1993 by Lars Jönsson and has its headquarter in Helsinborg. The interview was conducted with Suzanne Björklund who is the marketing manager since September 2014.

3.6. Collecting case study Evidence
Interviews, archival records, direct observation, documents, participant observation, and physical artifacts are the six possible sources of evidence for a case study. Three principles are to be followed: use of multiple sources of evidence, create a case study database, and maintain a chain of evidence. Those three principles are relevant to the six sources of evidence and increase the validity and reliability of the case study (Yin, 2014)

As a source of evidence, the authors chose to use interviews. This source of evidence is considered to be one of the most important sources of case study evidence
3.6.1 Interview

The two main types are the unstructured interview and the semi-structured interview. Researchers use the term qualitative interview to encapsulate these two types of interviews. Actually they are two kind of interview: qualitative (unstructured interview and the semistructured interview) and quantitative (structured interview).

The authors have chosen semi-structured interview in a one-to-one format for the collection of primary data. This enables the authors to gain more detailed information and the possibility to revise or add questions during the interviews. Indeed, in the semi-structured interview the researcher has a list of questions about specific topics. It’s often referred to an interview guide. Questions can be asked in a different order. The interviewers are allowed to ask questions that are not in the guide. The interview process is flexible, because it’s less structured, indeed there is an emphasis on greater generality in the formulation of initial research ideas. There is much greater interest in the interviewee’s point of view. Interviewers can depart significantly from any schedule or guide that is being used. They can ask new questions that follow up interviewees’ replies and can vary the order of the questions and even the wording of the questions (Bryman and Bell, 2011).

In sum, the qualitative research is very flexible; the researcher wants rich and detailed answer which explained why the authors have chosen this type of interview.

3.6.2 Question Design

From previous research review, the authors identified different aspects and issues related to the research question. This reflection lead to a set of questions the authors found relevant to study and collect data about in order to answer the research question. Those questions were: Which online communications are used? What are the objectives of using those tools? What are the criteria of the choice of the mix of online communications? Who is it planned/implemented/controlled by? How is handled the need of technical skills? Is the use of online communications combined with traditional offline communications? If so, which offline communications and why are they needed? What are the obstacles to the use of online communications? How is the communication mix going to evolve in middle term future? When designing the questionnaire for the semi-structured interview, the authors kept those questions in mind to make sure the data collection will answer them.
Besides, the structure of the questionnaire follows two frameworks explained in the Theory Chapter: the 7Ps Marketing Mix framework, to highlight and describe the general marketing strategy of the firm, and the traffic-building campaign framework, to go through the web marketing strategy. The authors found this structure adapted regarding the research question how and why do tour operators integrate online communications in their marketing strategies.

3.6.3 Firm interviews
Below are the dates interviews were conducted, the name and position of the person interviewed and how the interviews were conducted

<table>
<thead>
<tr>
<th>Company</th>
<th>Date</th>
<th>Name</th>
<th>Position</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brasilienexperten</td>
<td>2015-04-27</td>
<td>Björn Larsson</td>
<td>Owner</td>
<td>Face to face</td>
</tr>
<tr>
<td>Tour Pacific</td>
<td>2015-04-28</td>
<td>Suzanne Bjöklund</td>
<td>Marketing Manager</td>
<td>Face to face</td>
</tr>
</tbody>
</table>

3.7. Data analysis
In a case study, the analysis of the data consists of examining, categorizing, tabulating, testing or otherwise recombining evidence, in order to produce empirically based findings (Yin, 2014). Yin (2014) suggests four general strategies to analyze data: relying on theoretical propositions, working the data from the ground up, developing a case description or examining plausible rival explanations. The strategy used in this study was developing a case description, which consists in organizing the analysis according to some descriptive framework. Then, within the five analytic techniques proposed by Yin (2014), this study uses pattern matching. It consists in using a pattern-matching logic to compare empirically-based pattern with a predicted one made before the data collection. The frameworks used are the Traffic Building Campaign and Service Marketing Mix frameworks.

To deal with the exploratory purpose of this study, the authors chose to match empirical data with the theoretical framework in order to develop theory. While doing so, the interpretation is aimed to answer the research question. In a first time, the analysis will intend to underscore how and why each online communication tool is used, by following the structure of the TrafficBuilding Campaign framework. In a second time, the Service Marketing Mix framework will be used to determine how online communications are integrated in the marketing strategies.
3.8. Quality of research

The aim of the research design is to support the research question; hence it is supposed to represent a logical set of statements. Therefore, the quality of research has to be tested by logical tests. Following are the four existed tests: Construct Validity, Internal Validity, External Validity and Reliability.

3.8.1 Construct Validity

The construct validity identifies the correct operational measures for the concepts being studied. It is challenging in case study research and concerns especially the phase of data collection. In order to pass the test of construct validity, the investigator has to cover two steps: first, define the terms of the specific concepts in the study case. Secondly identify an operational measure that matches with the concepts previously defined. (Yin, 2014)

When doing studies case, three tactics are available to lead construct validity. The first is to use multiple sources of evidence when collecting the data. In this report two sources were used. The first one was interviews, and the second one was using internet resources on the websites and social media of the cases. This enabled the authors to do triangulation of sources. The second one is to establish a chain of evidence, which was also relevant during the collection of the data by having feedback from the supervisor who agreed on the link between the questions, the data and the conclusions. Lastly the third tactic consists in having the draft case study report reviewed by key informants. Here, the interviews were conducted with an owner and marketing manager, their position in the company make us sure of the data´s quality. In sum, all three tactics were considered during the whole study process to maximize the construct validity.

3.8.2 Internal Validity

The internal validity is seeking to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, as distinguished from spurious relationship (Yin, 2014). When the aim is to explain how and why certain events lead to another event, internal validity is mostly of concern for explanatory case studies.

The four tactics to achieve this result are: pattern matching, explanation building, addressing rival explanations and using logics models. This study has aimed to ensure internal validity through analyzing theoretical frameworks moreover, the interview guideline was reviewed by the supervisor, who possesses great knowledge within this topic, to ensure a relevance to the
study and also conducted by two authors, which increases validity, as more ideas, aspects and opinions can contribute to a greater objectivity than a thesis with just one author.

3.8.3 External Validity
External validity deals with the problem of generalization whether or not the result of the research can be generalized.

In this report, the authors use a multiple case study with a holistic design. Choosing a multiple case study against a single case study has the advantage of providing more robust evidences (Herriott & Firestone, 1983) and strengthens the stability, validity and precision of the findings and provides stronger interpretations (Merriam, 2009). Of course, the authors are aware of the fact that the external validity could have been increased if the authors had interviewed more firms. Therefore, the authors consider this to be highly important to have in mind when formulating the analysis and conclusions of the thesis. Though, the companies were chosen because they are comparable in terms of sized, market, customer target, and marketing strategy. And besides, Yin (2014) argues that if the study is implemented in a proper manner, it is possible to generalize findings to other similar firms in the same situations through analytic generalization. Therefore, the authors believe in the possibilities to generalize findings from this study with firms in a similar context.

3.8.4 Reliability
The aim of the reliability is to be sure that the conclusions and findings will be the same if the research is conducted again. In other terms, the study has to avoid or minimize the mistakes. The general way of approaching the reliability problem is to many as many steps as operational as possible and to be as discrete as possible

In order to increase the reliability of this study, the authors have recorded the interviews to be able to reanalyze the conversation. Plus the authors kept every question, feedback, notes, handwritten data and every process during the study. They have collected and organized documents easily retrievable for later use.

IV. Empirical Data
In the empirical data chapter, the secondary and primary data collected are presented. The primary data has been collected through face-to-face interviews and is presented one company at
The headlines are derived from the conceptual theoretical models of 7Ps and Traffic Building Campaign accounted for in the theoretical section.

4.1 Secondary Data

4.1.1 The Swedish outbound tourism market

The WTO defines tourism as ‘the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited’ (WTO)

Tourism can either be on a national or international level. Therefore, a distinction is made between inbound tourism and outbound tourism. According to the definitions of the Swedish Chamber of Commerce, inbound tourism is tourism of non-residents within the economic territory of the country of reference. Outbound tourism refers to tourism of residents outside the economic territory of the country of reference (Swedish Chamber of Commerce, 2011).

Tour operators are firms responsible for operating and providing their clients a vacation package from arrival to the end in a destination. The main point of their activity is to contract, book a package together the different aspects of a tour such as hotel, restaurants, transportation, visits, activities, guides, and sometimes even the flights. Tour operators can either sell directly to the customers, or pass through travel agencies. The role of travel agencies is to sell tours from various tour operators, according to what suits best regarding the destination, price and activities of the tours for their own clients. Another responsibility is giving advices to the customers regarding the destination, visas, currency exchange… (Dodu Silva, 2008)

The Swedish outbound tourism is increasing, especially concerning long haul destinations, i.e. more than five hours flight from the Sweden. It increased by 15% between 2005 and 2008 to reach 10.5 million trips. Europe concentrates 80% of the market share, and then come East Asia/Pacific with a share of 7.8%, followed by Latin America (5.4%), the Middle East (4.1%), Africa (1.8%) and South Asia (1.1%) (Swedish Chamber of Commerce, 2011).

4.1.1.1 Swedish traveler profile

To have an overview of the share of different age categories in terms of outbound tourism, the largest category in 2009 was the middle-aged Swedes (45-64 years) travelling without children.
(29%). Adults with children between 0-17 years came next (19%), followed by adults between 25-44 years without children (18%). The first category of above 45 is growing in Sweden due to the demographics, so in the future their share of the market will also increase. This group is especially interested in adventure, cultural, luxury and health and wellness trips (Swedish Chamber of Commerce, 2011).

In terms of income, the more Swedes earn the further or the more they travel. The mains factors that influence the choice of a holiday destination for Swedes are the price, the weather in the destination, the nature, the food, the culture and also safety (Swedish Chamber of Commerce, 2011).
4.1.1.2 Trade structure

The structure of the outbound tourism market involves inbound tour operators, outbound tour operators and travel agencies. The figure below gives an overview of it:

![Trade structure of tourism products for Sweden](image_url)

Figure 1. Trade structure of tourism products for Sweden, The Swedish Chamber of Commerce, 2011

Many Swedish customers buy their holidays from inbound tour operators (i.e. tour operator located in the destination country). Those inbound tour operators sell complete holiday packages through Swedish outbound tour operator (i.e. tour operators located in Sweden and selling holiday packages abroad), Swedish travel agencies, or directly to Swedish customers.

But many other Swedish consumers buy their holiday packages from Swedish tour operators. Those outbound tour operators can either sell their packages directly to customers, or through travel agencies. Their holiday packages are usually made with the help of inbound tour operators, but it can also be that the Swedish tour operator work directly with local providers. Practices differ between the major outbound tour operators, smaller outbound tour operators and the niche outbound operators (Swedish Chamber of Commerce, 2011).

The major tour operators in Sweden are Ving Sverige, owned by Thomas Cook, Fritidsresor, owned by TUI Travel and Apollo Resor, owned by Kuoni. The three together hold 80% of the outbound market share. Their offers are mostly mass tourism products, standardized and basic.
packages. They work with a few inbound tour operators, or sometimes even own local sales offices abroad.

The 20% left of the market share is shared between a lot of independent smaller-scaled tour operators, that offer a wide range of tours, and niche operators, that offer tour on one or few specific markets (Swedish Chamber of Commerce, 2011).

The last main actors of the outbound tourism trade are the travel agencies. They sell to the customers’ holiday packages that come from tour operators, both inbound and outbound. Travel agencies operate online or through their office. Their sells increased by 8% in 2010. The major travel agencies in Sweden are Ticket (more than 80 stores), Resia (around 60 stores) and BigTravel (28 stores) (Swedish Chamber of Commerce, 2011).

4.1.1.3 Internet in the Swedish outbound tourism

The presence on the web becomes more and more important for tourism companies, especially in Sweden, that has the highest Internet penetration rate in the EU.

On the one hand, internet is an important trade channel for both inbound and outbound tour operators, as well as for travel agencies to sell their services to their customers. Besides, it is also very useful for local providers and inbound tour operators to have a strong internet presence to increase their chances to be found by Swedish tour operators or travel agencies and increase their exposure among Swedish travelers (Swedish Chamber of Commerce, 2011).

On the other hand, Internet became a new competitor on the outbound tourism market, as many customers use it to book directly from local providers or inbound tour operators, tailoring their ideal trip by themselves without passing through outbound tour operator or travel agencies (Swedish Chamber of Commerce, 2011).

Therefore tourism companies must have a high quality website and a good website promotion strategy to reach their customers as well as business partners

Also, Internet has a strong influence on customer decision process. The role of social media increases regarding the choice of the destination. The most important social media in Sweden is Facebook, but there are other important social media platforms linked to tourism: Reseguiden, TripAdvisor, Travelforum and YouTube. Those platforms encourage the exchange of information between travelers. By looking at other travelers experiences via Facebook or Twitter, or by reading rating and reviews websites on TripAdvisor, Swedish travelers are
influenced in their decisions. So, they use internet for information and planning as well as for booking (Swedish Chamber of Commerce, 2011).

4.2 Primary data

4.2.1 Brasilienexperten

4.2.1.1 About the company, its competitors and consumers

Brasilienexperten is a Swedish tour operator that specializes in thematic group tours in South America. The firm owns two brands, the first one, Brasilienexperten, related to tours in Brazil, and the second brand, Sydamerikaexperten, for organized tour in other South American countries. (In the study, the name Brasilienexperten is used to talk about the company, not the brand, unless it is specified). The company was founded in 1993 by Bjorn Larsson and has its headquarter in Halmstad, and a filial in Stockholm. The interview was with Björn Larsson, who is still the owner of the company.

The mission of Brasilienexperten is: "We aim to be the best at arranging customized tours and travel with the Swedish process management to Brazil ". It is a member of Swedish Travel Agents (SRF), which is a trade association of travel agencies and tour operators in Sweden.

Among the few Swedish tour operators specialized in Brazil or South America, Brasilienexperten claims to be the best expert, due to its great knowledge in the destination (locations, culture) and its 22 years’ experience in the field. However, the strongest competition Brasilienexperten has to face is traveler tailoring their own trips to South America by themselves through the Internet, packing together all the aspects of the trip without passing through any tour operator or travel agency.

The majority of Brasilienexperten customers is in their 60’s and come from the area of Stockholm. They are retired with no children still living at home, and have a lot of time and money to spend on holidays. They like high quality tours, and almost all of them are Swedes but some come from Norway or Denmark.

4.2.1.2 Marketing Strategy

4.2.1.2.1 Product

The product range of tours is very large. First, there are tours offered in most of the South American countries, and for each country, dozens of different destinations are possible. Every year, several organized tours are conceived, but the strength of the company is also to offer tailored tours. The tour packages will include several destinations in the same country. Then,
activities available in the tours are also various, as theme tour can specialize in wine, football, fishing, golf, nature … Finally, the offers address to different targets in the sense that they include business trips, graduation trips, leisure trips or group trip. Brasilienexperten tailored tours are can include everything from only the flight to the all-inclusive package with hotels and activities.

4.2.1.2.2 Price
Concerning the price, for an average of 10 days a tour with Brasilienexperten can costs between 30,000 and 70,000 kr. This high price fit with the target customers that are ready to pay for high quality tours.

4.2.1.2.3 Place
The tours can either be purchased from travel agencies or directly from Brasilienexperten. The two partner travel agencies Brasilienexperten is working with are Resia and Big Travel, two of the three biggest Swedish travel agencies. The company has two offices, one located in Halmstad and one filial in Stockholm, where they can receive directly their customers and tailor the tour among their wants. The perspective of selling online has been discussed within the company, but the option is not considered at the moment. As the tours are complex to pack there is a need to talk between the company and the customers before booking.

4.2.1.2.4 Promotion
The communication mix of Brasilienexperten is compound of both online and offline communications. The offline communications used are Regular prints on newspapers, participation to fairs for tourism, brochures, and organization of events.

4.2.1.2.5 People
There are 4 employees working in the company besides the owner. All of them traveled many times to South America and have been working in the company for around 10 years. Brasilienexperten also employs South American freelance tour guides for few weeks’ contacts. Those are local professional guides.

4.2.1.2.6 Physical environment
Brasilienexperten publishes two brochures every year to announce the trips, one concerning only trips to Brazil and the other for South America (one for each brand). In those brochures the tours are described day per day with the activities and price. They refer to the experience of doing the trip, essential to help the customer to visualize what he is going to buy. To be guided,
the customer can find information and pictures on the website, newspapers and also on Facebook. Finally, the headquarter office design made to transport visitors to their future journey, with a decoration made of all sort of pictures and object from Brazil, and wall painted in the colors of the Brazilian flag.

4.2.1.2.7 Process
Most of the customers find Brasilienexperten through the web, or through travel agencies. Once they’ve decided to purchase from Brasilienexperten, they can either join a prepacked tour, or begin the tailoring process of the tour they dream of, from its beginning to its end. This process is based on discussions between the customer and the travel agent.

4.2.1.3 Online communications
4.2.1.3.1 Website
Brasilienexperten has a website since 1997. Nowadays, there are two websites, one for each brand. Brasilienexperten (brand) actual website contains a lot of rich information about the destinations in Brazil, the Brazilian culture and history. The website also provides a detailed overview of the possibilities of tours, both on available destinations and the themes and types of the tours. A section gives detail about the history of the company and its staff. Contact of the company can be found on every page: phone number and e-mail address.

Another website runs for Sydamerikaexperten, build the same way as the one previously described. Both sites contain a link to the other one.

In fact the aim of the website is to give information to the customers, to attract them, so they get in contact with the company.

4.2.1.3.2 Search Engine Marketing
The search engine optimization (SEO) of the Brasilienexperten (brand) website is externalized to a networker supplier in Halmstad. The company does not have the knowledge to manage it internally. However, the company spends about 10 000 SEK per month on Google Ads (which is “a lot” according to the owner). The Google Ads campaigns are handled internally and concern only the hit destinations of Brasilienexperten. The ads are only Pay-Per-Click; there is no use of Display advertising. Björn Larsson argues that 60 years old people look mainly on Google when seeking information for holidays, not on YouTube for instance.
The ads are renewed and up-dated once a year, but in the meanwhile, there is no control of the campaign, no use of the analytics to measure the efficiency of the campaign, so no regular improvement of the campaign. According to the owner, this is due to a lack of knowledge and skills in the field.

On the other hand, the firm externalizes the whole Search Engine Marketing for Sydamerikaexperten to a specialized supplier, Helloy, who created a special website of Sydamerikaexperten and is in charge of the SEO and is given a 5000 SEK monthly budget to pilot Pay-Per-Click campaigns for the brand. This partnership I very recent as it started just one month before the interview. This way, it overcomes the lack of time and of knowledge of the intern team.

4.2.1.3.3 E-mailing
Brasiliexperten uses e-mail marketing. It takes the form of a newsletter, which is sent every second week. The list of recipients comes from previous customers, who met the team in a fair or an event, leads who contacted the website to ask questions. There is no possibility to subscribe to the newsletter online through the website.

The aim is mainly to sell. Previous customers might want to renew their experience. Leads were at some point interested in Brasiliexperten offer. Even if they contacted the company to get info about a trip to Brazil, and finally decided to go somewhere else, sending them the newsletter could influence their decision next time to go to Brazil, as they were interested at the first place.

The list of recipients is not segmented, so the same content is sent to everyone. Most of the time, the content of the newsletter is a sales promotion, or a sales offer. For instance, if a group tour is not fully booked, a newsletter can be sent explaining details about the tour, the price and activities, and the number of places left, suggesting the recipient to join the tour.

The name of Brasiliexperten also can appear in a third-party newsletter, with its retailers Resia and Big Travel.

4.2.1.3.4 The Social Media
The only social media used by the company is Facebook. The owner explains the choice of this specific social media by the fact that “We thought: everybody uses Facebook”.

The firm runs two Facebook pages, one for each brand. Content is spent around twice a month. In both cases, posts content are related to news and events occurring in the destination countries. The responsibility of posting is shared between the owner and another team member.
No big change has been observed since the company uses its Facebook pages. The owner states that it is because they don’t use it enough. This tool is underused because of a lack of time dedicated to it, but also a lack of knowledge in the field. However the owner is convinced that they should increase their effort on this channel. The aim is to get in contact with more people. “When we have the customer [contact], we can sell. But if we don’t get it, we can’t sell”

4.2.1.3.5 Offline Communications
Since the first years of the company, a lot of money has always been spent on traditional promotion media, especially newspapers. The main newspaper is Sunday Newspaper in Malmö, Göteborg and Stockholm. But Brasilienexperten also participates in fairs for tourism several times per year, and organizes its own events. As said before, the company edits one brochure per brand every year.

The aim of that is the same as online promotion: to get new customers, and more particularly, to get in contact with them and let them know about the offer.

However, the spending on those channels has been reduced in the last years to increase the ones on online channels. Ten years ago, those were the only promotion tools that were used, no internet marketing. Nowadays, the repartition of the online and offline communication budgets is 50-50. And the owner estimates that in about two years, it will be 25-75 in favor of online communications.

“I’ve changed my mind on that one, Internet is more important [than the rest of offline communications]”

4.2.1.4 The Future
In a middle term future, the priorities will be to increase the efforts on Facebook and on Payper-Click: “We have a lot to do on Facebook and Google Ads before thinking about anything else”. However, invest more on interactive display advertising seems irrelevant to Björn Larsson at the moment, given the behavior and age of its customers.

4.2.2 Tour Pacific

4.2.2.1 About the company, its competitors, its consumers.
Tour Pacific is a Swedish outbound tour operator that specializes in tour in Australia and New Zealand. It was founded in 1993 by Lars Jönsson and has its headquarter in Helsinborg. The
interview was conducted with Suzanne Björklund who is the marketing director since September 2014.

There are others tour operators specialized in the same destinations in Sweden; the main competitors are Albatros Travel, Temaresor for escorted tours. Tour Pacific position itself as the best expert in pacific destination of Sweden. It differentiates itself by selling its services through retailers as well as directly to customers when competitors are mainly selling directly to the customers. Of course, Internet is also an important competitor since customers are now keen to book directly and build their trip by themselves. Plus, they can find information easily, they become more inspired as well, they find information about destination and packages. By this way, also due to the rise of Internet, a lot of new tour operators appeared only selling online.

Tour Pacific targets mostly the 1940’s generation, people who are just retired and are used to travel a lot, with a good financial situation and time to spend for their pleasure. Suzanne called them the “55+ group” who detains good economies, but not necessarily very wealthy or with a luxurious way of life, they are healthy and "able to travel". They travel mainly as couples. This specific group prefers organized tour with everything prearranged. They want good level of service, and want experienced and professional guides. They are keen on learning while they are travelling: learn about the country, its history, its culture… However Tur Pacific client can also be younger as a non-negligible part of them are in their 40’s, or are honeymooners. Tour Pacific has loyal customers. Australia becomes somehow their favorite destination, and they go back every third or fourth year. Or for example after having gone to Australia they are keen to go to New Zealand the next time.

However loyal customers are not enough and the company constantly has to find new customers. Due to the office location in Helsingborg, a large part of customers are from Skåne, but the majority comes from Stockholm or Göteborg and Malmö, all Swedes.

4.2.2.2 The theoretical model: 7Ps

4.2.2.2.1 Service
Tour Pacific has three main destinations: Australia, New Zealand and islands in the Indian Ocean. They are offering a large choice of trips such as theme travels, round trips, cruises, group trips but also simple flights. The range of tours is various concerning the destinations and it also includes tours in the Indian Ocean.
4.2.2.2.2 Price
Due to the destinations, the prices can be said as mid-range to high. Indeed, the products are not very luxury tour but they are high standard (3-5 stars hotels), that’s why prices are relatively high. For instance, an escorted tour is around 70,000-80,000SEK / person.

4.2.2.2.3 Place
Tour Pacific sells their travels through travel agency retailers, (about 160 retailers, including Ticket, Big travel and Resia, the three major Swedish Travel Agents) and with a direct contact through email or phone calls to the customers. The website is not used to sell online, in the sense that it does not permit to “book and pay”, but it submits suggestions and pre-packed tours.

4.2.2.2.4 Promotion
Communications used mix both online and offline tools: traditional print media, travel magazines, lifestyle magazines, newspapers, brochure, website, Google ads, e-newsletter, and social media.

4.2.2.2.5 People
Tour Pacific has 10 employees in the office in Helsingborg. Tour Pacific's team regroups the owner and CEO, the marketing director, employees working in the marketing department, a financial manager, an office manager, also a product coordinator of the Indian Ocean, the product manager for Australia, New Zealand and the South Pacific and finally the producer and tour leader. Also 3-4 freelance tour leaders who work as a guide, they are born Swedish and speak perfectly Swedish and they can also work for other tour operators. All the employees have visited the destinations a few times, and together they have built up a vast knowledge bank. Indeed, customers who choose to let them organize their trips are the ones who primarily appreciate good service and high quality of the trips. Their skilled sales are dedicated and give each customer a friendly and personal service.

4.2.2.2.6 Physical Environment
To be guided about what he is going to buy, the customer can find information and visuals on the website, on the social media with pictures posted on Instagram or Facebook. Also they can find information with offline tools such as newspapers or brochures where the trips are well described.

4.2.2.2.7 Process
The first contact between the travel agent and the customer is usually made by phone or e-mail. Then starts the process of studying the customer wants and tailoring a tour that fits him the best.
4.2.2.3. Online communication tools used by Tour Pacific

4.2.2.3.1. The website
Tour Pacific has got a website since the late 1990’s. The current website was created in 2008 and is designed on TravelMarket, a specific platform for tourism industry. This service package includes the website, e-news program, and tools to manage display advertisement in other tourism website. The website is the main window that the company has over its customers and leads. It is the main mean by which customers get aware of the existence of the company and find a way to contact them, as Tour Pacific does not have a store location to welcome its customers. The website is qualified by Suzanne as “vital”.

She states: “It is one of the most important things for us of course!”

Indeed customers or leads can find different kind of information in the website: destinations, culture’s country, trips, availability, contact and information about the staff member. Becoming a little bit old, the website needs to be renewed, it is planned to launch a new one by early 2016; they are already looking for a supplier for this.

4.2.2.3.2 Search Engine Marketing (SEM)
The SEM is managed internally, under the leadership of Suzanne Björklund. This includes Search Engine Optimization and Paid Search Advertisement. Her skills in SEM were important criteria of section when recruiting the new Marketing Director in September 2014. However, she never got any specific training, and does not consider herself as an expert in the field, but she knows enough to manage it. She learnt it through few “crash courses” and by doing it with previous employers. She admits that keeping up with Google algorithms changes requires a great effort. The firm has been considering buying a service from expert suppliers but for this size of company it is too costly. That’s the reason they try to handle it on their own. This task represents globally a lot of work and time and takes a lot of space in the mind of those who are in charge of it; three people are working on it.

The company spends 50 000SEK per year in online advertising expense (Pay-per-click and Display ads on other travel sites reseguide.se). According to Suzanne it is not a lot of money and they could spend more on that channel. The reason is that this tool has not been prioritized in the past. Since the company has hired a new marketing manager they are trying to work on it harder. There are some difficulties, for instance with having been let apart for long, there was a backlog of missing information, so on many pages it was needed to start over all the work as
it was not well done from the beginning. The Pay-Per-Click ads are done through Google Ads, and the Display ads through the website platform previously mentioned.

4.2.2.3.3 E-mail Marketing
Newsletter campaign is sent every week. The objective is to close sales. Therefore its content is special offers or interesting news related to the destinations, tours and excursions but it can be also about the team who is working in the company.

The opt-in list is about 6500 contacts. It is built with addresses from people who subscribed to the newsletter on the website, People who made enquires via the website and people who signed up on fair exhibition in which Tour Pacific participates. And of course the current or previous customers who are just keen to receive news from the travel agency they have been travel with are also on the list.

Generally it is a group mailing. But Tour Pacific can use its Customer Relationship Management system to segment the list depending on interests, either they are already customers, or for instance only interested in cruises tour, then the e-mail can be sent to them about those specific tours. But Tour Pacific tries to be as general as possible when sending the newsletter with one objective in mind: sell their services.

4.2.2.3.4 Social media
Tour Pacific is using social media, more precisely Facebook and Instagram. There are two Facebook pages: one dedicated to cruise tour, and the other one for the rest. The objectives are the same for both of them: getting closer to the customer and raise awareness about the destinations. The posts are meant to be not “too selling” therefore they do not include any commercial offers or price. Instead, they content mostly information and pictures about the destinations, but it can also be news of the staff, for instance when a staff member is travelling to one of the destinations they can share pictures and comments.

On Facebook they are making photo competitions among the travelers while Facebook audience decides who the winner is. Those competitions are very successful to involve customers. Post frequency is in average once a week.

In the company, several people are in charge of the social media, the posts are shared in-between the staff members. For instance, the owner has knowledge and is very much keen on Facebook so he takes care of Facebook posting often. Facebook was chosen because it is the fastest way to communicate and have an immediate response from the people. And with Instagram the
company is able to see more easily the pictures from the customers with the system of #hashtag. Using social network the company is targeting mostly the young travellers as holly mooners or young couple but also the older customers. Indeed, Suzanne Bjorklund states that more and more elder people are keen on using Facebook nowadays.

4.2.2.3.5 Offline communications
Due to the target customers’ age, offline promotions are still used to keep on with traditional ways for an important proportion of the mix.

The firm regularly publishes full-page advertisement in Svenska Dagbladet in order to get contact with potential customers. For them this traditional print is primordial to communicate and turns to be the most efficient offline way to attract customers.

Tour Pacific has got two brochures detailing the packed offers that are escorted tour with fix departures and possibilities for the tailored tours, they are used as a tool and can be seen by everyone in contact with the company. The brochures are distributed in the office and in the retailers’ offices.

Tour Pacific organizes events like an evening in a restaurant to present the company to their customers and develop contact with new partner.

Word-of-mouth is a very efficient way to get new customers indeed a lot of customers are referring the company to their surrounding by recommending the trip to their friends. According to their website almost every fifth customer has chosen to buy journey by recommendations from previous customers, media, airlines or other travel agency. Partner Travel Agencies also refers Tour Pacific as their usually sit face to face with their clients.

4.2.2.4 The future
As said before, the since the arrival of the new marketing director the budget on online advertising increased at the expense of print advertising. The company intends to keep going on that change and increase the part of their online advertisement further on.

However, before working more on digital campaigns, and doing so driving more traffic to the website, the website has to be up-dated. Renewing the website is the major investment planned in a middle term future.
V. Analysis
The fifth chapter will cover analyses of the empirical findings by using the theory of the second chapter. This chapter is divided in two main parts. The first section focuses on why and how online communication is used. The second part shows how online communication is integrated in the marketing strategies. The chapter ends with key analyses, which emphasize the findings and it allows conclusions to be drawn.

5.1 How and why online communications are used

5.1.1 SEM

5.1.1.1 SEO
Theory states that the main aim of SEO is to improve web site rankings in search engine natural listings (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). In the case of Brasilienexperten the search engine optimization is externalized to a networker supplier, as no one in the company has the knowledge to manage it internally. Contrariwise, Tour Pacific implements its SEO internally as employees have some knowledge in the field; although they are no experts thus have to dedicate a lot of time on it. It appears that managing SEO requires technical skills, and despite its importance it seems that it is not current to find expertise in that field within tour operators. To face this lack of knowledge, a solution can be to subcontract this task to a specialist provider, as Brasilienexperten does it. However, this issue of managing SEO can also be handled by learning on the job. In this way, although it skips the cost of subcontracting, it requires a lot of time.

5.1.1.2 PPC
The second main SEM technique is paid search marketing. It consists in displaying a relevant text ad with a link to a company page on the search engine result page when a user writes specific keywords or phrases (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). In both cases, the companies are not selling anything online so PPC is used to increase traffic on their website to generate leads. Thus, they expect the visitors to get in contact with them through enquiries. In that extent, PPC and SEO are integrated in the Promotion of the marketing mix.

Towards the PPC management, Tour Pacific uses internal web analytics to implement and control the campaigns, which requires them a lot of work and time. It appears that when there is no knowledge issue to use web analytics, it takes time to implement PPC campaigns but it is very efficient. Indeed, Tour pacific has prioritized this communication tool and keeps increasing the effort in time and money spent on it.
Though, Brasilienexperten has a few ads only for the main destinations of Brasilienexperten (brand); they are renewed and up-dated once a year. In the meantime, there is no control of the campaign and no use of the analytics to measure the efficiency of the campaign. So there is no regular improvement of the campaign. Here again, Brasilienexperten lacks knowledge and time. However this is not an important obstacle: without using analytics to improve the campaigns it does not stop from using PPC and to spend “a lot” of money on it. Moreover the lack of knowledge can once again be handled by subcontracting: in fact, for Sydamerikaexperten website, the entire SEM is recently managed by a specialized supplier who created a special website for the brand. The supplier is in charge of the SEO and is given a monthly budget to pilot Pay-Per-Click campaigns for the brand.

5.1.2 Interactive Display Advertising

Theory states that display advertising is a process in which an advertiser pays is displayed for an ad placement on a third-party site such as social networks or publisher. The advertiser can choose whether displaying his ad on specific web page that has a potential to reach his target, or he can choose to purchase the banner advertising across several sites (Chaffey, EllisChadwick, Johnson, Mayer, 2009). Tour Pacific displays advertisement online through a platform specific to tourism industry. Thus, ads are displayed on other traveling websites and Tour Pacific can choose where to display the ads within a list of partners of the platform in order to target the desired audience.

Brasilienexperten does not use interactive display advertising. Reason for that is, according to the owner, this mean is not relevant for his target. In his mind, display ads are related to YouTube only and he thinks, “60 years old people do not look for travel on YouTube”. The authors interpret that as a lack of knowledge of what interactive display advertising is: it seems that he is not aware that ads can be displayed on third-party site such as social networks or publisher other than YouTube. As said before, in the case of Tour Pacific, ads can be displayed on traveling sites, a fact that Brasilienexperten apparently ignores.

5.1.3 Online Partnerships.

5.1.3.1 Affiliate Marketing

Chaffey et al. (2009) define affiliate marketing as a “pay-per-performance” method in which referring sites receive a commission every time the merchant makes a sale or gets a lead through the referring site. Those referring sites can be of many types: aggregators, such as comparison sites, review sites, rewards sites, voucher code sites… None of the cases studied in this work
use affiliate marketing. Both companies offer complex packages, and are specialized in tailored tour, which makes impossible to online sales. The authors noticed that “pay-per-performance” was perceived as selling online. Since both companies use its website not to sell online but to get in contact with leads, the authors suggest that the performance could be lead generation. The referring sites could receive a commission on every lead (enquiry on the website) realized through them, as those leads are valuable for e-mail campaigns for instance.

5.1.3.2 Online sponsorship
Online sponsorship is defined in the theory section as “the linking of a brand with related content or context for the purpose of creating brand awareness and strengthening appeal in a form that is clearly distinguishable from a banner, a button or other standardized ad unit” (Ryan and Whiteman, 2000). Brasilienexperten built an online sponsorship between the two brands Brasilienexperten and Sydamerikaexperten. One way of building online sponsorship can be cobranding of sites or e-mails: in order for their brands to be seen as complementary, companies can agree to jointly display content and perform joint promotion using brand logos, e-mail marketing or banner advertisement (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). Both Brasilienexperten and Sydamerikaexperten websites have exactly the same design and structure and linked the one to the other with a very visible link on every page of the site. They also share the same logo and co-branded e-mail campaigns. Therefore, the link between both brands can be called online sponsorship.

5.1.3.3 Online partnership.
Besides affiliate marketing and online sponsorship, the authors identified another type of online partnership between the case companies and their retailers. Indeed, the case companies use travel agent retailers to sell their tours. Among the travel agents, Resia, Ticket and Big Travel are the three major travel agencies in the Swedish outbound tourism market. They have strong brand identity and important financial resources to support elaborated online marketing strategies. The case companies benefit from the strong online presence of retailers, their expertise in SEM, social media... With online sponsorship, Chaffey et al. (2009) argue that the advertiser benefits from the knowledge and trust visitors by having their name associated with the sponsor. Here, even though travel agents don’t advertise for their suppliers by mentioning them in their campaigns, Brasilienexperten and Tour Pacific benefit from retailers’ online strategies to sell their services.
5.1.4 Social media

Social media can be perceived by marketers as a way of gaining new customers through the viral effect of social media, as existing customers or contact discuss or recommend the content or products. The benefits may also be focused more around how recommendations reviews and ratings can increase conversation rate (Chaffey and Ellis-Chadwick, 2012). Brasilienexperten and Tour Pacific affirm their main objective of being on social media, which is to get closer to the customers and raise awareness about the destinations. Brasilienexperten uses Facebook, with a page for each brand, and Tour Pacific uses Facebook and Instagram. Chaffey et al. (2009) state that when developing a social media strategy it is required to take into account the customer segment and markets while choosing the appropriate tool (Facebook, Twitter or Instagram). Effectively, to justify the choice of Facebook Björn Larsson (Brasilienexperten) thinks “everybody uses Facebook”, which shows that customer segment was a factor when deciding which social media to use. In addition, Suzanne Björklund (Tour Pacific) argues that Facebook and Instagram are very convenient to post pictures and share experiences, things that are part of every holiday trip. So it seems that these social media are particularly appropriated for tour operators. This shows that Tour Pacific took into account the market when choosing social media. Moreover, customer segment is also taken into account. Indeed, Suzanne Björklund states that using social network, the company is targeting mostly the young travelers as honeymooners or young couples but also the older customers, who are becoming more involved in Facebook.

Chaffey et al. (2012) present social media as a potential customer engagement and retention tool. In this way, social media are used to deliver customer service or are used as alternative channel to email marketing to inform customers about new product launches or promotions. In both case companies, social media is definitely seen as a retention tool. However, despite of what theory says, the posts do not include any commercial offers or price. Instead, the content mostly informs about the destinations. But it can also be news of the staff, for instance when a staff member is travelling to one of the destinations they can share pictures and stories. For instance, on Facebook, Tour Pacific organizes photo competitions among the travelers while Facebook audience decides who the winner is. Those competitions are very successful to involve customers. Facebook was chosen because it is the fastest way to communicate and have an immediate response from the people. This is in accordance with Chaffey et al. (2012) when they advise to participate in customer conversation to take advantage of the benefits of social media.
The main disadvantage is that it is a high risk marketing communication technique since it requires significant initial investment in the viral agent and seeding. However, there is no guarantee that the campaign will go viral in which case the investment will be wasted (Chaffey and Ellis-Chadwick, 2012). In terms of social media management, Brasilienexperten spreads the posting tasks between two team members and Tour Pacific between 4 or 5 people. For both companies, there was no initial investment in a viral agent so the work is shared within the team workers, dealing with their available time and knowledge. Consequently, social media campaigns are not as efficient as they would be with an initial investment in the viral agent. Indeed, for Brasilienexperten, no big change has been observed since the company uses its Facebook pages. The owner states that it is because they don’t use it enough. This tool is underused because of a lack of time dedicated to it, but also a lack of knowledge in the field. So, knowing their weaknesses and despite the important requirements of managing an efficient social media marketing campaign, the two cases are convinced of the necessity to increase their effort in terms of time and knowledge on social media. Therefore, social media seems to be a much-appropriated tool for tour operators.

5.1.5 E-mail Marketing

E-mail campaigns are mainly intended for customer retention and sales promotion, but other applications are gathering customer data, lead generation, brand awareness and customer acquisition (Chittenden and Rettie, 2003). For Brasilienexperten and Tour Pacific, the aim of e-mail campaigns is mainly to convert prospects and retain customers. This goal is achieved by sending regular newsletter. For Brasilienexperten, the newsletter is sent every other week. Most of the time, the content of the newsletter is a sales promotion, or a sales offer. As does Tour Pacific with a weekly newsletter, which can content special offers but also interesting news related to the destinations, tours and excursions, or about an employee which is traveling in one of the tours for instance. This corresponds with the options given by Chaffey et al. (2009): a regular e-newsletter provides customers information about the products or promotions with a given frequency. Conversion e-mail can be sent to a potential customer who visited the site and registered without purchasing anything.

For prospect conversion and customer retention, e-mail marketing uses an opt-in list of prospects and customers that gave their names, addresses and profile information to the company (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009). Brasilienexperten collects its opt-in list from previous customers and leads who contacted the company through the website to ask
questions, and people who met the team in a fair or an event. Tour Pacific builds its opt-in list the same way, with also the possibility to subscribe to the newsletter through the website.

Within the list, it is possible to segment among the recipients thanks to a Customers Relationship Management system, as does Tour Pacific by segmenting customers among their interests, if they already purchased or not… This allows sending specific content to specific customers. However Tour Pacific tries to be as general as possible when sending the newsletter with generally a group mailing, as does Brasilienexperten, and keep one objective in mind: sell their services.

5.1.6 Offline communications
Chaffey et al. (2009) recommend the use of traditional offline communications in addition to online communications. Brasilienexperten and Tour Pacific participate in tourism fairs, organize events, and edit brochures that they distribute in their office and through their retailers. They also have great emphasize on issuing newspaper. For them this traditional print is primordial to communicate and turns to be the most efficient offline way to attract customers.

The different aims of using offline communications can be to reach the consumers, to achieve brand awareness, emotional connection with the brand and to give an explanation of the online value proposition for a brand. (Chaffey, Ellis-Chadwick, Johnson, Mayer, 2009) In this case study, the aim is the same as online promotion: to get new customers, and more particularly, to get in contact with them, and let them know about the offer.

If offline communications are meant to achieve the same goals as online communication, the reason why they are used comes from the segment customers.

The main target customers are around 60 years old: according to Björn & Suzanne, they still use traditional ways to find information when looking for holidays. Therefore, offline communications are essential to reach these segment customers.

However, in the last years, the expenses on offline communication are decreased to benefit to online communications. Plus, it appears that this tendency will go on the future. As Björn Larsson states “I’ve changed my mind on that one, Internet is more important [than the rest of offline communications]”
5.2 How online communications are integrated in the marketing strategy

Brasiliенэкспертен and Tour Pacific’s online partnerships with their travel agent retailers allow them to benefit from the greater resources in terms of online strategy, visitor base, and from the online sales expertise of the travel agencies. Therefore these partnerships are part of Place in the marketing mix.

Lamb et al. (2008) state that Promotion’s role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an organization or a product. The implementation of SEM is aimed to increase the traffic to an organization’s website (Chaffey et al, 2009) and Brasiliенэкспертен and Tour Pacific’s websites are rich in information for visitors about the destinations and the different offers. Therefore, SEM is part of the Promotion in the marketing mix. The same goes for Social Media and E-mail Marketing as the same kind of information can be found on the newsletters and on postings on social media. In addition, Promotion includes advertising, public relations, sales promotion and personal selling (Chaffey et al, 2009) so interactive display advertising and traditional offline communications are also part of Promotion.

Besides, by providing information about the tours and the destinations to the customers, social media, e-mail marketing and offline communications give tangible representation of the service, which contributes to the Physical environment of the marketing mix (Kotler et al, 2014).

Finally, by involving the staff in the contents for e-mail marketing, and in the events and fairs for offline communications, these three tools contribute to show the customers the employees’ competences, caring attitude, responsiveness, initiative, and goodwill to make sure the customer is satisfied. Therefore, according to Kotler et al. (2014), social media, e-mail marketing and offline communications are part of the People in the marketing mix.

5.3 Key points of the analysis

The table below summarizes the findings on how and why each online communication is integrated in the marketing strategy.

<table>
<thead>
<tr>
<th>Online communications tools</th>
<th>How?</th>
<th>Why?</th>
<th>Integration in the 7Ps</th>
</tr>
</thead>
</table>


<table>
<thead>
<tr>
<th>SEM</th>
<th>Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>- <strong>SEO and PPC can be subcontracted to a specialist, adding extra cost</strong></td>
<td>- This results from a lack of knowledge, as SEM requires technical skills. - Externalize SEM brings benefit from expert’s knowledge.</td>
</tr>
<tr>
<td>- <strong>SEO can be managed internally, then it takes time</strong></td>
<td>- Some knowledge inside</td>
</tr>
<tr>
<td>- <strong>PPC is used</strong></td>
<td>- To get in contact with customers, lead generation</td>
</tr>
<tr>
<td>- <strong>PPC is used with web analytics</strong></td>
<td>- to control and improve the campaign</td>
</tr>
<tr>
<td>- <strong>PPC can be used without web analytics, few ads for the main tours, changed once a year.</strong></td>
<td>- Because of a lack of knowledge and skills</td>
</tr>
<tr>
<td>- <strong>A consequent budget is allowed to these tools</strong></td>
<td>- Efficient tools</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interactive display advertising</th>
<th>Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>- <strong>Ads displayed on other tourism sites through specific platform</strong></td>
<td>- Get visibility from targeted visitors in a relevant place</td>
</tr>
<tr>
<td>- <strong>Not used</strong></td>
<td>- Misunderstanding of what the tool is</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Online partnership</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>- <strong>No use of affiliate marketing</strong></td>
<td>- Affiliate marketing is perceived as a tools associated with online selling.</td>
</tr>
<tr>
<td>- <strong>No use of online sponsorship with a third party company.</strong> - Online sponsorship between brands within the same company.</td>
<td>- Online sponsorship is used as a way to share efforts in terms of communication and customer base.</td>
</tr>
<tr>
<td>- <strong>Online partnership with travel agent retailers who sell their products.</strong></td>
<td>- Tour operators benefit from retailers’ greater resources in terms of online strategy, visitor base, and from their online sales expertise.</td>
</tr>
</tbody>
</table>
| Social media | - Presence on Facebook or Instagram  
- Posting and sharing pictures, news about destinations and staff several times per months, without any price or offer  
- Organization of photo competitions among travelers  
- Executive teams know that the social media strategies are not optimal | - Most popular social media, convenient for tourism (pictures) - Appropriated to young target, but more and more to older, fastest way to communicate  
- Raise awareness of products, destinations, get closer  
- To stimulate customer engagement with the company  
Tasks share within the team with internal knowledge, there is no investment on a viral agent | Promotion  
People  
Physical environment |
|-----------------|-------------------------------------------------|-------------------------------------------------|-----------------|
| Emailing        | - Newsletter: special offers, news related to the destinations and tours, or news from the staff  
- Opt-in list from previous customers, leads, newsletter subscribing on website | - To convert prospects and retain customers | Promotion  
People  
Physical environment |
|                 | - Possibility to segment the opt-in list with a CRM system, but not very used | - To keep the message undifferentiated on purpose | Promotion  
People  
Physical environment |
| Offline  
Communications | - Participation on tourism fairs  
- Organize events  
- Edit brochures  
- Newspaper main expense | - Keep going on a traditional way to reach some segment customers (elder people who are still used to this communication tool) - To achieve brand awareness  
- Let customers know about the offer | Promotion  
People  
Physical environment |
|                 | - Expenses on offline communication are meant to decrease to invest more on online communication | - Online communication are considered more and more important | Promotion  
People  
Physical environment |

Figure 2. Key analysis, developed by the authors

VI. Conclusion

The purpose of this study was to explore how and why tour operators integrate online communications in their marketing strategies. This was necessary in order to fill the gap in the
theoretical discussion. Therefore, the research question posed in this study was: How and why do tour operators integrate online communications in their marketing strategies? In order to answer this question, the authors first analyzed the data intending to underscore how and why the case companies use each online communication tool. In a second time, the analysis showed how the online communications are integrated in marketing strategies.

The findings of this study allow the authors to conclude that in their marketing strategies, tour operators integrate online communications in the Place, Promotion, People, Physical environment of the Service Marketing Mix as follows:

• Search engine marketing requires technical skills. When firms have enough knowledge to manage SEM internally, it takes time. However, the lack of knowledge can be handled by subcontracting to specialist supplier. Web analytics are used to control and improve the Pay Per Click campaigns. This also requires skills. But even without using web analytics, PPC is still an efficient tool to get in contact with customers and for lead generation.

• Interactive advertisement can be displayed on websites related to tourism in order to get visibility from targeted visitors in a relevant place.

• Tour operators in their partnership with travel agent retailers benefit from their greater resources in terms of online strategy, visitor base, and from their online sales expertise.

• Social media are chosen for their popularity and their relevance in tourism field (sharing pictures). They allow targeting young customers as well as older ones to get closer to them and raise awareness of products and destinations, and to stimulate involvement and engagement with the company.

• E-mail marketing is implemented with a group mailing newsletter to convert prospects and retain customers. The newsletter contains special offers, news related to the destinations and tours or news from the staff.

• Offline communications are still an important part of the expenses of communication. Mainly with prints in newspapers, brochures, but also by organizing events and
participating to fairs, tour operators aim to achieve brand awareness and inform customers about their offer. These traditional tools are useful, besides online tools, to reach elder target customers that did not adapt their behavior to the internet era. Expenses on offline communication are meant to decrease to invest more on online communication.

From this, the authors can make some more general conclusions. It appears that tour operators are aware of the necessity of adapting their marketing strategies to the new technological environment and the changes it made in the customer behavior. They believe in the power of online communications and integrate them in their marketing strategies. However, the main obstacle is a lack of knowledge that leads to a misuse of the tools. Tour operators are also aware of this weakness. Therefore, they are willing to prioritize the development of online communications in their marketing strategies.

6.1 Limitations
The external validity is a limitation of this study, due to the limited number of companies used in the case study. By having only two case companies, and despite of the similarities between the case companies that lead to their selection and the ones that were revealed in the study, the companies could potentially be special cases. Another company could integrate online communications in its marketing strategy in a different way and for different reasons. This limits the possibility to generalize the findings of this study.

The type of firms in the study also limits the ability to generalize the conclusions. Indeed, this study focuses on independent small-sized outbound tour operators. This implies a difference in terms of available resources that can be committed to online marketing. Thus, the study might show online marketing practices less developed or less advanced than for tour operators bigger-sized with stronger human and financial resources.

Another limitation is the regional limitation of the study to Sweden. Online marketing practices might slightly differ from a country to another. Specially, Sweden has one of the higher Internet penetration rate in the EU. This could have an influence on how and why tour operators integrate online communications in their marketing strategies.

6.2 Further research
For further research, the authors suggest to conduct a case study research in bigger-sized tour operators, including a larger number of firms. This would permit better generalization of the
findings. Conduct a study in countries that have a lower Internet penetration rate than Sweden would give a wider generalization. A case study on younger companies, which integrated online communications in their marketing strategies since their creation, may give more advanced picture of the use of digital marketing.

There are several other angles future researcher could adopt. What is the relationship between the use of online communications and firm performance? How does online communications impact upon growth and profitability? How does online communications impact upon customer relationship and customer satisfaction?

VII. References

7.1 Literature


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7.2 Interviews

Björn Larsson, Owner at Brasiliенexperten, Halmstad, via face-to-face interview on 2015-04-27.

VIII. Appendix

8.1 Questionnaire

General questions

1) What is your position in the company?
2) How old is the company?
3) How long has your web site existed?
4) What do you use it for?
5) Is it useful only for customers or does it also have importance for your suppliers?
6) What is your price strategy?
7) Who is the ideal customer? Who is your target?
8) Why? What were your segmentation criteria?
9) What is your positioning in the Tour Operator market?
10) Who are your competitors?
11) Is Internet presence an important issue in the competition? Why?
12) What is the main channel through which your customers find you?
13) How do you sell your services?
14) Did the rise of Internet era change anything in your strategy? What? Why?

Focus on Web-marketing

1) Do you use Search engine Marketing?
   - SEO ○ How is the Search Engine Optimization implemented? ○ Which objectives? ○ Who is in charge of this task?

   ○ Pay-per-click ○ Do you use online ad campaigns? ○ What are the objectives?

   ○ Display ads ○ Which display networks do you use? Which sites? How did you choose them?
If not o Why don’t you use it?

2) E-mail Marketing o Do you use e-mail marketing? o
   What are the objectives? o Which content do you send
   by e-mail? o How frequently do you launch an e-mail
   campaign?
   o Which list of leads/customers do you use? Where does it come from? o Do you use
     third party newsletter? With which partner?

3) Online Partnership o Do you have any online
   partnerships?
   o Do you work with any Affiliate companies, like aggregators or price comparison
     websites where your services appear?
   o Which ones?

4) Social media o Are you present in any social media? o
   Which ones?
   o For each one: what is the objective of your presence? Why did you choose this
     particular one? Which kind of content do you post? How regularly?
   o Do you have a blog?
   o Does the “Like” graphic evolution on Facebook have any meaning for you?
   o Who is in charge of all of this?

5) Offline communications o Do you use any offline
   communications?
   o Are those objectives different from the ones of online communications?

6) Power ranking o Within all the tools you use, which one
   would you say is the most important one for the success
   of the company?
7) Future

- In a middle term future, which changes are planned in the web marketing strategy?
  - Do you plan to stop using one? Or to reduce the use of one? Increase the efforts on another one?
  - Do you plan to add a new one?
Born in France, I am passionate about culture's and travel. I'm studying Business and Marketing and I aim to work in the tourism or hospitality sector.

I am Lysa Thorbecke from France. I am 21 years old and currently studying business marketing. I'm very interested in the tourism area and I would like to work in this field in the future.