

The Impact of Global Trends at the Level of Macro Environment Dimensions on The Transformation of Travel Intermediaries: Case Of The Republic of Croatia

Iris Mihajlović
 Department of Economics and Business Economics
 University of Dubrovnik
 Lapadska obala 7
 20 000 Dubrovnik
 CROATIA
iris.mihajlovic@unidu.hr

Abstract: In the first part of the paper the recent findings of numerous scholars from the domain of tourism were analyzed with emphasis on the impact of new technologies on business operations in tourism industry, pointing out its advantages and the role of innovative tools in the placement of products (packages) of travel intermediaries. Also, special attention is given to customization options the business subjects of tourist offer in the competitive market conditions which are aimed at innovations in the domain of contents and modes of product placement in tourism. The results obtained by empirical research on the impact of technological innovation and market changes to changes in tourism and the further transformation of the business-aimed specialization of travel agencies, which was conducted on a sample of 200 travel agencies operating in Croatia, indicate that the highlighted macro variables are very significant or significant to the specialization of their business. Taking into account complementary role of new technologies in the business of travel intermediaries as a source of competitiveness in the dynamic market conditions, the results show that managers from the sample understand the significance of technology relevant to the performance and the continuity of business. Prominent macro variables are the key link in making decisions about the direction of specialization of travel agencies. The market and the technology have the powerful impact on specialization, particularly considering the increased competition that affects all business entities, including travel agencies.

Key words: global trends, environment, ICT, transformation, specialization, travel intermediaries

1 INTRODUCTION

Global trends affect the quantitative increase of tourist demand. At the level of dimensions of macro environment occur rapid changes affecting the strong structural changes of tourist demand.

This will initiate new trends in tourism development, which reflecting the specificity of tourist movements according to the criteria of direction, the intensity and the frequency, as well as the preferred innovative considering the criteria of contents, features and competitive prices in terms of dynamic market requirements.

Due to globalization processes, changes that affect people and organizations go beyond local level and break down national barriers. It is a transformation that taking place at the global level, and the consequences are evident through the following aspects: technological changes, changes in evaluation criteria of significance of resources,

to which the creating a global cultural identity as an initiative factor for transcultural conflict is confronted. [1].

Due to rapid transmission of information and of high networking which amplify the effects of globalization, Information Technology (IT) acts as a catalyst. That is obvious in a manner of accelerating of distribution, the improvement of telecommunications and enhancing of global availability of the media [2].

These trends have not been bypassed any business on tourist market neither business activities of travel intermediaries. In the context of new trends resulting from changes in the environment, examining furthermore the impact of changes on market aspects in terms of transformation of the business of travel intermediaries, it is significant an increasing trend of using of innovative tools in accordance with the

requirements for more rational use of time and the requirements for safer and proven products in the destination.

2 The Theoretical Review Of The Impact Of Global Trends In The Macro Environment On Tourism And The Business Transformation Of Subjects Of Tourist Offer

One of the key arguments that speaks in favor of future success of the business of travel intermediaries on tourist market, refers to the necessity of understanding of critical trends and the use of positive effects from the environment.

Travel intermediaries are directly or indirectly exposed to the influences of the changes from the the macro environment, through the market dimension up to aspects of the technology. Changes in the macro environment affect the new trends in the behavior of tourists. There is an assumption according that the intensive changes in the macro environment will be visible through behavior of consumers (tourists) - in the number of trips, motives for travel and choices of destinations as tourist products.

This will affect the activities of future tourists. In choosing travel products tourists often tend to safer products, which are affordable and more acceptable, at the same time, and according to the contents - substantially harmonized to the needs of tourists. In doing so, the modern technology has an important role. It affects new tendencies in choosing of tourist trips, new motifs which are the precursors for the development of innovative products leading to the transformation of business in travel intermediaries.

The impact of global trends on tourism development could be analyzed through technological changes and market conditions that influence transformation of distribution channels, encouraging the creation of innovative tools that improve communication process on tourism market. According to Buhalis, the success of tourism in the future will be based on cohesion and the compatibility with other branches [3]. In terms of dynamism of the process and the consequential influences there are obvious tendencies of compliance of tourist offer with the changes in demographic features of demand. Focusing on incentives for achieving competitive positions in business, the emphasis should be put on the content innovations, solutions in terms of technological innovations to facilitate the efficiency of promotions, and sales of products and services.

2.1 Trend: Market conditions as an incentive for competitiveness

As well as on most other activities, the global market competition affects the tourism. Today's dynamic changes on tourism market are imposed to global cultural identity, while simultaneously, the specific interests of tourists intensely affect the need for profiling of new specific products.

The changes are visible at the level of specific interest of potential consumers who oppose to global cultural identity. On the tourist market it is evident a shift in preferences from standard to specific tourist products. In doing so, the extra effort should be invested in inclusion of activities in the programs of arrangements (packages) that are often concentrated on anthropogenic factors in the destination.

Global market trends are affecting on and consequences are evident through: a) a sudden increase of potential tourist demand for numerous destinations, where it must be emphasized that the whole world becomes a potential destination considering tourists needs looking for specific experiences, b) the competition, sharpened, between tourist destinations in a manner of adjusting of their own specifics and capabilities according to requirements of potential tourists, c) the surviving of SMEs on tourism market considering all higher conquering power of large corporations, d) emphasis on the need for innovations, e) the specialization, f) improved quality of products and services ,g) increasing needs for additional capital to finance the necessary investments for future targets and in order to maintain competitive positions on the market, g) problems for developed tourist destinations arising from relationships with suppliers often not heterogeneous and who not implement quality standards [4].

Due to the different levels of experiences acquired by tourists travelling, different levels of education of tourist consumers, their different traditions and cultural levels, because of heterogeneity of their priorities on trips - doubts about the survival of global tourist products were augmented [5].

2.2 Trend: The impact of changes at the level of technological changes - on the intensity of tourist demand and the capabilities of customization of travel intermediaries

Social structure can be defined in part by its use of technology which transforms the environment, ideologies, and its sociological elements [6].

Technological changes associated with the power of processes of creative destruction leave consequences on human society. These processes represent a shift to continue the process of transformation of needs of individuals and subjects. They are evident through global trends. Technological advances and tourism are closely linked since both areas have experienced an exponential increase since the mid-of the twentieth century [7]. Due to technological changes, Information - Communication Technology (ICT) has the function of a catalyst of change in the environment. It has a strong influence on trends in travel. ICT contributes to spatial - temporal convergence. At the global level, ICT has affected the development of tourism, and its progress has changed the practice of business as well as development strategies [8]. In doing so, three new systems has dramatically changed tactical and strategic business of companies [9][10], and those are Computer Reservation System (CRS), the Global Distribution System (GDS) and the Internet. According Mazarr, the benefits of Internet are contained in possibilities of easier transmission of knowledge, the bringing people and strengthening of their relationships within the groups-forums that capture same or similar interests, beliefs, hobbies, through an interactive approach [11]. The Internet supports a wide variety of different tools and functions such as electronic mail and electronic commerce that can be used for communication or sharing data among tourism enterprises.

The Internet serves for both distribution of information and also for reservation and the sale of services online. It can be accessed by anyone at anytime, and can reach more potential customers than any other distribution channels.

Through the Internet the power of GDS and CRS can be further shared with the end user, allowing more flexibility and customization of travel products by the individual traveler.

Therefore, emphasis should be given to "controlled" technology in the function of tourists. Subjects of tourist offer should be able to recognize ICT strengths, and transform them into own benefits [12]. ICT has left a mark on tourism and the development of travel, particularly in the the areas of automation and distribution channels The local travel agents who have used GDS (Global Distribution System) have adapted marketing strategies and expanded their services in an effort to realize an increased competitive advantage [13].

The Internet has expanded the capabilities of local businesses [14]. The Internet has encouraged global collaboration in serving with on line travel agencies, on line advertising agencies, and inter - organizational reservation systems. Development of ICT will lead to a greater efficiency and reorganization of both communication strategies and business, both with suppliers as well as between other companies within in the destination [15]. The innovative technologies improve: a) the efficiency of suppliers, b) encourage the interoperability, personalization and continually networking of participants in the process [16]. The task of travel intermediaries is to identify the changes in consumer behavior and the changes on the market, developing personalized services to meet individual needs of tourists. Taking care of fulfillment of requires of tourists must continue during the consumption of sold services.

An innovative approach and the use of new techniques in business of subjects of tourist offer is transparently indicated in the area of creation, distribution and information about tourist products. Technological innovations with strong impact on tourism are the following: Internet, development of mobile and wireless phones, multimedia, interoperability, easy access for people with disabilities [17].

The lives of the people, including the business have been drastically influenced by Internet and modern technology, making information more accessible. New technologies also influenced the way of creating of trips and tourist products. ICT has brought powerful innovations and improvements in the manner of product placement making it more efficient. It implies new and more acceptable ways of booking, promotion and sales. Those operators who follow the trends of development, implementing new technology, continuously educate their employees, emphasizing the significance of timely response to requests of tourists, will be regarded as innovative entities[18]. The application of information and communication technology has changed the way of business, representing the innovative views of business operations from its conception to its mode of implementation [19] [20]. Those travel intermediaries that recognize the importance of personalization of tourist products (services, or package tours) toward specialization will be able to respond to new market trends. For efficiency of placements will be responsible the technology, tailor-made to tourist needs [21].

Changing the essence of system of values according to which individuals are identified,

tourist behaviors have been amended. The emphasize is on new trends of using of products. Because of the "variability of" needs expressed through different preferences, innovative products could be designed . The Internet has increased the cohesion of informal groups connected by common interests and needs, whose satisfaction is also realized through tourist trips. Using innovative tools in business, the most visible changes of activities of subjects of tourist offer are contained in the way of communication, as well as in the performances of services that tourists mark as higher quality considering the efficiency of buying process via Internet.

In the last few years the product that appeared on tourism market is the dynamic package. The name - package - augments to doubt according the manner of providing services that tourists accept, the way of creation, pricing, highlighting its specific characteristics considering the dynamic calculating of prices.

The authors define it as: new integrated system that has adopted the performance of www., by implementing a capitalization value of Internet. Stakeholders and consumers are free in selection of services that are provided (eg flight and other service providers) and they are involved in combinations considering creation of their own personalized *tailor-made travel* [22], an offer consisted from two or more components of travel that customers are free to choose and to combine [23], industry of electronic word that enables to tourists to create tailor-made itineraries , merging the multiplicative optional components in realization of transactions in real time [24]. Dynamic packages (DP) enable comprehensive insurance package pricing, "bundle" of services (with hidden individual prices of components) and the transaction within a time frame 5 to 15 seconds, whereby the customer can access the database from multiple separate control systems [25]. The prominent innovative tool represents new technology for distribution of trips. Operators must have technological support with capabilities that can provide and enable DP to customers . In the future it is expected a large increase of the use of DP [26]. Important elements of definition of DP are: the combination of two or more services, wide range of services for customers, instant creation of offer in time unit, dynamic pricing per unit of time, online connectivity [27]. Specifics of DP are: flexibility in choosing the services, personalized services, simplicity, high speed when calculating prices (dynamic). DP are characterized by: the specifics of the model of buying of components,

suppliers of various components are commercially related, simultaneity of the purchase, wide possibility of creating and connecting, online travel agencies enable buying of some services from one source and the other from other sources, so composing their own package. At the same time it is possible to offer highly specialized tourist products that can be characterized as highly specific packages. In terms of content, services are acceptable to tourists who belong to geographically dispersed market segments that are tailored to their requirements with regard to possible combinations. Those are competitive among other innovative solutions and applications that can be offered.

The popularity of the Internet has greatly changed people's way of life [28][29]. The efficient time management is essential for positioning of intermediaries in the competitive environment. The application of ICT in all business segments facilitates the activities according requirements relating to coordination between tasks and the performance of functions. There is an assumption that technological innovations can be a source the competitive advantages to those entities on the tourism market that business strategy base on continuous use of the benefits of technological advances. Those who lagging behind, those that have not systematically approach to adoption of new technologies, excluding the technological innovations- necessarily lag behind the competition [30][31]. This is especially evident in today's uncertain market conditions when the emphasize is on the relevance of segment of rationalization in business of companies, assuming maintaining quality [32][33].

Accordingly, managers of travel intermediaries should use new methods of booking, promotion and the sale as well as the innovative and the diversified products. The products should be adapted to these changes, concerning specific elements of costs and the contents of products that should adapt to these changes. Internet allows interaction between tourists and travel agents and gives them the possibility to adapt the services they bought to their own needs [34]. Firms that possess experience in innovation activities and proper combination of technological and marketing skills as well as innovation strategy are capable of exploiting these skills in optimal way [35].

An alternative perspective suggests that the introduction of ICT's has opened opportunities for the re-intermediation of travel agents, i.e. has created further intermediary possibilities [36]. Opportunities exist for the travel agent of the future to be a network information broker [37]. Research

shows that in spite of the advantages that e-Tourism offers, many travelers remain reluctant online buyers. Several factors are highlighted as reasons for this reluctance; barriers in using new technologies considering the lack of skills, difficulties in highlighting the clear differences among similar products when collecting informations about of products that produce the confusion, reluctance to rely on machines rather than people, fears that mistakes are easy to make and difficult to correct, lack of personal approach and most importantly concerns about security and safety when providing personal and credit card information [38][39][40][41][42].

3. DATA AND METHODOLOGY OF RESEARCH

The transformation of the business of travel intermediaries as a result of global trends in the environment, constitutes an important lever to increase the competitiveness of individual businesses, also the entire systems of Croatian tourism. Changes in society and economy have a strong impact on specialization in tourism. To quantify the impact of technical - technological innovations and the impact of market conditions, the primary research using the survey method was conducted, on a sample of managers doing business in leadership positions in travel agencies in Croatia.

In order to test the intensity of the impact of changes on the level of of dimensions macro environment on specialization of travel intermediaries in Croatia, the following hypothesis is defined:

H: New trends in technological dimension of environment through innovations and in marketconditions influence on further transformation of business of travel agencies

In order to test hypotheses, empirical research was conducted using questionnaire to obtain results as response to questions on the intensities of influences of new trends in the environment on transformation of business aimed toward specialization of travel agencies. These results are important for competitiveness and development of travel agencies. The questions were formulated designed in a way to meet the criteria of greater concentration of of high-quality responses. The questionnaire was composed of questions in relation to: a) The data on the manager profile, b) the intensity of the impact of macro variables on business of travel agencies defined through the variable of market conditions, c) the intensity of the

impact of macro variables on business of travel agencies and defined through the variable of technological innovations.

Here are the characteristics of analyzed sample. Elementary unit of survey to be selected in the sample is defined as a business unit engaged in providing services related to intermediation and organization of tourist stay. In this survey, travel agencies are classified according to the criteria that are not exclusive and determine a number of specific business features. The survey encompasses travel agencies according to the following: region (Continental Croatia, Istria and Primorje, Dalmatia), predominant business function (organizational, intermediary), characteristics of business (initiative, receptive, initiative – receptive), considering the object of the business as business activities (wholesale, retail, wholesale – retail), organizational structure (without or with a office network), the ways of presenting themselves on the markets (the manner of occurrence in the tourist market- independent, dependent), area of business (national, international).

Respondents were travel agency managers. The workplace of respondent was primarily determined by the size of a travel agency. Target population for the given research was defined as a group of travel agencies registered in the Republic of Croatia with operating results filed. The research covered the period from June 2010 to the end of the 2010th year. A longer timeframe was used to meet the criteria of greater concentration of of high-quality responses. By means of random number generator 200 travel agencies were selected, companies were contacted by phone so as to verify their primary activity, and willingness to participate in the survey. The questionnaire was sent by e-mail after phone conversation. An effective sample size of 82 respondents was used to test the hypothesis of this paper. With regard to different features of travel agencies participating in the survey it can be concluded that their selection was representative.

Results from the survey sample can be considered adequate for making relevant conclusions. According to data of the sample 32 or (39%) of travel agencies are from the region of Continental Croatia, 11 or (13%) belongs to travel agencies from Istria and Primorje, 39 or (48%) cover Dalmatia region. Given the characteristics of business 41 or (50%), are those of initiative-receptive character, receptive travel agencies participate with the share of 32 or (38%) of total number, 10 or (12%) agencies belong to outgoing/initiative characteristics that based operations on an organized initiation and facilitating of travelling

and staying to tourists. Considering the organizational structure, 62 or (76%) of travel agencies is without office network and 20 or (24%) of agencies is with office network. Given the ways of presenting themselves on the markets most travel agencies are independent 79 or (96%), acting independently as an economic entity, while just (4%) are dependent, operating within the major commercial units. The area of business for most agencies 48 or (59%) is predominantly national, while slightly less is international (41%).

The paper uses the method of testing hypotheses on assumed value of proportion of population - p on the basis of large sample ($n > 30$) and the normal distribution as the distribution of assessors. Approximation of the sampling distribution of proportion normal, it satisfies if the null hypothesis is true and the sample sufficiently sized..

Testing of hypotheses on assumed value of proportions of population p to the upper limit along with a assumed value of 50% , has been used in the paper. With regard to information relating the number and percentage of respondents who participated in the study, bearing in mind their characteristics (length of service, position, age and qualifications), it can be concluded that selection of respondents is representative, given the several of hypotheses' characteristics. Shown as absolute and relative values of the respondents from travel agencies who participated in the study, in most cases, 52 or (63%) of respondents have a university degree, followed by those having colleges 20 or (24%) and secondary school degree 10 or (12%). The largest share of respondents or 31 of them (38%) had 21-30 years of working experience , followed by those who have less than 11 years of working experience (23%) and 11-20 years of working experience (23%). Respondents who have more than 30 years of working experience participate in a share of (16%). With equal share of respondents participate those who have 40 years - 32 or (39%) and of those who have more than 49 years. Those who have 41-49 years participate in share of (18%). With regard to the function they perform the most are managers who are also the owners (50%), followed by managers that are not owners (18%).

4. RESULTS AND DISCUSSION

Dynamic and uncertain environment changes the framework of travel agencies asking for their adaptation by accepting new challenges and opportunities in general management (placement

method using ICT) and in private production of products in tourism – innovative travel packages. Intensive change in tourist offer with modern way of doing business based on responsibility, competitiveness and high level of demand for quality is finding way through travel agencies. Regardless of the form and outcome of changes, travel agencies show their willingness to adapt with the mere introduction of changes in their business.

Respondents were asked to estimate the extent to which technical and technological innovations affect the business specialization. Using a Likert scale of 1 to 5 for the evaluation of the intensity of importance of certain factors for specialization business of travel agencies, the results indicate that the share of (43%) of respondents have positive attitude on importance of the technical-technological innovations assessing that variable as extremely important, while (35%) of respondents have attitudes that this variable is very important, and (20%) of respondents assessed that variable as moderately important, (1%) of respondents assessed that variable as slightly important or irrelevant. cal innovations affect of business specialization.

Table 1 shows the characteristics of travel agencies with concerning the share of respondents who assessed the technical and technological innovations as important or very important for specialization of travel agencies. It turned out that such an attitude an above average is shared by managers of travel agencies with an accentuated predominant organizational function and wholesalers. The high concentration of responses of managers with the above assessments indicates the attitudes toward the technical-technological innovations have an extremely important significance for specialization activities of travel agencies.

Results with regard to individual characteristics of travel agencies exceed the average score of respondents on the importance of technical and technological innovations. It is about travel agencies from Continental Croatia (82%) but also travel agencies from Dalmatia (85%). Especially wholesalers emphasize the importance of this factor in communication and the other business areas (in promotion, distribution), that is confirmed by share of (100%). The importance of technology and innovations implemented in their businesses is emphasized in the areas of creating of products and efficiency of product placement. Managers of travel agencies with the predominant organizational business function, assessed the importance of technical –technological innovations

for specialization of travel intermediaries as high and very high (79%). Considering the object of the business as business activities, managers in wholesale – retail agencies, confirmed the highlighted attitudes (79%). Due to the way of presenting themselves on the markets (the manner of occurrence in the tourist market, (79%) of independent travel agencies, (100%) of dependent travel agencies appreciate the importance of technical and technological innovations.

They perceive innovations as crucial factors in achieving the competitive advantages which is confirmed in evaluation.

Table 1 Characteristics of travel agencies with concerning the share of attitudes of managers of travel agencies according to which technical – technological innovations are important or very important for specialization of travel intermediaries

		Technical- Technological innovations
TOTAL		78%
REGION	Continental Croatia	82%
	Istria and Primorje	45%
	Dalmatia	85%
PREDOMINANT BUSINESS FUNCTION	Organizational	79%
	Intermediary	76%
CHARACTERISTICS OF BUSINESS	Initiative	90%
	Receptive	70%
	Initiative-receptive	81%
THE OBJECT OF BUSINESS ACTIVITIES	Wholesale	100%
	Retail	75%
	Wholesale – retail	79%
ORGANIZATIONAL STRUCTURE	Without office network	79%
	With office network	75%
THE MANNER OF OCCURRENCE IN THE TOURIST MARKET-	Independent	77%
	Dependent	100%

Source: Author's data processing of survey

The paper uses the method of testing hypotheses on assumed value of proportion of population - p on the basis of large sample ($n > 30$) and the normal distribution as the distribution of assessors.

Approximation of the sampling distribution of proportion normal, it satisfies, if the null hypothesis is true and the sample sufficiently sized.

Testing of hypotheses on assumed value of proportions of population p to the upper limit along with a assumed value of 50% has been used in the paper.

H_0 - null hypothesis;

H_1 - alternative hypothesis, the sample size;

p - proportion of the population,

p_0 - the assumed value of the proportions of the population;

n - sample size;

σ_p = the standard estimation error;

α - level of significance;

$z_{(\alpha)}$ = theoretical value for z normal distribution

depends on the level of significance;

z - test size i.e. empirically z ratio; N - number of elements of the population;

M - the number of elements of the population with a certain modality of variable;

p - the proportion of elements with a specific modality in the population;

q - the proportion of elements that have no the selected modality in the population; $p\hat{e}$ - appraiser proportion of the population by number; m - number of elements with the selected modality of variables in the sample

The paper uses z - test as the method of testing hypotheses on assumed value of proportion of population - p , where the null hypothesis H_0 – according to which the proportion of managers of travel agencies that have the attitude that technical and technological innovations are very important or important for business specialization is less than or equal to 50%, and the alternative hypothesis H_1 , according to which share of travel agencies with prominent features is in excess of 50%.

At the significance level of 1%, the null hypothesis H_0 is rejected and the alternative hypothesis H_1 is accepted ($z = 5.071$, p -value = 0.000).

Featured results are presented in Table 2.

Table 2 Z-test on the significance of proportion - Variable: Technical - technological innovations

The variable: Technical – technological innovations	
Basic settings:	
assumed proportion	0,5
α level of significance	0,01
M- the number of elements of the population with a certain modality of variable in a sample	64
n-sample size	82
Supporting results:	
Proportion of sample	0,780
σ_j = the standard estimation error	0,055
z – test size	5,071
test on the upper limit	
theoretical value for z normal distributions	2,326
p-value	0,000
Decision: Reject H0	

Source: PHStat, author's data processing

The test on the assumed value of proportion of the population that supporting an thesis of firm connection of specialization of travel intermediaries, was conducted.

Table 3 contains data on the share of travel agencies with regard to assessment of the importance of the market factor for the specialization. According to the importance of the market factor for specialization, the greatest concentration of responses stands out the wholesalers.

From the data, it can be observed the larger proportion of travel agencies across all categories with the assessment that: the market in defining competitive relations is extremely important for specialization of business (84%). The emphasize is on wholesalers again, that completely (100%) state that the market is important for the specialization.

The share of other agencies to which the market is very important for specialization is higher than (80%), with some lower influence in travel agencies from Istria and Primorje (73%), dependent travel agencies (67%) and the travel agencies operating on the international market (76%).

Table 3 Characteristics of travel agencies with concerning the share of respondents who

assessed the market factors - important or very important in business specialization

	Market	Total		
		N	%	
TOTAL	84%	82	100%	
REGION	Continental Croatia	88%	32	39%
	Istria and Primorje	73%	11	13%
	Dalmatia	85%	39	48%
PREDOMINANT BUSINESS FUNCTION	Organizational	85%	48	59%
	Intermediary	82%	34	41%
CHARACTERISTICS OF BUSINESS	Initiative	80%	10	12%
	Receptive	84%	31	38%
	Initiative-receptive	85%	41	50%
THE OBJECT OF BUSINESS ACTIVITIES	Wholesale	100%	2	2%
	Retail	82%	33	40%
	Wholesale – retail	85%	47	57%
ORGANIZATIONAL STRUCTURE	Without office network	84%	62	76%
	With office network	85%	20	24%
THE MANNER OF OCCURRENCE IN THE TOURIST MARKET-	Independent	85%	79	96%
	Dependent	67%	3	4%
AREA BUSINESS	National	90%	48	59%
	International	76%	34	41%

Source: Author's data processing of survey

The paper uses z - test as the method of testing hypotheses on assumed value of proportion of population, where the null hypothesis H0 - the share of travel agencies that support attitude that "market" as a variable is very important for their business specialization is less than or equal to 50%, and the alternative hypothesis H1, according to which share of travel agencies with prominent features is in excess of 50%. (Table 4). At the significance level of 1%, the null hypothesis H0 is rejected and the the alternative hypothesis H1 is accepted (z=6,158, p-value=0,000).

Table 4 Z-test on the significance of proportion - Variable: Market

Variable: Market and market conditions	
Basic settings:	
Assumed proportion	0,5
Level of the significance	0,01
M- the number of elements of the population with a certain modality of variable in a sample	69
n-sample size	82
Supporting results:	
Proportion of sample	0,840
σ_j = the standard estimation error	0,055
z – test size	6,158
test on the upper limit:	
theoretical value for z normal distributions	2,326
p-value	0,000
Decision: Reject H_0	

Source: PHStat, author's data processing

The results show that respondents from travel agencies are increasingly aware of the necessity of transformation of way of doing business in order to adapt to global trends and which for purpose of this paper implies the adaptation of subjects through the progress in product customization in market-competitive conditions and applying technical and technological innovations, considering the dynamic changes at the level of dimensions macro environment,.

The market has a strong influence on transformation of business aimed at the specialization, particularly through the increased competition that influences all business entities, including travel agencies. In order to successfully overcome the conditions of increased competition because of the influence of market, travel agencies are compelled to approach the specialization. It is shown that respondents from travel agencies are increasingly aware the significance of market as very important or important for their business specialization, at a significance level of 1% hypothesis is accepted, the proportion of travel

agencies according which market in business specialization has a very significant or significant impact, in excess of 50% ($z=6,158$, $p\text{-value}=0,000$).

Technical - technological changes have a strong influence on transformation of business of intermediaries aimed at the specialization. Internet and new technologies that arise from its application, generated the new forms of communication of better performances, enabling to travel agencies to quickly learn our clients' needs, their motives, as well as ways of making decisions about tourist trips. Thereby it must not be neglected the innovative role played by technology in the efficient marketing of products (travel arrangements) and services.

Featured performances open possibilities of using of new technologies, and must be taken into account when making decisions about the direction of specialization of travel agencies. It is shown that respondents from travel agencies are increasingly aware that the variable of technical - technological changes is very significant or significant for specialization of their business, and at level of significance of 1% the alternative hypothesis H_1 is accepted according to that proportion travel agencies in which the technical-and technological changes in the business specialization have a very significant or significant impact in excess of 50% ($z = 5.071$, $p\text{-value} = 0.000$).

This confirms the hypothesis according to which *new trends in technological dimension of environment through innovations and in market conditions influence on further transformation of business of travel agencies.*

5. CONCLUSION

Based on analysis of the effects of global trends in macro environment on tourism and analyzing the results obtained by the empirical research, conducted on a sample of travel agencies operating in Croatia including Continental Croatian region, Istria and Primorje and Dalmatia, the insight was gained on the level and intensity of impact of studied variables on business specialization of travel intermediaries..

Research shows that the technological challenges contained in application of innovations, points out as significant variables for the specialization of business intermediary. It is known that the process of specialization in tourism initiates the emergence of new trends but also the layering of the market, and is the impetus for the emergence of new structural market changes of tourism demand.

Direction, the pace, intensity and frequency of visits to destinations, observed through the prism of the frequency of visits during the year and the duration of stay in the destination, speaks in favor of the growing need for sophisticated and innovated tourism products according to the criteria of content, services and prices.

The speed of access to services and tourism products - such as arrangements, the availability of information, the efficient communication among partners, more effective product placement - are the arguments that speak in favor of the necessity of using of new technology that is complementary to the quality of the product.

The knowledge, experiences in business activities, synergistic associated to technology that is contained in product innovations, have an important / very important role in the marketing of services of travel intermediaries and affect the specializations.

The transformation is necessity in business activities according the requirements of environment that often make pressure on companies to take an proactive attitude, often directed toward specialization. The specialization of business activities of subject of tourist offer has an important role to increase the competitiveness of individual businesses.

Changes in society and the economy have a strong impact on the specialization in tourism, and in intention to quantify that impact survey results, conducted on a sample of travel agencies in Croatia, were used . The findings show that travel agencies recognized the importance of specialization through business transformation according to incentives of changing global trends at the level of dimension of macro environment . Socio-economic changes for the purposes of this paper, refer on technically and scientific progress, technological innovations and economic changes through influences of market conditions.

It can be concluded that managers of travel agencies recognize the need for transformation toward to specialization of their businesses. Thus the socio-economic changes are analyzed through impact of technological changes and economic changes - through market conditions and competition. That variables represent the incentives to transform their business.

Technical and technological changes affect on all aspects of human activities and living. It influence on tourism as a phenomenon that rapidly reflects changes in society. The impact of technological change is twofold. On the one hand it opens up new possibilities of using the Internet as

an acceptable source of information, and on the other hand, too much variety of choices and offers create barriers, psychological confusion and hesitancy when clients choosing products. . Also, Internet and new technologies that arise from its application rapidly generate new forms of communication that enable to travel agencies to find out clients' needs, their motives, bringing more reasonable decisions when creating contents of packages.

Efficient time management is indispensable for competitiveness of travel agencies, while the use of ICT in all business segments facilitates activities which are prerequisite to the coordination of tasks and agency functions, whereas it must be said that partial efficiency of particular function impacts the overall business performance.

Well-known scientific standpoints test the endurance of traditional travel agents through the function of intermediation, while transformed intermediation reflects the changes in ICT. This is evident in travel agencies through changes in different business segments with the aim to improve efficiency with the synergistic influence of technology on the way services are provided. In this context, fear of disintermediation is redundant. The highlighted cognition should be taken into account by managers when making decisions about the direction of specialization of travel agencies.

New technologies were unfairly regarded as a threat to the mediating role of travel agencies, whereby the complementary role of new technologies was neglected. The practice has shown that intermediaries who were not ready for new challenges were condemned to elimination from the market. Respondents from travel agencies are increasingly aware that technical and technological innovations are important for the success and the continuity of business. The market also has a strong influence on specialization, particularly through the increased competition that affects all business entities, including the travel agencies.

Due to the impact of the market, in order to successfully overcome the conditions of increased competition, travel agencies were focused on specialization. It turned out that respondents from travel agencies are increasingly aware of the level of market importance their business specialization.

Elaborating of prominent data, results of the research conducted on the basis of a z-test on the assumed value of the proportion of the population on upper limit along with a presumed value of 50%, it is concluded that the technological

challenges visible through the importance of applying of innovations and market stand out as significant or very significant variables for specialization of business intermediaries whereby the share of agencies of prominent characteristics is in excess of 50%. This confirms hypothesis according to which *new trends in technological dimension of environment through innovations and in market conditions influence on further transformation of business of travel agencies.*

Conflict of Interests

The authors declare that there is no conflict of interests regarding the publication of this paper

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