

Marketing Strategies of Selected Travel Agencies in Dagupan City During the New Normal

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Abstract — The COVID-19 pandemic severely impacted the tourism industry in the Philippines, including travel agencies. As travel restrictions ease, agencies are adapting strategies to attract clients in the "new normal." This study examines marketing strategies (Product, Price, Promotion) and challenges faced by selected travel agencies in Dagupan City. The research used a descriptive survey method, with questionnaires administered to participating agencies. Results revealed agencies primarily offered seasonal packages, with limited personalized options. Common pricing strategies included discounts and seasonal adjustments. Promotion relied heavily on social media, while traditional brochures were less utilized. Challenges included decreased bookings, price transparency concerns, and inactive social media platforms. The study proposes measures to address these challenges, such as hiring social media managers. Conclusions emphasize the need for agencies to adapt to changing traveler preferences and effectively utilize promotional tools.

Keywords — **Tourism, Travel Agencies, Marketing Strategies, COVID-19 Pandemic, Philippines, Product, Price, Promotion, Challenges, Recovery**

I. Introduction

The travel industry remains to be one of the sectors hardest hit by the coronavirus pandemic and the outlook remains highly uncertain. The industry came to an abrupt halt because of the

COVID-19 pandemic as travelers canceled or rescheduled trips, yet travel agents said when travel returns, it will come back strongly. However, the effectiveness of governments and regulators in most countries, establish the threshold minimum standards and address quarantine restrictions and travel barriers to facilitate the return of travel, is critical, as well as the introduction of effective vaccines. A recent survey, 60% of travelers indicated they are waiting for the World Health Organization (WHO) and governments to lift restrictions before they travel. The Philippines' Tourism Arrival: Before and After COVID-19. Consumers are anxious about travelling again and are looking to professional travel advisors for information on what is safe, what is open, which hotels have implemented enhanced hygiene measures, and they want an advocate there for them if something happens before, during or after their trip. At the same time, travelers are willing to adopt new processes like subjecting themselves for COVID-19 screening and testing when they travel. Travel agents come as a blessing in such times as these, as they handle all the travel—right from booking the airfare to reserving hotel rooms. Despite the massive use of the internet for travel-related services, there are still instances when hiring travel agents is necessary. To be competitive, travel agencies must reconfigure their business processes. Thus, instituting a sustainable future direction in efficiently utilizing sales promotion techniques in tourism is of the utmost importance, especially now in the context of the current global pandemic.

Dagupan City, being one of the avenues for mass tourism especially during the annual Bangus Festival, has experienced a great decline in their tourism economy, resulting to the decrease to no income for travel agencies in the city. However, as restrictions were gradually lifted, travel agencies also slowly opened and offered their products and services. This prompted the researchers to conduct this study which investigates the marketing strategies of travel agencies in Dagupan City during the New Normal. It specifically explores the various strategies employed by travel agencies as to the different marketing aspects such as product, price, and promotion. Likewise, it also examines the different challenges and issues encountered by these travel agencies in the facet of marketing. In addition, the results of this study endeavors to serve as a basis in proposing a set of measures to enhance the strategies utilized by these travel agencies.

Literature Review

Yang, S., Song, J., & Park, E. (2023) investigated how small and medium-sized tourism enterprises (SMTEs) in Korea adapted their marketing strategies during the pandemic. The authors found that SMTEs increased their use of digital marketing and focused on promoting domestic tourism. This research is relevant to the current study as it provides insights into how businesses in the tourism industry can adapt their marketing strategies in response to a crisis.

Huang, C. Y., Goo, J., Nam, K., & Yoo, C. Y. (2022) highlights the importance of social media marketing in rebuilding consumer trust and confidence in the tourism industry post-pandemic. This is relevant to the current study as it emphasizes the importance of social media in the marketing strategies of travel agencies.

Assaf, A. G., & Josiassen, A. (2021) propose a conceptual framework for tourism marketing that focuses on sustainability, resilience, and digital transformation. This is relevant to the current study as it provides a framework for understanding how travel agencies can adapt their marketing strategies to the new normal.

Almeida-Santana, S., & Moreno-Gil, S. (2021) conducted a comprehensive review that summarizes the existing literature on the pandemic's effects on tourism, providing insights into marketing challenges and opportunities. This is relevant to the current study as it provides a broader context for understanding the challenges faced by travel agencies in the Philippines.

Sigala, M. (2020) investigated the broader implications of the pandemic for the tourism industry, emphasizing the need for innovation and adaptation in marketing strategies. This is relevant to the current study as it emphasizes the need for travel agencies to be innovative and adaptable in their marketing strategies.

Zenker, S., & Kock, F. (2020) introduces the concept of destination resilience and provides a framework for travel agencies to cope with future crises. This is relevant to the current study as it provides a framework for understanding how travel agencies can become more resilient in the face of challenges.

Kim, J. N., Lee, S., & Fairhurst, A. (2023) explores how airlines used crisis communication and image repair strategies to mitigate the negative impacts of the pandemic on their brand image. This is relevant to the current study as it provides insights into how travel agencies can communicate with their customers during a crisis.

Oklevik, O., Gössling, S., Hall, C. M., Steen Jacobsen, J. K., Grøtte, I., & Sirakaya, E. (2022) gathered expert opinions on the future of tourism after the pandemic, including insights into marketing trends and consumer behavior. This is relevant to the current study as it provides insights into the future of the tourism industry and the challenges that travel agencies may face.

Pappas, N. (2022) examined emerging marketing trends in the hospitality sector, such as personalization, digitalization, and sustainability. This is relevant to the current study as it provides insights into the marketing trends that travel agencies should be aware of.

Li, H., Ye, B., Law, R., & Lam, T. (2020) focused on the Chinese tourism market and analyzes how the pandemic affected travel demand and consumer behavior. This is relevant to the current study as it provides insights into how the pandemic has affected consumer behavior in the tourism industry.

The reviewed literature highlights the significant impact of the COVID-19 pandemic on the tourism industry, emphasizing the need for travel agencies to adapt their marketing strategies. The studies highlight the importance of digital marketing, building consumer trust, and resilience in the face of challenges. The findings of the current study align with these themes, revealing a

reliance on social media for promotion and a need for innovative strategies to address decreased bookings and price transparency concerns. The literature also highlights emerging trends in the tourism industry, such as personalization and sustainability, suggesting that travel agencies need to adapt to evolving consumer preferences. This synthesis of the literature provides a robust foundation for understanding the challenges and opportunities facing travel agencies in the post-pandemic era.

II. Methodology

This study utilized the quantitative research approach, specifically the descriptive survey method. It focused on 10 different travel agencies that have been operating before and during the pandemic until the time this study was conducted, and are willing to participate. To gather the data needed, a survey questionnaire was used, sectioned into two parts: Marketing Strategies Employed and Challenges Encountered. The data gathered were illustrated using the Weighted Mean and Average Weighted Mean. Responses were then rated using a 5 Point Likert Scale with specific numerical values corresponding to descriptive ratings.

III. Results and Discussion

Marketing Strategies of Selected Travel Agencies

To answer sub problem 1 Marketing Strategies and Challenges Encountered in the ten (10) Selected Travel Agencies in Dagupan the New Normal were discussed analyzed and interpreted as to the different Product, Price, Promotion.

Product

Product. Table 2 on the next page presents the data of the Marketing product of selected Travel Agencies in Dagupan During the New Normal. There are three outlets under Product, Price, Promotion which all got a weighted mean Part I 4.4 Part II 3.9 which indicates that these outlets are Employed and Moderately Employed by the Selected Travel Agencies in Dagupan the New Normal.

Table 2 justified one of the Ten Principles of Economics which is “People respond to incentives.”. With an Average Weighted Mean of 3.66, and Descriptive Equivalent of Employed shows that the respondents were really using different promos and discounts to attract customers. Offering packages based of the season or time has the highest Weighted mean of 4.4 and a Descriptive Equivalent of Highly employed shows that the Fads or trend which one of the factors affecting demand were used by the respondents to attract customers. Even booking of tailor-made holiday/dynamic package holiday for clients has the lowest Weighted mean of 3.0 and a

Descriptive Equivalent of Moderately employed, it doesn't have any big effect since there are few clients were requesting for it.

Table 2. Marketing Strategies of Product in Selected Travel Agencies

n=10

| Types of Product Outlet | Weighted Mean | Descriptive Equivalent |
|---|----------------------|-------------------------------|
| The travel agency offers meal inclusions in tour packages. | 3.10 | Moderately Employed |
| The travel agency includes transportation fees in tour packages(e.g. air fare, chauffer services/car rentals) | 4.20 | Employed |
| The travel agency includes recreation activities & services (e.g. environmental and entrance fees, equipment rentals) | 3.80 | Employed |
| The travel agency includes hotel accommodation services in tour packages | 3.60 | Employed |
| The travel agency offers ancillary services to clients (e.g. passport appointment, non-face to face visa appointment, travel insurance) | 3.80 | Employed |
| The travel agency books a tailor-made holiday/dynamic package holiday (personalized packages) for clients | 3.0 | Moderately Employed |
| The travel agency offers traditional package holidays (pre-made packages) | 3.40 | Moderately Employed |
| The travel agency offers packages based on the season/time of the year (e.g. wet season package, valentines package, etc.) | 4.40 | Highly Employed |
| Average Weighted Mean | 3.66 | Employed |

Price. In Table 3, discounts offered for clients have the highest Weighted Mean which is 4.2 and Descriptive Equivalent of Employed. This shows that the respondents were using this kind of marketing strategy to attract customers. Considering the pandemic, it was important to people to save money nowadays that's why most of the clients were really taking into consideration the different discounts that they could avail. Having an Average Weighted Mean of 3.29 and Descriptive Equivalent of Moderately Employed, shows that the respondents were not all out when it comes in minimizing the price of their service since everything is getting expensive.

Table 3. Marketing Strategies of Price in Selected Travel Agencies

n=10

| Types of Price Outlet | Weighted Mean | Descriptive Equivalent |
|--|---------------|----------------------------|
| The travel agency offers discounts for clients (e.g. senior citizen, etc.) | 4.2 | Employed |
| The travel agency compares their prices from their competitors' prices | 3.4 | Moderately Employed |
| The travel agency sells longer trips at a daily lower price | 3.2 | Moderately Employed |
| The Travel agency lowers prices for early booking | 3.7 | Employed |
| The travel agency lowers prices during lean/wet season (June – October) | 4.1 | Employed |
| The travel agency offers last minute pricing | 3.2 | Moderately Employed |
| The travel agency accepts per person pricing | 3.1 | Moderately Employed |
| The travel agency applies per age pricing | 2.6 | Least Employed |
| The travel agency offers single or double occupancy pricing | 2.4 | Least Employed |
| The travel agency Holiday Status | 3.0 | Moderately Employed |
| Average Weighted Mean | 3.29 | Moderately Employed |

Promotion. Table 4 illustrates the promotional strategies employed by selected travel agencies, revealing a diverse approach with varying levels of implementation. The predominant strategy is utilizing social media platforms, indicated by the highest weighted mean of 4.4, classified as Employed. This underscores the significant role of social media in contemporary marketing for reaching and engaging with potential clients.

Several other strategies are categorized as Employed with a weighted mean of 3.9, including email marketing, business cards, client referrals, and posting client reviews. These methods suggest a multi-faceted approach to promotion, leveraging both digital and traditional channels.

Moderately employed strategies, with weighted means ranging from 3.1 to 3.3, comprise the distribution of brochures and pamphlets, introductory offers, and television/radio advertisements. The lower adoption of these strategies might reflect the changing landscape of marketing, with a shift towards digital and less reliance on traditional printed materials and broadcast media.

Table 4. Marketing Strategies of Promotion in Selected Travel Agencies
n=10

| Types of Promotion Outlet | Weighted Mean | Descriptive Equivalent |
|--|---------------|------------------------|
| The travel agency uses email marketing | 3.9 | Employed |
| The travel agency have readymade business cards | 3.9 | Employed |
| The travel agency uses client referrals | 3.9 | Employed |
| The travel agency spreads brochures and pamphlets | 3.1 | Moderately Employed |
| The travel agency gives flyers | 3.7 | Employed |
| The travel agency conducts contests and giveaways to attract target clients | 3.5 | Employed |
| The travel agency gives introductory offers | 3.3 | Moderately Employed |
| The travel agency uses television/radio advertisement | 3.2 | Moderately Employed |
| The travel agency has their own social media account: Please specify: _____ | 4.4 | Employed |
| The travel agency posts their clients' reviews | 3.9 | Employed |
| The travel agency employs a marketing specialist for the establishment | 3.2 | Moderately Employed |
| Average Weighted Mean | 3.64 | Employed |

The least employed strategy is hiring a marketing specialist, with a weighted mean of 3.2, indicating a limited use of specialized expertise for promotional activities. This could be due to financial constraints or a reliance on internal resources for marketing. Overall, the average weighted mean of 3.64 falls under the Employed category, suggesting that travel agencies are actively utilizing various promotional strategies, with a notable emphasis on social media. However, the moderate to limited employment of certain strategies indicates areas for potential improvement and a need to adapt to the evolving marketing landscape. This analysis provides valuable insights for travel agencies seeking to enhance their promotional efforts and better connect with potential clients.

Social media has been very powerful lately until present. Most of the different businesses were taking advantage the power of social media. In the tourism industry, it was very evident that the respondents were taking advantage of its power that why the data shows the having their social media account has the highest weighted mean of 4.4 and Descriptive Equivalent of Employed. The access to the people using social media were very easy that's why social media to businesses were very used. Printed media, like brochures and pamphlets has the lowest weighted mean of 3.1 and has a Descriptive Equivalent of Moderately Employed. Traditional marketing strategy like brochures and pamphlets were left out already since the power of social media is more effective compared to the tradition marketing. The Average Weighted Mean of promotions was 3.64 and has Descriptive Equivalent of Employed is justifying that people were promo seekers that's why businesses were taking advantages of it

Challenges Encountered by the Selected Travel Agencies

For people in the Tourism industry, it is important that the challenges and problems encountered and faced in the Selected travel agencies are also necessarily studied for them to find solutions and overcome the said problems. In the following tables, it was shown what challenges were encountered by the respondents as to the different challenges encountered that they are utilizing.

Product. Table 5 reveals the challenges faced by selected travel agencies concerning their products, showcasing a range of issues with varying degrees of impact. Notably, the most encountered challenge is a decrease in bookings, with a weighted mean of 4.1, classified as Encountered. This suggests a significant decline in customer demand, likely stemming from the lingering effects of the pandemic and ongoing travel restrictions.

Table 5. Challenges Encountered of Product by the Selected Travel Agencies as to Product

n=10

| Product Types | Weighted Mean | Descriptive Equivalent |
|--------------------------------------|---------------|------------------------|
| Unable to maintain service standards | 3.7 | Moderately Encountered |
| Decrease of bookings | 4.1 | Encountered |
| Lack of flexibility in tour plans | 2.9 | Least Encountered |
| Inconvenient booking procedures | 3.9 | Encountered |
| Outdated tour packages | 3.7 | Encountered |
| Complicated deal with suppliers | 3.3 | Moderately Encountered |
| Lack of product supply | 3.0 | Moderately Encountered |
| Unable to maintain service standards | 3.6 | Encountered |
| Less convenient booking procedures | 3.9 | Encountered |
| Complexities in service requirements | 3.5 | Encountered |
| Average Weighted Mean | 3.56 | Encountered |

Other commonly encountered challenges, with weighted means ranging from 3.5 to 3.9, include inconvenient booking procedures, outdated tour packages, complexities in service requirements, and maintaining service standards. These issues highlight the difficulties faced by travel agencies in adapting to the changing needs and expectations of customers in the post-pandemic era. Moderately encountered challenges, with weighted means around 3.30, comprise dealing with suppliers and lack of product supply. These challenges point towards operational difficulties in managing partnerships and ensuring the availability of desired products and services. The least encountered challenge is a lack of flexibility in tour plans, with a weighted mean of 2.90. This suggests that agencies have relatively less difficulty customizing their offerings to cater to individual preferences. Overall, the average weighted mean of 3.56 falls under the Encountered

category, indicating that travel agencies are experiencing a range of challenges related to their products. This analysis underscores the need for agencies to address these challenges proactively to improve their offerings, streamline their processes, and enhance the overall customer experience.

Data above proved that travel agencies were heavily affected by the pandemic. Clearly, decrease of bookings has the highest weighted mean of 4.10 and has an Equivalent of Encountered. Because of healthy protocol and travel restrictions imposed by the government, the tourism industry stopped. Lack of flexibility in tour plans have the least weighed mean of 2.9 and Descriptive Equivalent of 2.9. This implies that packaged tours were offered following many factors like the time, places and circumstances that if not followed, it might ruin the whole tour.

Price. As shown in Table 5, the General Weighted Mean is 3.38 and has a descriptive equivalent of Moderately Practice. The least encountered challenge is the rate of market growth, with a weighted mean of 2.70. This implies that agencies are less concerned about the pace of market expansion, potentially focusing on other more pressing issues. This implies that most of the establishments were having a hard time in marketing when talking about prices. During this pandemic, where people choose to save money, prices of travels were very crucial. Rate of Market Growth has the lowest weighted mean of 2.7 and has a descriptive equivalent of Moderately Practiced. This data is not surprising since it very evident that pandemic really hits travel agencies because of the Travel Bans, Travel Restrictions and very high cost of obtaining requirements.

Table 6. Challenges Encountered of Prices by the Selected Travel Agencies

n=10

| PRICE | Weighted Mean | Descriptive Equivalent |
|---|----------------------|-------------------------------|
| Increasing price transparency | 3.80 | Encountered |
| Lower price of competitors | 3.20 | Moderately Encountered |
| Lack of budget costing | 3.80 | Encountered |
| Lack of pricing strategies | 3.70 | Moderately Encountered |
| Lack of resources in low pricing of tour packages | 3.30 | Moderately Encountered |
| Lack of capital | 3.20 | Moderately Encountered |
| Rate of market growth | 2.70 | Moderately Encountered |
| Significance of cost | 3.50 | Encountered |
| Pricing in maturity | 3.20 | Moderately Encountered |
| Average Weighted Mean | 3.38 | Moderately Encountered |

Promotion. The table above show that digital media, hence on of the most effective way to market, was one the problems encountered by the respondents. Lack of advertisement, inactive websites or social media platforms for promotions and lack of contents have weighted mean of 3.6, 3.8 and 3.4 respectively and all of the have Descriptive Equivalent of Encountered. Problems

encountered when it comes to Promotions had a General Weighted Mean of 3.13 and had a Descriptive Equivalent of Moderately Encountered.

Table 7. Challenges Encountered of Promotion by the Selected Travel Agencies

n = 10

| PROMOTION | Weighted Mean | Descriptive Equivalent |
|--|---------------|-------------------------------|
| Lack of advertisement | 3.6 | Encountered |
| Inactive websites or social media platforms for promotions | 3.8 | Encountered |
| Lack of contents | 3.4 | Encountered |
| Lack of social media followers | 2.5 | Moderately Encountered |
| Slow internet connection | 2.6 | Moderately Encountered |
| Dealing with many inquiries | 3.2 | Moderately Encountered |
| Duplicate data entries | 2.6 | Moderately Encountered |
| Liability of not knowing your client requirements | 2.6 | Moderately Encountered |
| Streamlining the processes from marketing to post sales | 3.0 | Moderately Encountered |
| Reduce online credibility | 2.9 | Moderately Encountered |
| General Weighted Mean | 3.13 | Moderately Encountered |

Since technology nowadays was very effective and easy to utilize, problems encountered about promotions were minimal and if it occurred, it will be easily solved.

PROPOSED TRAVEL AGENCY MARKETING STRATEGIES

| PRODUCT | | |
|-------------------------------------|---|--|
| AREAS OF IMPROVEMENT | STRATEGIES | ACTIVITIES |
| 1. Customer Feed backs | <ul style="list-style-type: none"> Require customer reviews every after tours. | <ul style="list-style-type: none"> Print surveys or questionnaires that will be answered by the customers. |
| 2. Add affordable packages. | <ul style="list-style-type: none"> Add less travel restriction places. | <ul style="list-style-type: none"> Contact places to identify less restricted tours. |
| PRICE | | |
| AREAS OF IMPROVEMENT | STRATEGIES | ACTIVITIES |
| 1. Advertisement | <ul style="list-style-type: none"> Produce effective and cheaper advertisements. | <ul style="list-style-type: none"> Maximize the use of social media. |
| PROMOTION | | |
| AREAS OF IMPROVEMENT | STRATEGIES | ACTIVITIES |
| 1. Customers ignore Advertisements. | <ul style="list-style-type: none"> Influencer Marketing Utilize Social Media | <ul style="list-style-type: none"> Collaborate with social media influencer Utilize social media. Do not just focus on text-based ads. Try web content, video content, and other online or digital promotional material. |
| 2. Improve Advertising | <ul style="list-style-type: none"> Maximize social media advertisement. Use customer feedbacks as an advertisement. | <ul style="list-style-type: none"> Become partners of social media influencers. Interview customers about their experiences during the service. |

IV. Conclusion

Based on the data gathered, it was found out that even the though travel agencies were offering the best tour package at the lowest price, people still not availing it which generally were very in demand in the past. Another thing was the imposing of the different travel restrictions by the government that really hit the Tourism industry. Using or having the best advertisement is not that impactful because of the current situation. It was also very evident that the respondents were abusing the idea that people were responding to incentives, as all of the travel agencies were offering tour packages with discounts and with incentives which was very effective in attracting customers. Using technology and social media as one of the marketing strategies was very effective. Since people are now one click away to get information, Travel agencies were abusing this strategy to attract customers. From the conclusions drawn, the researchers proposed a set of measures to enhance the marketing strategies of the travel agencies. These measures showed the areas that need to be improved, the strategy to be used, and the specific activities to be implemented in order to address the aforementioned areas. It was recommended that the output of this study be distributed and proposed to the travel agencies, and that further researches similar to this study be conducted.

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