Strategic Management of Digitalization in Travel Agencies

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Abstract

By applying information technologies and digital tools, the business of travel agencies is transformed, becoming more efficient, more competitive, and providing richer experiences to clients. The purpose of this research is to contribute to the strategic management of digitization in travel agencies in order to improve the business resilience of the tourism industry in developing countries. Scientific research is based on the application of qualitative methods and techniques. The research method was interviewing, using a structured questionnaire, data and information were collected, while the case study method was used to analyze the business situation of the Travel Agency „Aero Turs" (TAAT) from Serbia. The research results indicated that the process of digital business transformation is taking place successfully according to the initial strategies of Digital Spin-off (inside out) and Internal Digital Hub (inside in) and very successfully according to the initial strategies of Ecosystem Development and Digital Joint Venture (competence in). From the aspect of service design philosophy, travel agencies in developing countries devote most of their time to systematic and regular monitoring of the development of parts of their business model, application of agile principles in project management, appreciation of employees' ideas, and creation of an environment for the development of the best ideas into new business opportunities for the agency, and encouraging innovation. From the aspect of digital leadership and communication, travel agencies devote the most time to entrepreneurial thinking, a "fail fast" culture, cross-functional cooperation, transparent, goal-oriented communication, and cooperation between internal experts. The research concludes that it is necessary to strategically plan and manage the processes of digital transformation of the business of travel agencies. A systemic approach to capacity building and the introduction of digitization in travel agencies is recommended for more efficient and effective development of the tourism industry in developing countries.

1. Introduction

In the modern global environment, where information technologies play a key role in the transformation of various industries, the tourism industry is no exception. Digitization and the use of digital tools are increasingly becoming necessary to improve the business of travel agencies, in order to enable more efficient service provision and a more competitive position on the market. In addition, in the context of developing countries, where tourism can represent a key component of the economy, digital transformation strategies of travel agencies have additional importance for sustainable economic development. The goal of this research is to contribute to the strategic management of the digitization process in travel agencies, with a special focus on developing countries. Focusing on these countries brings an additional level of complexity and importance, as digital transformation can be considered a key factor in improving the resilience of the tourism industry in these countries.

The research relies on the application of qualitative methods and techniques, which enables a deeper understanding of the context and complexity of the digital transformation process. Through interviews and a case study, the business situation of TAAT from Niš City, Serbia is analysed, thereby gaining insight into concrete challenges, strategies, and results of digital transformation on the ground. Key research findings provide insight into the success of applied digital transformation strategies in travel agencies in developing countries. In addition, the research identifies priorities and areas that should be paid attention to when planning and managing digitization in the tourism sector, in order to achieve a more efficient and effective development of the tourism industry. Taking into account the service design philosophy and digital leadership, the research emphasizes the importance of continuous monitoring of business model development, agile project management, fostering innovation, and entrepreneurial thinking. Also, the importance of transparent communication, cooperation, and exchange of knowledge within travel agencies is emphasized in order to achieve a successful digital transformation. In conclusion, the research indicates the necessity of a systemic approach to the introduction of digitization in travel agencies, as well as the need for strategic planning and management of this process in order to improve the tourism industry of developing countries.

2. Literature Review

Developing countries is a term often used by the International Monetary Fund (IMF) to classify countries based on several key criteria: (1) average per capita income, meaning that countries are ranked by how much money the average citizen of the country earns; (2) commodity export diversification, which means how many different products a country exports (if a country exports only a few products, especially if those products rely on only one sector, this is considered a less stable situation); and (3) degree of participation in the international financial system, which refers to the extent to which a country is integrated into global financial flows and institutions (WorldData.info, 2024a). On the other hand, the United Nations uses the Human Development Index (HDI) to classify countries as developed, developing, and underdeveloped, which combines basic conditions of daily life such as nutrition, medical care, education, and income (WorldData.info, 2024a). According to the IMF, Serbia is a developing country with lower economic performance and upper-middle income, but according to the UN definition, Serbia is classified as one of the highly developed economies with a HDI of 0.805 (WorldData.info, 2024b).

The clarification of the terms: digitization, digitalization, and digital transformation is extremely important, given that there is often confusion and incorrect use of these terms, although there is a clear distinction between them (Legner et al., 2017; Clivaz, 2020). Digitization encompasses the process of transforming conventional analogy data or physical objects into digital formats (Zhang, 2023; Tilson et al., 2010). According to Brennen and Kreiss (2016), digitization possesses figurative dimension and physical dimension, representing a process in which analog signals are transformed into digital bits or binary digits. Authors Frenzel et al. (2021) in their research on the difference between digitalization and digitization pointed out that digitalization involves the application of digital technologies by individuals, organizations, or the whole society, alongside the profound impact that digital technologies have upon them. Additionally, digitalization represents the process of reorganizing various spheres of social life by increasingly employing digital communication channels and media infrastructure (Brennen and Kreiss, 2016). Digital transformation represents the need to utilize new technology in order to achieve and maintain competitiveness in the market (Mergel et al., 2019). Other authors define digital transformation as the process of using new digital technology in order to swiftly enhance operational efficiency and expand the market influence of the company (Westerman et al., 2011, p. 5). The study by Adaghe and Barakat (2023) mentions that the tourism industry is going through a significant digital transformation, emphasizing that in order for tourism companies to survive in the market and achieve competitiveness, it is extremely important for them to adapt and technologically innovate their business. Gorenšek and Kohont (2019) highlighted in their research that if organizations want to preserve their flexibility and remain competitive in the market, it is crucial for them to precisely, efficiently, and effectively plan their digital transformation in business. According to Djevojic (2021), by strengthening collaboration and aligning policies between government,

companies, and the whole society, digital transformation and increased innovation in services can be achieved. Digital transformation affects the societal values of the business model (improving the quality of life, stimulating economic growth, and protecting the environment) and the commercial values of the business model (Djevojic et al, 2021). Various researchers have pointed out that the emergence of the Internet has contributed to changes in all industries, especially in the tourism industry, according to them, the Internet contributed to the modification and flourishing of the tourism industry (Chang Yu-hsin, 2020; Tsang et al., 2010). In Chang Yu-hsin's research, it was accentuated that the Internet revolution has enabled mass consumers to have easier access to tourism products, as tourism products have become virtually available on the market with the help of the Internet (Chang Yu-hsin, 2020). On the other hand, the authors Tsang, Lai, and Law (2010) in their research highlighted that in the tourism industry, the Internet and social media technologies are ideal tools for serving customers, with the help of these tools, potential customers of a tourism product can easily and efficiently research, access and find the information about a product or service they are interested in, because these tools can visualize a tourism product. According to Adaghe and Barakat (2023), the pivotal drivers of digitalization in the tourism industry are customer demand, the upsurge of the sharing economy, the effect of social media, and the emergence of virtual reality.

The authors Savić and Pavlović (2018) stated in their book that the application and development of new information technologies are the most important characteristics of the new era of tourism, which are significant for achieving a competitive advantage in the global tourism market. With the introduction of a unified information and communication system that was accepted by all providers of tourist services, there were key changes in the tourism industry that imposed on tourist entities the necessity of using information technology as a condition for their survival and improving their competitive position (Poon, 1993). According to Shmarkov et al. (2019), the greater application of digital technology in the tourism industry has contributed to technology becoming the main tool for managing the activities of tourism organizations, ensuring top-quality services, facilitating information handling, and with the help of technological innovations, tourism organizations has become more competitive.

The author Zhang (2023) in his research emphasizes that the development of digital technology encourages social progress and transformations to be swiftly achieved, while the use of digital devices in business can facilitate the processing, transmission, and storage of data. Accessibility is a key characteristic of digital technologies, it enables easier integration of new platforms and tools. (Djevojic et al., 2021). In the business environment, digital technologies can enable the modernization of business processes and effectiveness in achieving goals (Djevojic et al., 2021). Due to digitalization, there has been wide usage of technology by both service users and tourism operators within tourism companies (Roldan, 2023). The main focus of improving the activities of tourist organizations is to direct towards the greater utilization of online platforms, and new reservation systems that are integrated with global systems and sales channels (Shmarkov et al., 2019). Kim et al. (2007) in their research point out that a significant transformation in the tourism industry, due to digitization, occurred with the emergence of online travel agencies. By comparing online travel agencies and traditional travel agencies, they concluded that compared to traditional travel agencies, online travel agencies represented a way for tourists to reserve flights, accommodation, and various other activities and were often more profitable than traditional agencies (Kim et al., 2007).

The study by Gorenšek and Kohont (2019) indicates that in the increasingly globalized and digitized postmodern society, digitization drastically affects the fundamental assumptions of lifestyle and work organization. Authors Westerman et al. (2011) mentioned in their research that the use of new and traditional technologies as well as the restructuring and managing changes in the business environment leads to successful digital transformation in business, which represents a challenge in the technical sense as well as a challenge for leaders, managers, and other employees in the company. Customer experience, operational processes, and business models are pillars of business that have been digitally transformed by managers (Westerman et al., 2011). The final step towards achieving societal goals is digital transformation, accomplished by investing in higher education and training professionals to cope in a dynamic environment (Kaputa et al., 2022). Digital transformation and innovations in business models have put enormous pressure on conventional companies and caused disruptions in various markets, which has had a significant impact on changing consumer expectations and behavior (Verhoef et al, 2021).

Customer Relationship Management (CRM) is a strategic approach utilized by companies to manage interactions with current and potential customers, aiming to develop and maintain relationships with them (Al-Hazmi, 2021). This strategic approach encourages sales growth (thereby leading to increased profits) by aiming to retain customers, enhance customer loyalty and customer trust in the company, and increase customer satisfaction by satisfying their needs (Al-Hazmi, 2021). According to Payne (2005), CRM effectiveness is more influenced by managing the processes of strategy development, value creation, multi-channel integration, information management, and performance assessment than the choice of technology used in the business. According to

Mugge et al. (2020), through the digital transformation of business and entry into the digital economy, organizations create value. In the process of business digital transformation of an organization, it is necessary to manage initiation strategies, design philosophies, communication, and leadership (Mugge et al., 2020). According to Sighn (2017), travel agencies can offer clients: expert advice, personalized recommendations, customizing services, and value-added services. Travel agencies need to maintain a great and strong relationship with clients and ensure that clients are satisfied with the offered and provided services (Singh, 2017). Also, it is of great importance for travel agencies to effectively plan and manage CRM activities, as well as for leaders, managers, and other employees in travel agencies to be well-trained for CRM activities (Saylan, 2020). Moudud-Ul-Huq et al. (2021) indicate that improving customer satisfaction, loyalty, and retention can be achieved by prioritizing elements that contribute to improving the overall quality of CRM, and these elements are security and protection, technical progress, and banking services.

3. Research Methodology

A qualitative research methodology was used to conduct a scientific study on the possibilities of strategic digitalization management in travel agencies in order to improve the business resilience of the tourism industry in developing countries. The research method of interviewing, with the application of a structured questionnaire, was used to collect data and information, while the case study method was used to analyze the business of TAAT. The questionnaire was designed based on research conducted by Professor Adrian Payne at the Cranfield School of Management of the University of Cranfield (Payne, 2005) in Great Britain and by Mugge and colleagues in 2020 (Mugge et al., 2020). The questionnaire contains ten groups of questions: (1) The General Data of the Company, (2) The Strategy Development Process[1], (3) The Value Creation Process[2], (4) The Multi-Channel Integration Process[3], (5) The Information Management Process[4], (6) The Performance Assessment Process[5], (7) The Business Digital Transformation Process[6], (8) The Design Philosophies[7], (9) The Digital Leadership[8], (10) The Communication[9], and (11) The Characteristics of Business[10]. The questionnaire was filled out in electronic form by the general management of the travel agency. The research results were presented and discussed according to the mentioned groups of questions.

4. Findings and Discussion

The Case Study of the TAAT

The Strategy Development Process of the TAAT

TAAT from Niš in the Republic of Serbia was created for emotional reasons, as a result of the owner's love for aviation, travel, and tourism. The desire to get to know distant destinations and to connect with people of different socio-demographic, cultural, and religious characteristics, and the adrenaline that comes from traveling by plane, contributed to the establishment and development of this travel agency in the form of a creative entrepreneurial business in the southeast of Serbia, in Niš, the imperial city in the heart of the Balkans.

The founder and director of TAAT, with the support of her family, turned her vision into a sustainable and prosperous entrepreneurial business in the field of tourism, with the formal establishment of the agency on January 27, 2009. The beginning of the TAAT business was with two employees and the necessary equipment in a leased office space, while marketing and promotion were based on the recognition of the owner's name in the field of tourism and her commitment. Her desire to be the first in the business, without fear of failure, positioned TAAT as a recognizable brand on the domestic market and a reliable partner that markets the best European destinations by offering affordable airline tickets, tourist tours, and tourist arrangements. Today, TAAT employs eight workers and operates in three business premises, two of which are owned and located in the "Kalča" Shopping Centre and "Gorča" Shopping Centre in the center of the city of Niš, and one rented office space at the "Nikola Tesla" Airport in Niš. The key to the success of TAAT is the owner's adherence to traditional identity and family values despite her achievements in the modern business world.

TAAT is a combined type travel agency because it performs both initiative (emissive) and receptive-type activities. With the appearance of new airports in Serbia, and especially international airlines at Niš airport, new flights have become an inspiration for creating attractive tourist arrangements, for connecting Niš with European destinations, but also a step further to continue the journey to an even further and interesting destination in the world. Thus, for the first flight from Niš to Mulhouse (Euro airport Basel—Miluse—Freiburg), TAAT made a tourist arrangement that included a visit to Mulhouse and Colmar, and it was the only travel agency in Niš City, Serbia, that made numerous tours to Lisbon via Bergamo. Then came tours to Berlin, Milan, and distant destinations with layovers.

[1-5] Payne, A. (2005). Handbook of CRM: Achieving Excellence in Customer Management. *Butterworth-Heinemann*: Oxford, Great Britain.

[6-10] Mugge, P., Abbu, H., Michaelis, T.L., Kwiatkowski, A. & Gudergan, G. (2020). Patterns of Digitization: A Practical Guide to Digital Transformation. Research-Technology Management. 63(2):27-35. https://doi.org/10.1080/08956308.2020.1707003

The business of TAAT is based on the concept of managing relations with consumers through the differentiation of services, in order to create tourist tours and arrangements according to the expectations of travelers. Special attention is paid to individual arrangements, where travelers have the option of choosing a date and destination, and the agency adjusts the arrangements according to the specific wishes of the travelers. TAAT focuses on a market niche of consumers close to the agency's business, an educated population whose lifestyle is travel; that is, on well-known individuals and organizations in the demand market, while for the needs of the supply market, it develops tourist tours and arrangements based on extensive desk and field research of destinations and networking with local partners in the destinations that are the subject of research. The business strategy of TAAT is focused on the differentiation of business services that will enable the planning of innovative, creative, and entertaining trips the offer of flights throughout Europe at optimal prices, and original tourist tours and arrangements in European destinations. TAAT services include Mediterranean cruises, holiday trips, rural, religious, mountain, and spa tourism, excursions, study visits, fairs, vacations, winter stays, airline tickets for all destinations, as well as insurance and currency exchange services. The promotional strategy of TAAT is not based on advertising but on the recommendations of users of travel agency services.

TAAT uses the following methods for advertising and selling services: the organization of prize games; competition organization; website; social network; Google advertising; SEO (search engine optimization); and optimization of web pages and content in order to improve the ranking in search results and increase the visibility of the company on the Internet; giving away services; recommendations; networking; television advertising; radio commercials; printed advertisements (such as magazines, newspapers, leaflets); billboards; charitable purposes or sponsorships; loyalty programs; Public relation (PR) activities (announcements, events); building a customer base; product discount; distribution of promotional materials (brochures, leaflets); sales through distribution channels: stores, online sales, franchises, distributors, etc.; brand.

TAAT is the holder of several prestigious awards for its contribution to the development of tourism, such as the "Champion of Tourism" from 2013 to the present day, and the "Golden Plaque" for its contribution to the development of tourism and the "Golden Amphora" for the development and affirmation of tourism in Serbia. TAAT's development and growth are based on a moral, ethical, emotional, and humane approach to business concerning changes in the turbulent global market and following modern trends in tourism. The Director of TAAT is the holder of numerous prestigious national awards such as: "Lady of the Year", "Strong Woman", "Woman in Business", "First Woman in Tourism of Serbia", and "Best Woman in Tourism", which unequivocally contributes to good positioning in many ways. TA, building the image of the business in the Balkan Region and Europe, promotion, internationalization of business, and networking. The management of TAAT believes that emotions are the most important in business, so relationships with clients must be built with love and respect, which results in building trust and long-term cooperation.

TAAT continuously improves by following seminars and attending trainings, as well as by participating in fairs and exhibitions as an exhibitor and very often as a visitor, such as EXPO in Dubai and similar events in the country and Europe. TAAT records good cooperation with business member organizations such as the Serbian Chamber of Commerce and is a member of the National Association of Travel Agencies YUTA Belgrade and the International Air Transport Association (IATA) Montreal. TAAT works on the education of personnel in the field of air ticket sales and introduction to new destinations. TAAT has OTP license A 202/2021 for the organization of travel using the AMADEUS reservation system. An OTP license, short for "Open Technology and Patents", is a type of software licensing that allows access to the source code of software and encourages the free flow of information and the exchange of ideas. TAAT provides one-stop access to all low-cost airlines (Wizz Air, Easy Jet, Ryanair, Norwegian, Wings and others).

The business brand of TAAT is airline tickets and travel arrangements with air transportation. The one-year business goals of TAAT are to increase the number of reservations, improve client satisfaction, diversify services, and increase participation on online travel platforms. The five-year business goals of TAAT are the promotion of receptive tourism the tourist accommodation facility "Villa Nikolaj" owned by the agency, and the development of congress tourism. Following the mid-term goals of the business, TAAT wants to attract customers who appreciate a high level of service, have an interest in different destinations and activities, to expand cooperation with companies, corporations, and professional organizations.

The Value Creation Process (Payne, 2005) of the TAAT

The general services of TAAT include the issuance of airline tickets, the sale of tourist packages, and the formation of individual trips according to the wishes of travelers. Customer suggestions/complaints are in the domain of changing the travel time and place of departure. Due to the application of digital marketing in business, TAAT expects an increase in customer inquiries in the future.

The Multi-Channel Integration Process (Payne, 2005) of the TAAT

TAAT reaches customers through advertising through social networks and personal recommendations, while customers come to TAAT by recommendation and as loyal users of the agency's services. The negative customer experience related to TAAT business refers to dissatisfaction due to changes that the agency cannot influence, while the positive customer experience refers to the experience, professionalism, education, responsiveness, and kindness of the agency staff. The exceptional user experience that TAAT can provide at an affordable price can be described as offering the most convenient hotel accommodation booking opportunity due to access to search engines and hotel companies.

The Information Management Process (Payne, 2005) of the TAAT

TAAT collects information about the wishes and needs of customers by monitoring the market and using an innovative approach to creating offers so that it is one step ahead of the competition. They generate customer information into a database with passenger contacts. Due to the need for passengers to take longer vacations instead of shorter vacations, TAAT will work on improving the passenger database in such a way that it can efficiently and effectively create individual trips.

The Performance Assessment Process (Payne, 2005) of the TAAT

The annual profit growth was influenced by continuous monitoring of trends in the global market, increasing the number of destinations on offer, improving the marketing strategy, reducing business costs, and investing in the development of the agency's business. During the period of the global COVID-19 pandemic, the agency experienced a drop in profits. TAAT operates by international standards ISO 9001 and ISO 14001, which ensures a high level of service quality and care for the environment. In its business, the agency uses the "File Maker" software for creating contracts with clients and the Amadeus system for booking and purchasing airline tickets. The results of the business are monitored through Key Performance Indicators (KPIs) such as growth rate, gross profit rate, website traffic, and paid digital marketing, while they will improve the business in the future by expanding the offer to new destinations, digital marketing, investing in staff training, and creating a "tailor-made" offer for passengers.

The Business Digital Transformation Process (Mugge et al., 2020) of the TAAT

The most successful initial strategies for the digital transformation process of TAAT are Ecosystem Development and Digital Joint Venture (competence in). Ecosystem Development Strategy is a strategy for creating your ecosystem of key partners (suppliers, customers, and partner organizations) (Mugge et al., 2020). The goal of this strategy is to generate a unique, state-of-the-art digitization of the value chain of key partners (suppliers, customers, and partner organizations) in order to reduce costs or improve the agency's flexibility. Digital Joint Venture (competence in) Strategy is a strategy of creating a complementary partnership (a partnership that complements) with other businesses in order to integrate competencies for the digital transformation process that are not available in the agency (Mugge et al., 2020).

Successful initial strategies for the digital transformation process of TAAT are Digital Spin-off (inside out) and Internal Digital Hub (inside in). Digital Spin-off (inside out) Strategy is the strategy of developing new digital products, smart services, or business models that help in the digital transformation of the company (Mugge et al, 2020). The focus of the strategy is on the internal capacities and technological resources of the agency to create innovative digital services that will attract customers. Internal Digital Hub (inside in) Strategy is the strategy of creating a new department or workplace in an agency that is capable of making decisions in coordination with management (Mugge et al., 2020). The goals of this department/job are to create a platform to connect people from cross-functional areas of the agency to explore digitalization opportunities and improve employee satisfaction and thus their productivity, freeing the organization to focus on its core competencies.

TAAT has no experience with the initial strategies of Merger & Acquisition (outside in), Internal Evolution (inolution), and Internal Strategic Transformation. Merger & Acquisition (outside in) Strategy is the strategy of acquiring or merging a company with another company that has key resources (knowledge, technique, technology, partnerships/networks) to facilitate the digital transformation process (Mugge et al., 2020). This strategy involves conducting business according to customer needs, market trends, and competition. Internal Evolution (inolution) Strategy is a strategy of digital transformation without changes (or with slight changes) in the structure, processes, and business system of the company. Internal Strategic Transformation Strategy is a digital transformation strategy as a result of a strategic initiative of the company's management (Mugge et al., 2020). These changes lead to disruptions in the existing organization and company processes, and the implementation of this strategy requires precise instructions and dedicated management.

The Design Philosophies (Mugge et al., 2020) of the TAAT

Product, service, process, or business model design philosophies are formal (structures, information, processes, decisions) and informal (mind-sets, networks, commitments, norms) guidelines on how new products, services, processes, or business models are developed and evolved in the enterprise (Mugge et al., 2020). TAAT devotes 100% of its time to the systematic development of parts of the business model and their monitoring, the application of agile principles in project management by communicating progress and obstacles openly and promptly to all project members, respecting the ideas of employees and creating an environment for the development of the best ideas in the agency's new business opportunities, and encouraging innovation (Milojković and Milojković, 2023). TAAT devotes 75% of its time to developing services by creating prototypes that test with passengers and partners and learn from, the results of projects that are iterative and in short sequences, which entails a quick response to the requests of passengers, the exchange of ideas with customers, suppliers and business partners in order to generate new ideas for services, and operational activities and business control. TAAT devotes 50% of its time to developing ad-hoc ideas of interactive teams for new services according to the perspective of travelers.

The Digital Leadership (Mugge et al., 2020) of the TAAT

Digital leadership is the style and behavior of how leaders use charisma, inspirational motivation, intellectual stimulation, and technologies to promote the digital transformation process (Mugge et al., 2020). TAAT leaders devote 100% of their time to entrepreneurial thinking and actively promote that mind-set to employees, promote a "Fail fast" culture that helps employees learn from the mistakes of other businesses, and collaborate with colleagues from different functional areas in business. TAAT leaders devote 75% of their time to the expert application of digital technologies and act as promoters of the digital transformation process. TAAT leaders spend 50% of their time making decisions based on facts and analytics and rarely based on intuition or experience.

The Communication (Mugge et al., 2020) of the TAAT

TAAT communication is 100% transparent and goal-oriented in the agency, and employees consult each other regardless of position and function in the agency. TAAT 75% of the time uses modern communication technologies in the agency such as social networks, internal blogs, and podcasts.

The Characteristics of Business (Mugge et al., 2020) of the TAAT

TAAT regularly monitors and shares information with employees about key market trends (political, economic, social, technological, environmental, and legal). TAAT has a market strategy that includes the acquisition or development of new digital capabilities, which the agency's employees are familiar with. The agency's KPIs are linked to the achievement of digital capabilities and the agency actively invests in training employees in the field of digital transformation.

5. Conclusion

Travel agencies born out of love for travel and tourism reflect the emotional basis of business through the agency's vision and mission. The development and growth of agency business in developing countries have mostly a combined agency character, emissive and receptive, with continuous expansion into new business areas and growth in the number of agency employees. They achieve success in the market by differentiating their services by adjusting tourist tours and arrangements according to the specific wishes of travelers. Travel agencies in developing countries use different methods of advertising and promotion, focusing primarily on user recommendations, internet marketing, contests, and other strategies to attract new customers. Prestigious awards for contribution to the development of tourism, apart from marketing advantages, confirm their quality and contribution to the tourism industry. Competitiveness and innovativeness of business are achieved through education and participation in fairs and exhibitions. The business goals of travel agencies in developing countries are predominantly short- and medium-term and relate to increasing the number of reservations, improving client satisfaction, and diversifying services. The basic identity and brand of travel agencies in developing countries are built on key aspects of business, which in the case of TAAT are airline tickets and travel arrangements with air transportation. A clear vision and strategy for the development of travel agencies contribute to the stability and success of the business of travel agencies.

Travel agencies in developing countries successfully create value through the provision of personalized services, active problem-solving, and customer engagement through digital marketing and various communication channels. The strategy of travel agencies in developing countries is to use modern technologies to promote and attract new clients. The key focus is on providing an outstanding user experience, which is a key factor in attracting and retaining customers. Negative customer experiences are often associated with changes beyond agencies' control, requiring effective problem-solving and customer communication to avoid misunderstandings

and dissatisfaction. The information management process in travel agencies in developing countries is crucial for providing personalized services and meeting customer needs. Market monitoring, effective passenger database management, and continuous improvement of information collection and analysis systems allow agencies to remain competitive and respond to the changing needs and preferences of their clients. Travel agencies of developing countries demonstrate engagement in monitoring performance, respecting business standards, and using modern technologies to ensure quality service. Their plans for the future indicate a strategy of continuous growth and improvement, which helps them remain competitive in the tourism market.

Digital transformation is a key factor for the long-term success of travel agencies in developing countries, and considering different digital transformation strategies can help agencies effectively manage change and achieve a competitive advantage in the tourism market. Tourism agencies in developing countries are already implementing initial strategies such as Ecosystem Development and Digital Joint Venture, which focus on creating partnerships and ecosystems to access key resources and competencies for digital transformation. Tourism agencies in developing countries are recommended to explore new strategies such as Digital Spin-off and Internal Digital Hub, which focus on developing the agency's internal capacities and technological resources to create innovative digital services and effectively coordinate internal transformation. Tourism agencies in developing countries generally lack strategies such as Merger & Acquisition, Internal Evolution, and Internal Strategic Transformation, which can contribute to the diversity of digitalization approaches and provide new opportunities for growth and development.

Travel agencies of developing countries demonstrate a strong commitment to the development and improvement of their products and services through systematic development and agile approach, prototype testing, and iterative approach, as well as through the development of ad-hoc ideas of interactive teams. These design philosophies allow agencies to remain flexible, innovative, and competitive in the travel market. The communication of travel agencies in developing countries stands out for its transparency and goal orientation, which contributes to strengthening internal relations, increasing productivity and business efficiency, as well as improving the quality of services provided to clients.

The focus of travel agencies in developing countries is on monitoring market trends, market strategy focused on digital capabilities, and investments in personnel education, analysing these characteristics, in order to remain competitive and efficient in the tourism market. The authors recommend the digital transformation of travel agencies in developing countries through online booking of travel, accommodation, airline tickets, excursions, and other services through their websites or mobile applications; process automation by implementing software solutions for processing reservations, issuing vouchers, and invoices, inventory management and the like; personalization of the offer based on the analysis of customer data; online marketing and sales using social networks, digital advertising and other online channels; as well as through virtual tours of destinations or interactive presentations of hotels and attractions. By digitizing the operations of travel agencies, many achieve more efficient operations, better user experience, and greater competitiveness in the market.

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