

# Evolving Roles of Travel Agencies: Functional Analysis from Maharashtra Survey

Nishant Sureshkumar Sutare<sup>1</sup>, Dr. Harshada Rajeev Satghare<sup>2</sup>

<sup>1</sup>Research Scholar, Department of Travel and Tourism, Vishwakarma University, Pune, Maharashtra, India

<sup>2</sup>Ph.D Supervisor and Assistant Professor, Department of Travel and Tourism, Vishwakarma University, Pune, Maharashtra, India.

## Abstract

Travel agencies are still the key players in tourism distribution although online travel agencies and direct booking systems are developing at a high rate (Buhalis and Licata, 2002; Kracht and Wang, 2010). This paper analyses the current functional profile of the travel agencies in Maharashtra, India and offers a functional definition of the agencies that currently gives the changing functional profile of the travel agencies and service agencies. The survey was a descriptive survey of 70 travel agency professionals based on the use of a structured questionnaire that captures the organisational characteristics and functional activities. The prevalence of various functions was summarised using descriptive statistics and the responses of qualitative nature were clustered into themes. The results show that the agencies also undertake a wide range of other activities other than the traditional ticketing where agencies and tourism organizations are now involved in itinerary planning, tour packaging, advisory services, documentation support, multi-component booking coordination and customer relationship management (Bhatia, 2012; Cooper et al., 2008). These findings are discussed according to the literature on tourism distribution and service-dominant logic, and the new definition of the operational meaning of the travel agency is a value co-creating professional service organisation (Vargo and Lusch, 2008). The research provides contextual data of a key Indian state and gives implications to the practitioners, educators and policymakers interested in the future of travel intermediaries (Dolnicar and Laesser, 2007).

**Keywords:** travel agents, Functions, Tourism intermediaries, Operational definition, Maharashtra, India.

## 1. Introduction

It is a well-known fact that tourism is one of the sources of economic development, job creation and competition on the regional level and a complicated web of relationships between a tourist and a destination and a supplier (Dwyer et al., 2012). The travel agencies traditionally operated as retailers who sold and booked travel services (transport, accommodation and tours) as intermediaries and took commissions to make the travellers life easier (Bhatia, 2012). The traditional definitions were focused on the main operations such as ticketing, reservations, tour packaging and provision of simple details concerning destinations, transport and accommodation (Holloway et al., 2009).

Internet technologies, international distribution systems and on-line travel agents have revolutionized the distribution of tourism as now travellers have the ability to search, compare, and book travel elements on their own (Buhalis and Law, 2008). These changes have sparked discussions about disintermediation,

with critics forecasting the demise of old-fashioned travel agencies, and others noting that the concept of reintermediation is possible through new value-added services (Buhalis and Foerste, 2015). Empirical research suggests increasingly that a large number of agencies have been evolving by developing advisory services, and specialising in tailored itineraries and risk and complexity management on behalf of clients instead of issuing tickets (Guttentag, 2015).

The travel agencies still have a significant role in India and especially in intricate itineraries, group tours and those segments that trust in individualised advice and provisions in documentation (Bhatia, 2012). Maharashtra is among the top tourism and business destinations in India, and the travel market is vast and varied and covered by a number of agencies and tour operators (Prof. A. Balasubramanian, 2017). Nonetheless, there is very little modern empirical data on what these agencies are in reality actually doing, how their activities are associated with the new theoretical perspectives (Kracht and Wang, 2010). The numerous definitions that are widely used continue to depict travel agencies as mere reservation makers and ticket issuers when their current scope of services may be more extensive (Lickorish and Jenkins, 2007).

The gap presented in this paper is the analysis of the functional profile of travel agencies in Maharashtra using primary data collected among professionals in the industry. The former aims to determine the scope of functions that are currently being undertaken, both traditional and emergent ones. The second goal is to generalize these results as far as the existing body of knowledge related to the concepts of travel intermediaries and service-dominant logic to come up with an operationally defined concept of the travel agency (Vargo & Lusch, 2008).

## **2. Literature Review**

### **2.1 Travel agencies and the conventional functions.**

The travel agencies are often characterized as companies that are highly informed on the tourism products as well as those that market travel related services directly to the customers on behalf of the suppliers (Bhatia, 2012). Classical definitions give an emphasis on that the retail travel agencies quote fares, do the booking, issue tickets, arrange accommodation, give the travel insurance, and coordinate the foreign exchange and other secondary services (Holloway et al., 2009).

According to traditional literature, there are travel agents and tour operators (Cooper et al., 2008). Retail agents in the travel market sell products directly to the consumer, and tour operators combine conveyance, lodging and attractions in a packaged excursion, which can be ventured by agents or sold directly to clients (Middleton et al., 2021).

### **2.2 Development within the ICT and web-based platforms.**

Tourism distribution has radically changed with the growth of information and communication technologies (Buhalis and Law, 2008). Travellers can access a wide range of information online through online travel agencies, meta-search engines and supplier websites, and make direct flight, hotel and ancillary service reservations (Gossling, 2021).

Nevertheless, the literature indicates that the changes will be more subtle and intermediaries will not vanish but evolve (Buhalis and Foerste, 2015). Numerous travel agencies have been integrating online tools and still cater to segments that prefer personal advice, security and help in sorting through the complicated choices (Femenia-Serra & Gretzel, 2020).

### **2.3 Current roles of modern day travel agents.**

The current literature outlines an expanded functional portfolio of travel agencies in comparison with the

definitions used in the past (Dolnicar & Laesser, 2007). Other than ticketing and reservations, the agencies focus on destination research, itinerary planning, tour packaging, and visa and documentation support, risk management, problem-solving during trips and long-term relationship development with clients (Kattiyapornpong and Miller, 2013).

**2.4 Value co-creation and service-dominant logic.**

The service dominant logic provides a theoretical perspective to the evolving roles of travel intermediaries (Vargo and Lusch, 2008). According to this view, value is not inherent in products and provided to customers but rather co-constructed during service system exchanges between providers, customers and other interested parties (Vargo & Lusch, 2016).

**3. Methodology**

The research study followed a descriptive and cross-sectional survey design that is appropriate to record the existing practices and functions. The target population were the travel agencies that were based in Maharashtra. The sampling method was non-probability due to the fact that no extensive sampling frame existed and the main objective was the exploratory.

The structured questionnaire was conducted online and used to collect data. The tool included organizational profile, functional activities and perception of contemporary practices of professional work sections. Itinerary planning, tour packaging, ticketing and reservation, documentation services, information and advisory services, multi-component booking and customer relationship management coordination were considered as a functional feature.

The agency owners, managers and senior staff replied to 70 usable responses. Descriptive statistics were used to analyze quantitative data. Narrative analysis is done for the open-ended questions .

**4. Results**

**4.1 Functional activities**

Function	Frequency	% Performing
Itinerary Planning	64	91.4%
Advisory & Information Services	67	95.7%
Tour Packaging	59	84.3%
Documentation Assistance	62	88.6%
Multi-component Booking	57	81.4%
Customer Relationship Mgmt	55	78.6%
Professional Updating	52	74.3%

**Table 1: The functional activities undertaken by the agencies (N=70).**

The travel agencies in Maharashtra have a broad scope of performing their functions which is not narrowed to the conventional ticketing and reservations. A big percentage said they were engaged in itinerary planning and customization. There was also a lot of tour packaging whereby transport, accommodation, sightseeing and other ancillary services are put together into coherent trip products.

Advisory and information services were almost universal. Another almost-universal reported duty was documentation help. The agencies also did the bookings with more than one supplier. Customer relationship management became the field of activity.

**4.2 Attitudes towards modern practices.**

Response Category	Frequency	%	Valid %	Cumulative %
Strongly Disagree	3	4.3	4.3	4.3
Disagree	16	22.9	22.9	27.1
Neutral	15	21.4	21.4	48.6
Agree	25	35.7	35.7	84.3
Strongly Agree	11	15.7	15.7	100.0
<b>Total</b>	<b>70</b>	<b>100</b>	<b>100</b>	—

**Table 2: The adoption of the modern professional practices (N=70).**

Most of the agencies feel that they have modernized their operations. The mixed distribution represents a skewed adaptation.

**Discussion**

These results prove that travel agencies are not mere transactional intermediaries but are becoming full service organizations. Its development of itinerary planning, tour packages, and the advisory services are consistent with the principles of service-dominant logic. The classical definitions that have been used seem to be incomplete as compared to the current practices. Practical evidence points at some other aspects such as documentation support and multi-component coordination. The adoption is still not even because of structural differences between the agencies.

**Operational Definition**

A travel agency is a professional body, which deals with Itinerary design, selling tours, attending to customer inquiries, giving all-inclusive travel details as well as booking flights, train tickets and accommodation. Travel agencies also help in travel documentation and also attend business events to be aware of the trends and opportunities in the industry.

**Conclusion**

The paper has discussed the modern role of travel agencies in Maharashtra. Analysis reveals that these agencies engage in diverse activities, positioning them as value co-creating service organizations. Practitioners should prioritize investments in advisory capabilities to strengthen operations. Future studies could compare functional profiles across regions for deeper insights.

**References**

1. Bhatia, A. K. (2012). *Tourism development: Principles and practices*. Sterling Publishers.
2. Buhalis, D., & Foerste, M. (2015). SoCoMo marketing for travel and tourism. *Journal of Destination Marketing & Management*, 4(3), 151–161. <https://doi.org/10.1016/j.jdmm.2015.07.001>
3. Buhalis, D., & Law, R. (2008). Progress in information technology and tourism management. *Tourism Management*, 29(4), 609–623. <https://doi.org/10.1016/j.tourman.2008.01.005>
4. Buhalis, D., & Licata, M. C. (2002). The future eTourism intermediaries. *Tourism Management*, 23(3), 207–220. [https://doi.org/10.1016/S0261-5177\(01\)00085-1](https://doi.org/10.1016/S0261-5177(01)00085-1)
5. Buhalis, D., & O'Connor, P. (2005). Information communication technology revolutionizing tourism. *Tourism Recreation Research*, 30(3), 7–16.

6. Cohen, E., & Cohen, S. A. (2019). New directions in the sociology of tourism. *Current Issues in Tourism*, 22(2), 153–172. <https://doi.org/10.1080/13683500.2018.1525381>
7. Cooper, C., Fletcher, J., Fyall, A., Gilbert, D., & Wanhill, S. (2008). *Tourism: Principles and practice* (4th ed.). Pearson Education.
8. Creswell, J. W., & Plano Clark, V. L. (2018). *Designing and conducting mixed methods research* (3rd ed.). SAGE Publications.
9. Dolnicar, S. (2018). *Market segmentation analysis in tourism*. Springer.
10. Dolnicar, S., & Laesser, C. (2007). Travel agency marketing strategy. *Tourism Review*, 62(1), 4–14. <https://doi.org/10.1108/16605370780000375>
11. Dwyer, L., Forsyth, P., & Dwyer, W. (2012). *Tourism economics and policy*. Channel View Publications.
12. Femenia-Serra, F., & Gretzel, U. (2020). Influences of smart tourism technologies. *Journal of Travel Research*, 59(2), 1–17. <https://doi.org/10.1177/0047287519877203>
13. Gössling, S. (2021). Tourism, technology and sustainability. *Journal of Sustainable Tourism*, 29(5), 735–756. <https://doi.org/10.1080/09669582.2020.1800718>
14. Gretzel, U., Sigala, M., Xiang, Z., & Koo, C. (2015). Smart tourism: Foundations and developments. *Electronic Markets*, 25(3), 179–188. <https://doi.org/10.1007/s12525-015-0196-8>
15. Guttentag, D. (2015). Airbnb: Disruptive innovation. *Current Issues in Tourism*, 18(12), 1192–1217. <https://doi.org/10.1080/13683500.2013.827159>
16. Holloway, J. C., Humphreys, C., & Davidson, R. (2009). *The business of tourism* (8th ed.). Pearson Education.
17. Hudson, S., & Thal, K. (2013). The impact of social media. *Journal of Travel & Tourism Marketing*, 30(1–2), 156–160.
18. Inkson, C., & Minnaert, L. (2018). *Tourism management: An introduction*. SAGE Publications.
19. Jennings, G. (2010). *Tourism research* (2nd ed.). Wiley.
20. Kattiyapornpong, U., & Miller, K. E. (2013). Trust, satisfaction and loyalty. *Journal of Vacation Marketing*, 19(3), 229–245.
21. Kracht, J., & Wang, Y. (2010). Examining the tourism distribution channel. *Tourism Management*, 31(5), 736–745. <https://doi.org/10.1016/j.tourman.2009.08.005>
22. Lickorish, L. J., & Jenkins, C. L. (2007). *An introduction to tourism*. Butterworth-Heinemann.
23. Middleton, V. T. C., Fyall, A., Morgan, M., & Ranchhod, A. (2021). *Marketing in travel and tourism* (5th ed.). Routledge.
24. Prof. A. Balasubramanian. (2017). Maharashtra – At a glance. <https://doi.org/10.13140/RG.2.2.23150.31047>
25. Vargo, S. L., & Lusch, R. F. (2008). Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science*, 36(1), 1–10.
26. Vargo, S. L., & Lusch, R. F. (2016). Institutions and axioms: An extension and update of service-dominant logic. *Journal of the Academy of Marketing Science*, 44(1), 5–23.