

# Customer preference for thomas cook



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## 1. FINDINGS & DISCUSSIONS

- Customer awareness, taken as a dependent variable and customer preference towards Thomas Cook taken as the independent variable, showed that the former has no significant impact on the latter (as described in the analysis of the first hypothesis where the null hypothesis was accepted and the alternate hypothesis was rejected). Therefore, it can be concluded from the first hypothesis that customer awareness does have a significant impact on customers' preference towards Thomas Cook. This can be attributed to a variety of reasons, none of them conclusive however, with the lack of further research on the subject.

Keeping in mind that the sample respondents reside mainly in Bangalore, it is possible that despite customers being aware that Thomas Cook is a travel management company, they do not prefer it because in Bangalore it does not provide good or satisfactory service. Customers may be unhappy or dissatisfied with the services that are provided by the Thomas Cook branches in Bangalore. Here again it cannot be said that Thomas Cook does not provide good service overall because it is still one of the top travel management companies in the world.

Another possibility as to why customers do not prefer Thomas Cook despite being aware of the services can be the price factor. Thomas Cook provides its services at a premium price and customers might see this as too expensive and/or not worth the price that they have been asked for the service. In a country like India where disposable income is not an abundant resource that companies can exploit, it becomes difficult to market a

premium service that the customers can easily look upon as an unnecessary luxury. Services such as premium tourism services may not appeal to the common man.

Another possible reason for this is that the sample customers, a majority of whom do travel via a travel agency at least some of the time, are already satisfied with the travel agency they currently employ and find no reason thereof to shift to another agency despite knowing that another agency exists which perhaps provides slightly better services. These consumers are “set in their ways” so to speak and are happy with the current agency of their preference. They find no good enough reason to shift to Thomas Cook for their travel needs.

- Thomas Cook offers a variety of value added services. The specific value added services that were taken in this study are:
  - Inbound and outbound travel reservations
  - Foreign Exchange
  - Travel insurance
  - Travel packages
  - Visa and passport services
  - Reservations for car and hotel
  - Foreign Exchange

These services combine the core functions and services that Thomas Cook offers with added value to give them a uniqueness. This research found that there is a significant difference in these services and that consumers, when asked to rate these services, have a variety of views of these services, that

is to say, the services that are provided for foreign exchange are of different quality than those that are offered for travel packages or travel insurance.

It was found in this research that most of the sample do use Thomas Cook for their foreign exchange services and these were rated the best. Indeed, the foreign exchange services of Thomas Cook have been rated to be amongst the best in the world, and in fact, most people identify Thomas Cook only for their foreign exchange services and not their travel packages, which is in fact the company's core business.

It is shown in the hypothesis that the various services of Thomas Cook vary in quality, as per the respondents view.

- In the third hypothesis, it was found that there is a significant difference in customers' preferences with respect to customers' awareness about travel agencies. In other words, it is apparent that despite their knowledge about many travel agencies and their services, there is still a lot of variations in what the customers prefer to choose as the travel agency for their travel needs. This shows that customers have their own reasons to choose a specific travel agency and awareness of the services is not the only factor that they take into consideration.

Customer preference for an agency is not a factor that can be easily studied or examined. For each customer, the deciding factor is different, and for each factor of customer preference that is taken, there is another that is left out. Studying customer psychology is an in depth with infinite variables that

need to be considered, and it still may not be accurate due to the fact that human nature itself is unpredictable.

- The fourth hypothesis showed that there is no significant relation between the nature of the travel and the agency preference that a customer has. Here, the null hypothesis was accepted and the alternative hypothesis was rejected. This shows that whether a customer needs to travel for business or wants to travel for leisure does not determine the choice of travel management company that the customer makes. There can be a variety of other reasons that can be deduced to find out what other things may determine the customers' choice of travel management company. Again, none of these are conclusive and need to be looked into with further research on the topic.

Social status is one factor that is likely to have a significant relationship to agency preference. The higher up a customer is on the social ladder, the more premium will be the nature of his agency preference. When customers can afford something they have a tendency to show that they can afford it by very publicly using that product or service. This is human nature, and very likely to have an impact on agency preference.

Affordability is a very important factor that needs to be considered in terms of preference for an agency. A premium agency may be unattainable by those who cannot afford its services no matter how much they may be aware of it, or no matter what the nature of their travel may be. Affordability and purchasing power of the customer are likely to have a strong relationship with the travel agency that they prefer. Expense is always an important

factor that needs to be considered when measuring or trying to ascertain customer preference. Expense was not a factor that was given enough significance in this study.

Social sentiments also need to be considered when looking into the customer preference towards any product or service. Certain customers from India may not choose Thomas Cook because despite its being registered in India as Thomas Cook (India) Limited and is now owned by Fairfax (Canada), its name is Thomas Cook, and was originally a company from England. On the other hand, certain customers may choose it for exactly that reason. There are a variety of social sentiments that have a strong relationship with and impact on customer preference towards an agency. They should not be disregarded if the company intends to survive in the environment.

- It is apparent from the research (hypothesis 5) that customers' preference towards an agency and the value added service that they prefer have a strong relationship. This relationship can be easily envisioned. Customers will do their research on which travel agency provides which services and which value added services. With the advent of the internet, there is an enormous amount of information available to the customers at their fingertips and in this day and age customers are not easily fooled or misled. Customers will accordingly filter travel agencies according to the service that appeal to them and ultimately choose the one that best suits their needs. This will become the agency that they prefer and use for all their various travel needs.

Hence, preference of travel agency and the value added services that they prefer have a strong, unmistakable relationship, which marketers can soon look to exploit.

- The sixth hypothesis works to find out whether or not there is any difference between the value added services and those services which offer mainly the core functions. Here the null hypothesis was rejected and the alternative hypothesis was accepted. Therefore a conclusion can be made that there is a significant difference between the satisfaction levels of the services that are offered by Thomas Cook that is, value added and non-value added.

On further inspection of the analysis and the questionnaire it is abundantly clear that the value added services are much more profitable, than other services, in the sense that the customers of Thomas Cook are much more satisfied with these services and perhaps don't mind paying a bit more for these services than the others.

- The seventh hypothesis finds that there is a significant difference in the customer preference with regards to the services that are offered by an agency. This means that customers prefer certain services provided by certain agencies and there is not necessarily any one agency which provides all the services that the customers prefer. Even in the agency that they prefer, the satisfaction levels of various services provided and the customers' preference towards those services are not uniform throughout but vary.

One service provided by one agency may good and another service may be better in another agency. Therefore, most of the sample respondents use more than one travel agency for their travel needs instead of sticking to one

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