

The advantages and disadvantages of having internet site essay



Skies Travel Agency wants to expand business by going online. The company has the strength of good reputation by word of mouth within Bristol where it presently serves its customers but may the weakness of limited market without the benefit of greater source of customers under its present situation. Opportunities for expansion could come from reaching more customers by increasing its provision of service and advertising a result of still great number of people making their travel not only within UK but around the globe. The most visible threat that company faces is the competition in the industry such as that of Thomas Cook and the so called disintermediation of certain services because of easy access to airlines to customers via the Internet (Andal-Ancion et.

al, 2003; Marian, 2002). This paper therefore seeks to discuss the advantages and disadvantages of having a website for Skies Travel Agency with the immediate purpose of allowing customers to book and pay for travel arrangements via the internet. 2. Discussion 2. 1 The advantages of going online First, going online will extend the company's reach to more customers and would promote better communication to other stakeholders.

The company's website will contain a collection of pages known as web pages which will consist of images, videos, text contents and other information that may not only serve the intended purpose of allowing customers to make booking online and pay accordingly. It could also be a way to advertise the company and even would allow the company to transact with its other stakeholders like creditors, employees and stockholders. Websites are known to be useful and even strategic because of the edge or advantage that could be had over competitors. Case facts say <https://assignbuster.com/the-advantages-and-disadvantages-of-having-internet-site-essay/>

that the company's staff is used to face to face communication and bookings taken on the company premises or via the telephone and that faxes and e-mail are often used to confirm arrangements. This present practice limits the company's chance for more customers. It could not indefinitely rely through word of mouth and good reputation within Bristol; it has to think of the bigger world out there.

The thinking of the managing director that it will be difficult to compete with the resources that big agency like Thomas Cook can put into web-based service is without basis because it does not cost much to have and maintain a website. Many companies from different industries have gone online and more are still going online. Companies from banking, shipping, educational institutions, retail business are now online and not having one would be a great disadvantage that could cause one company to get out of business on the simple ground of not responding to changing conditions of the environment. By having a website, the Skies Travel Agency, as a part of the extended retail industry, will be able to make known its services and products available online for those who would like to view these products and services first before deciding to buy. This in effect makes it disastrous to have no website when competitors have the same since competitors would have more chances of giving the options to customers. Because of the ease of access to Internet , customers or clients of the world have become more choosy and failing to respond with the need of the times could really be an outmoded way of doing business and could very dangerous.

A company which has no website now may even be thought of not existing at all in the commercial world. Second, having a website will afford

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accessibility to Skies Travel by allowing the company to be available for contact by customer 24 hours a day and seven days a week (Sweeney, 2006). Instead of having customers to fax or call the phone when customer are far or can not use the same, they could do the booking and payment online. As stated in the case facts, the company's customers could be outside Bristol and this could include people around the world who may in one way or the other can transact business with the company.

Online booking and online payment are possible to happen for travellers around the world, as done for other companies in the industry. At the present state of technology, payments via online could be done by debit or credit card system and other electronic payment systems. The decision would therefore be opening up the business to bigger number of customers. There could be no more profitable than having an unlimited number of customers simply because customers from the bigger world can avail of the company's services. Third, having a website will promote better relations with customers by allowing customers to ask questions online and in response the company could answer to these inquiries (Brown, 2006).

There is no substitute to living the customer informed so that they could readily make decision to avail of the services of Skies Travel Agency. Not having a website will not allow the company to provide support for existing customers who normally may want to have the need after office hours. No company is ready to lose customers unless it wants to lose money. Thus having the needed website will prevent this kind of situation to happen and would prevent these existing customer to go to competitors once they are discouraged.

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Having 24-hours and seven-days- a-week support to customers will therefore allow the company to reap big profits. There are chances that payment could be delayed in case of transaction across borders or countries in terms of effecting payments but the company could address the same by providing a frequently asked questions (FAQ) web page to answer commonly asked questions. Although the actual office hours would not be done 24 hours, providing support to customers for 24 hours is a practice being done to those going on line. Otherwise, it would amount to not making full use of the Internet capabilities. Fourth, a website for Skies Travel Agency will also provide helpful tips and information (Bishop, 1997) for the purpose of leading the customers to avail of company's services by posting updates on what the customer needs to know about their travel by possibly making a link its website to airlines to which is services are necessarily dependent or connected.

This would be advertising the airlines for which it could charge a fee or benefits directly because helping the customers to decide is in a way facilitating to close the sale of tickets. If the company has related subsidiaries or affiliates, links could also be properly made and this would have the effect of multiplying the benefits in terms of promotions for all of these companies represented in the site. There could also be other products and services for which the company may want the company to inform about and attract customers to buy. Fifth, a website for the company would promote trust for company by allowing the customers to have confidence on the company's existence and its capacity to respond to customers' requirements. This could only mean a sustainable business as long as

customers are aware that their needs are getting met and that company is willing and ready to serve. Sixth, this would mean less advertising cost while attempting to have global market.

Before the internet age, much of the great advertising is done via television and newspapers and not every company could have the chance the make its existence promoted because of exorbitant costs. But the Internet business needs not cost much now. It can be safely asserted that when one goes to online business, the company is virtually going global because the internet is accessible worldwide. Therefore the effect is not only global advertising but also global source of revenues. What will happen in reverse, instead of limiting itself by not going online, is for the company to put its own limitation possibly on what kind of countries it would want to have its customers could come from because of available linkages with the airlines that the company is presently dealing with and may be in terms of availability of the credit card system or payments systems in connection with the services it offers.

2. 2 The disadvantages of online business of Skies Travel Agency. The advantages have so far offered almost immeasurable benefits because of wide extent from which revenues could come from. Since things must be weighed in terms of cost-benefit analysis (Cavoukian and Hamilton, 2002), it is only proper to know what will it cost company by knowing the disadvantages of going online. The disadvantages of going online could be lumped into the costs of pursuing the strategy.

There could be maintenance costs associated with running the system such as those made in hosting, designing the web pages that will have to

displayed including the content of articles and the linkages with the other relevant sites, the manner of advertising. In terms of comparing these costs with benefits, it should be easy to accept that expected revenues would far outweigh the cost associated with providing the same to customers. 3.

Conclusion and Recommendation Based on the foregoing analysis and discussion of the advantages and disadvantages of having a internet site, the decision to branch out into online is now a necessity of the industry otherwise the company will not only lose the chance to grow but face the risk of losing its business as evidence by the disintermediation.

To prevent intermediation, the company could opt to establish strategic alliance with airlines. There is no question for the support of the management since directors are enthusiastic in running an online service alongside the existing one. Getting into global market could only mean better revenues and better profit if sustained and managed well. The only disadvantage that could be cited is the cost of setting up the site and the maintenance costs associated with running the system as discussed in the paper. In terms therefore of simple cost-benefit analysis, the cost of getting online is no match to the promise of global revenues and better profitability. Going online for Skies Travel agency is strongly recommended.

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