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Tour operators' marketing strategies and their impact on prices of sun and beach package holidays

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ABSTRACT

The aim of this article is to quantify the impact of tour operators' marketing strategies on the price of sun and beach package holidays. The published information of 15 tourist destinations in Spain, Turkey, Egypt, Malta, and Cyprus, was examined from a hedonic price perspective. The analysis included 5789 holiday packages advertised in the brochures of the most relevant European holiday groups – TUI and Thomas Cook. The variables were divided into: country and destination variables, specific accommodation variables, and tour operator variables. The results confirmed the impact of tour operators' variables on price through their brands, ownership of accommodations, specific segments they target, awards and incentives, promotional space, and pictorial elements in their brochures. Besides, some accommodation elements that have been under-researched: Wi-Fi, water parks, or independent awards, were also significant. Finally, significant differences were found among the analysed destinations. The study could be relevant for tour operators, accommodations and destinations alike, in order to improve their negotiation and promotion.

1. Introduction

Tour operators have emerged as one of the most powerful and influencing actors in the tourism industry (Alegre & Sard, 2017; Andriotis, 2003) given their knowledge of the target market (Falzon, 2012; Theuvsen, 2004), their influence on the direction of demand flows from the main source markets towards the tourist destinations (Karamustafa, 2000; Schwartz, Tapper, & Font, 2008), their marketing activities and their control over the distribution channels and air connectivity (Koutoulas, 2006). Tour operators exert a predominant role in fixing the prices in the tourism industry (Aguiló, Alegre, & Riera, 2001). This influence is particularly relevant in certain geographical regions such as Europe, where they have been the most important facilitators of international travel for the last five decades (Alegre & Sard, 2017; Koutoulas, Tsartas, Papatheodorou, & Prountzou, 2009).

The oligopoly exerted by tour operators in the mass tourism European industry resulted in a promoted offering marked by uniformity and standardisation (Bastakis, Buhalis, & Butler, 2004; Schwartz et al., 2008). Thus, both the destinations and the accommodations in the Mediterranean packages have been portrayed as homogeneous and interchangeable, given the similarities in the characteristics featured in the brochures (Kopper, 2009; Mangion, Durbarry, & Sinclair, 2005; Rewtrakunphaiboon & Oppewal, 2008). This has led to a strong price competition between them, and to the development of a dependency relationship with tour operators. Therefore, the success of destinations and their accommodations depends in many cases on being featured – and how they are represented – in the programs of foreign tour operators and their brochures (Andriotis, 2003; Kwek, Wang, & Weaver, 2014).

However, nowadays the distribution scenario and the tour operator industry is experimenting with some significant changes, such as the expansion of low cost airlines, the development of online travel agencies (OTAs), a rise in direct sale, the so called P2P, and the increasing number of independent travellers, all of which have resulted in more competitors in the market (Aguiar-Quintana, Moreno-Gil, & Picazo-Peral, 2016; Almeida and Moreno, 2017; Parra-López & Baum, 2004; Schwartz et al., 2008; Ye, Fu, & Law,

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2016). Thus, tour operators are facing this new scenario, reacting to the market, where their relevance is still undeniable (Alegre & Sard, 2017; Buckley, 2010). In this adaptation process, one of the priorities for tour operators has been the proper design of their price policy in order to boost their profit (Alegre & Sard, 2017); whereas another priority has been improving their marketing strategy, adapting it to the new preferences of European tourists and the new competitive scenario (Alegre & Sard, 2015).

The maturity stage reached by the market makes differentiation a suitable strategy to adapt to new customer needs and create value (Espinet, Saez, Coenders, & Fluvià, 2003; Alegre & Sard, 2015). In particular, the type of products and promotions has evolved greatly, moving from more standardised packages based on destinations, towards more individualised packages based on segments and lifestyles (Klemm & Parkinson, 2001).

Tour operators have developed and promoted their own brands in order to improve their margins, instead of highlighting the special characteristics of the destinations and their accommodation (Bastakis et al., 2004). These authors argue that tour operators have pushed enterprises to invest productively on their concepts and labels that generate mutually-beneficial synergies, despite the lack of evidence on the real impact of these investments on final prices. In addition, following the strategy of vertical integration developed by most European tourism groups (Batman & Soybali, 1999; Steinecke, 2010), tour operators have become shareholders or owners of hotels in the destinations where they operate, and have a greater interest in the survival of these establishments, prioritising their marketing through their own brands (Andriotis, 2003; Theuvsen, 2004).

In this context, whereas the influence of accommodation and destination variables on the package price has been extensively analysed by previous literature, this is not the case with the tour operator marketing variables. Thus, the purpose of this paper is to analyse how the prices of the packages are affected by some key tour operators' marketing variables (e.g., accommodation category given by the tour operator, awards and certifications issued by them, tour operator brands, segmenting labels, etc.). The results will allow tour operators a better understanding of their own promotional elements, and their impact on price; in turn, the accommodations and destinations also need to know which of the tour operators' promotional parameters has a greater effect on prices in order to establish an appropriate relationship with them.

2. Literature review

2.1. Tour operators' regional organisation and their conflicts in the distribution channel

Tour operators have a geographical organisation with diverse marketing strategies by regions. Thus, their marketing strategies may end up with different results depending on the destination promoted (Alegre & Sard, 2017). Despite the indisputable relevance and control of tour operators in mass tourism destinations, the literature on their marketing strategies and how they affect the industry is scant. In the same line, Roper et al.'s study (2005) on the marketing decisions made by European tour operators confirmed that the management of marketing strategies of the large tour operators is undertaken regionally. In addition, Karamustafa's study (2000) highlights that tour operators divided the Turkish coast into tourist areas based on their own commercial and brand strategies regarding their source markets, with important differences in destinations within the same country. This suggests the need to conduct a detailed analysis of the tour operators marketing strategies differentiated by destinations (Andergassen, Candela, & Figini, 2013).

Tour operators exert an oligopoly control in the market, reflected in their sales and marketing activities and the prices (Medina, Medina and García, 2003). Davies and Downward (2007) analysed the oligopoly behavior in the tour operating industry in the United Kingdom, resulting in a higher long-term profitability for these companies (Klemm & Parkinson, 2001). Tour operators use this oligopoly strategy to achieve competitive prices (Roper, Jensen, & Jegervatn, 2005). Their size, the oligopoly situation in the source markets and destinations, result in an uncontested power advantage for tour operators in the European tourism market (Bastakis et al., 2004; Guo & He, 2012; Sigala, 2008).

Tour operators are in a privileged position in many destinations, managing the supply-demand gap according to their own interests (Alegre & Sard, 2015; Falzon, 2012). Tour operators have a strong control over the market through directing tourist flows (Schwartz et al., 2008), affecting the destination's visibility in its main source markets (Alao & Batabyal, 2013). Tour operators also control a large part of the tourist experience given their volume, their influence in the image creation process, and their negotiation power with the different agents in the destinations (Falzon, 2012; Io, 2016). This has led to an increase in the problems of cooperation between hoteliers and tour operators in destinations in the Mediterranean and Southern Europe (Tom Dieck, Fountoulaki, & Jung, 2018; Koutoulas, 2006).

The traditional conflict in the distribution channel between hoteliers and tour operators is obvious (Guo & He, 2012; Lu, Yang, & Yuksel, 2015). This price conflict between tour operators and the rest of the stakeholders has been studied in some destinations such as Greece (Andriotis, 2003; Buhalis, 2000), Turkey (Karamustafa, 2000) and Spain (Alegre & Sard, 2017). However, OTAs are playing a growing predominant role, changing the tourism distribution channels' model. This situation makes it more necessary to analyse the impact in the market of the new marketing strategies developed by tour operators to face this new scenario (Tom Dieck et al., 2018). Both tour operator marketing strategies (new brands, segmentation strategies, labels, etc.), and the price management, are deeply influenced by the OTAs and the new distribution ecosystem (Fountoulaki, Leue, & Jung, 2015; Ling, Dong, Guo, & Liang, 2015). Recent literature has paid more attention to the effect of OTAs on pricing strategies of tour operators, where tour operators are struggling to keep their leader strategy, and trying to implement new marketing activities (Long & Shi, 2017).

It can be concluded that most of the previous research has focused on one single destination – not comparing multiple effects on countries and destinations (Santana & Gil, 2018), and mainly analysing accommodation and destinations variables. Therefore, the business relationship between tour operators and destinations and accommodations needs to be analysed in greater depth, particularly regarding how the tour operators' marketing policies affect price.

2.2. Methodology of hedonic prices and evaluation of package attributes related to the tour operator

The literature includes numerous studies that have focused on the economic evaluation of the attributes of package holidays, as they are a key factor in the study of the tourism market. The methodology of hedonic prices has also been applied in the analysis of competitiveness and effectiveness of several Mediterranean destinations (Papatheodorou, 2002), using different price indexes to evaluate the packages (Alegre, Cladera, & Sard, 2012).

One of the first studies to apply the theory of hedonic prices in package holidays was conducted by Sinclair, Clewer, and Pack (1990), whose results show that both the tour operator and the

hotel characteristics, based on its category, are relevant predictors of the general price of the package (Martin-Fuentes, 2016). In this same line, Coenders, Espinet, and Saez (2003), Espinet et al. (2003) agreed on accommodation characteristics (accommodation type, category, board type, services offered, etc.) as the most relevant variables when it comes to explaining prices.

Although the hedonic price methodology has been widely used, most research has focused on accommodation characteristics, and to a lesser degree, on destination characteristics (Rigall-I-Torrent & Fluvià, 2011), where public and private attributes constitute tourism products and have a positive effect on tourists' utility function (Rigall-I-Torrent & Fluvià, 2007), and on price increase (Saló, Garriga, Rigall-I-Torrent, Vila, & Fluvià, 2014). However, although the different findings determine that the tour operator has a direct effect on package price, there are no studies that comprehensively analyse the link between tour operator marketing strategies and package price, despite the tour operator being a key agent in the mediation between supply and demand.

The contributions of authors such as Aguiló, Alegre, and Sard (2003) are worth highlighting. Their study revealed that hotels with some kind of agreement with, or link to a tour operator results, on average, in lower package prices. The authors suggest that those agreements guarantee accommodations higher occupancy ratios, even when the price offered is below average. Thus, tour operators get lower prices if they negotiate some type of agreement with hotel chains. This statement concurs with the results of the study conducted by Mangion et al. (2005), who found a −4% difference in the price of a package if the hotel was exclusively operated by the tour operator. However, the results of Thrane's study (2005) show that when a tour operator owns the accommodation, the price of the package is 5% higher than that of an independent hotel in the same area. In any case, the controversy continues on how tour operators affect price, and which variables of their marketing strategy have an influence on it (Le, Pearce, & Smith, 2018).

From a methodological perspective, the studies in the hospitality industry estimate the hedonic price function using a single model, focusing mainly on the supply variables, and at a lesser extent, tour operator's variables (see Table 1). Thus, it is crucial to specifically analyse tour operator attributes, so as to study their influence on package price more coherently and comprehensively, and by doing so, also analyse the impact in the different destinations where they operate. Thus, this study pursues two main propositions:

Proposition 1. *The tour operators' marketing policies* (*established by the variables of own brand*, *segment labels*, *number of photographs included*, *number of assigned pages*, *commercial incentives*, *hotel agreements*, *category assigned by the tour operator*, *awards and certifications*, *and property*) *have a significant effect on the price of a holiday package*.

Proposition 2. *The tour operator's marketing variables effect on the price varies according to the destination they promote*.

3. Methodology

The analysis of hedonic prices requires a considerable degree of homogeneity in the data that allows making relevant comparisons (Thrane, 2005). Therefore, tourism brochures were selected as the main source of information. The use of this promotional tool arises due to the possibility of obtaining synthesised and homogeneous information for the different destinations and accommodations (Papatheodorou, Lei, & Apostolakis, 2012), which enables drawing comparisons (Falzon, 2012). The prices and characteristics of the packages featured by the tour operators in their brochures were collected systematically; this enabled analysing the prices of destinations, sub-destinations and tourism establishments, as well as how the tour operators affect price through their commercial actions.

3.1. The sample

When it came to selecting the sample of this study, the most relevant research in the field was taken into account, as well as the contributions of several tourism professionals from tour operators, and the availability of the data published in the brochures. The competitive set of European sun and beach destinations to analyse was obtained after discussing in two different workshops with the product managers – and their teams – from the two tour operators analysed. The variables to be included were also discussed in the workshops.

Even though the selection of the tour operators is to some extent subjective, different factors justify the choice: firstly, the tour operators selected are the two most important ones in the European market (TUI and Thomas Cook); more specifically, the analysed brands were TUI Schöne Ferien and Neckermann Reisen. The market analysed comprised the packages from the main tourist source in Europe, Germany (UNWTO, 2015); the tour operators based in Germany have shown the best performance in Europe (Alegre & Sard, 2017; Batman & Soybali, 1999).

With regards to the destinations, in addition to the recommendation form the experts, several authors (Espinet et al., 2003; Mangion et al., 2005; Hung, Shang and Wang, 2010) have mentioned the need to increase the number of destinations analysed, as that is a requirement in order to make relevant comparisons and obtain reliable conclusions about tourism destinations. Thus, a total of 5 countries were analysed (Spain, Turkey, Egypt, Malta and Cyprus), and 15 destinations (Gran Canaria; Tenerife; Lanzarote; Fuerteventura; Mallorca; Istanbul; Turkish Riviera; Turkish Aegean coast; Cairo, Luxor and Aswan; Marsa Alam and Berenice; Sharm el Sheikh; Hurghada; Malta; Cyprus West Coast; Cyprus Southeast Coast).

Lastly, given the need to provide a temporal validity of the effect on price of accommodation characteristics, destination characteristics (Juaneda, Raya, & Sastre, 2011), and tour operator characteristics, an 8-season research period was established. The packages analysed were featured during the summer seasons of 2005, 2012, 2013, 2014 and the winter seasons 2005/2006, 2011/2012, 2012/2013, 2013/2014. Following Falzon (2012), to report differences among countries and destinations, the information of the different years was aggregated in the regression. However, seasonality (summer, winter) was considered as an explanatory variable.

Each and all the packages of both tour operators promoted in the brochures for that period were included in the analysis: 5789 package holidays. This period offers the necessary representativeness to fulfil the proposed aims.

3.2. The analysis

The hedonic price methodology was used on the compiled data. This method developed by Lancaster (1966) and Rosen (1974) is based on what is known as the hedonic hypothesis, which considers that people evaluate a product based on the utility of their characteristics and not by the product itself; the reflected value is the one the consumer associates with each characteristic in the price of the product, so the product offered by a specific tour operator could be considered a set of attributes,

Table 1
Variables included in the analysis and list of previous research.

Variable Type	Family	Specification	Authors
Country	Country	Spain	Sinclair, Clewer, and Pack, 1990; Aguiló et al., 2001; Papatheodorou, 2002; Aguiló et al., 2003; Espinet et al., 2003; Thrane, 2005; Mangion et al., 2005; Rigall-I-Torrent y Fluviá, 2007; Clerides, Nearchou, & Pashardes, 2008; Rigall-I-Torrent y Fluviá, 2011; Espinet, Fluvia, & Saló, 2012; Alegre et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013; Saló et al., 2014
		Turkey	Papatheodorou, 2002; Mangion et al., 2005; Clerides et al., 2008
		Egypt	
		Malta	Papatheodorou, 2002; Mangion et al., 2005; Clerides et al., 2008; Espinet et al., 2012
		Cyprus	Papatheodorou, 2002; Clerides et al., 2008
	Spanish destinations	Gran Canaria	Papatheodorou, 2002; Thrane, 2005; Mangion et al., 2005; Espinet et al., 2012
		Tenerife	Papatheodorou, 2002; Thrane, 2005; Mangion et al., 2005; Espinet et al., 2012
		Fuerteventura	Papatheodorou, 2002; Thrane, 2005; Mangion et al., 2005; Espinet et al., 2012
		Lanzarote	Papatheodorou, 2002; Thrane, 2005; Mangion et al., 2005; Espinet et al., 2012
		Mallorca	Aguiló et al., 2001; Papatheodorou, 2002; Aguiló et al., 2003; Mangion et al., 2005; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013
	Turkish destinations	Turkish Riviera	
		Aegean Coast	Papatheodorou, 2002
		Istanbul	
	Egyptian destinations	Sharm El Sheikh	
		Marsa Alam	
		Hurghada	
		Cairo, Luxor & Aswan	
	Cypriot destinations	South East Coast	Papatheodorou, 2002
		West Coast	Papatheodorou, 2002
	Maltese destinations	Malta	Papatheodorou, 2002; Espinet et al., 2012
	Weather	Daily and nightly mean temperature (C°), daily sunshine (hours), number of rainy days	
Tour Operator (TT.OO.)	Tour Operator	TUI	Aguiló et al., 2001; Aguiló et al., 2003; Clerides et al., 2008; Alegre et al., 2013; Saló et al., 2014
		Neckermann	Alegre et al., 2013; Saló et al., 2014
	Season	Winter	
		Summer	
	Textual elements	Total number of brochure pages, introduction pages, TT.OO. pages, destination pages, establishment pages.	
	Visual elements	Number of cover photos, destinations photos and establishments photos.	
	TT.OO. Rating	Non defined	
		1-star	
		2-star	Clerides et al., 2008
		2,5-star	Clerides et al., 2008
		3-star	Mangion et al., 2005; Clerides et al., 2008
		3,5-star	Clerides et al., 2008
		4-star	Mangion et al., 2005; Clerides et al., 2008
		4,5-star	Clerides et al., 2008
		5-star	Mangion et al., 2005; Clerides et al., 2008
		5,5-star	
		6-star	
	TT.OO. Brands	Club magic life	
		Puravida	
		Robinson	
		Sensimar	
		Tui best family	
		Viverde	
		Smartline	
		Sunconnect	
	TT.OO. Ownership	Sunprime	
		Sunwing	
		Atlantica	
		Grupotel	
		Iberotel	
		Jaz	
		Riu	
		Sol y mar	
		Sentido	
	TT.OO. Distinctions	TT.OO. Certifications	

Table 1 (*continued*)

Variable Type	Family	Specification	Authors
	TT.OO. Agreements	Partner	Aguiló et al., 2003
		Exclusiv	Aguiló et al., 2003; Mangion et al., 2005; Alegre et al., 2012; Alegre et al., 2013
	Incentives	Number of offers	
		Number of advantages	
	Segmentation Labels	Activ	
		Cultural	
		Design	
		Monoparental family	
		Family	
		Flair	
		Young People	
		Couples	
		Senior	
		Only Adults	
		Singles	
		Sustainable	
		Wellness & Vital	
		Premium	
		Beach	
		Short Trips	
Accommod.	Chain	Chain	Papatheodorou, 2002; Aguiló et al., 2003; Alegre et al., 2012;
	Size	Number of Rooms	Espinet et al., 2012; Alegre et al., 2013; Sinclair et al., 1990; Coenders et al., 2001; Papatheodorou, 2002; Aguiló et al., 2003; Espinet et al., 2003; Thrane, 2005; Mangion et al., 2005; Rigall-I-Torrent y Fluviá, 2007; Rigall-I-Torrent et al., 2011; Rigall-I-Torrent y Fluviá, 2011; Alegre et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013; Saló et al., 2014
	Type of accommodation	Hotel	Espinet et al., 2012
		Self-contained	Thrane, 2005; Espinet et al., 2012
		Rural	
	Type of board	Non defined	
		Self catering	Papatheodorou, 2002; Raya Vilchez, 2013
		Breakfast	Papatheodorou, 2002; Aguiló et al., 2003; Thrane, 2005; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013
		Half-board	Sinclair et al., 1990; Aguiló et al., 2003; Mangion et al., 2005; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013
		Full-board	Aguiló et al., 2003; Mangion et al., 2005; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013
		All inclusive	Papatheodorou, 2002; Aguiló et al., 2003; Mangion et al., 2005; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013
	Entertainment	Daytime entertainment	Aguiló et al., 2003; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013
		Evening entertainment	Aguiló et al., 2003; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013
		Mini club	Aguiló et al., 2001; Espinet et al., 2003; Aguiló et al., 2003; Mangion et al., 2005; Rigall-I-Torrent et al., 2011; Alegre et al., 2012
		Swimming pool	Aguiló et al., 2001; Aguiló et al., 2003; Espinet et al., 2003; Mangion et al., 2005; Rigall-I-Torrent y Fluviá, 2007; Rigall-I-Torrent et al., 2011; Rigall-I-Torrent y Fluviá, 2011; Alegre et al., 2012; Espinet et al., 2012; Alegre et al., 2013; Raya Vilchez, 2013; Saló et al., 2014; Saló et al., 2014
		Water Park	
	ICTs	Wi-Fi	
		Internet access	Alegre et al., 2013
	Spa & Wellness	Jacuzzi	
		Gym	Aguiló et al., 2001; Aguiló et al., 2003; Clerides et al., 2008; Alegre et al., 2012; Alegre et al., 2013
		Wellness Center	Saló et al., 2014
	Independent distinctions	Independent Certifications	Rigall-I-Torrent et al., 2011; Alegre et al., 2013

Source: Prepared by the authors.

made up by a series of accommodation services (swimming pools, spas, entertainment, etc.), destination characteristics (geographic and weather characteristics), and the tour operator's own variables (category, tour operator branding, etc.).

A basic model of hedonic prices of a product or tourist service could be specified as a function of a series of attributes such as:

$$P_i = \alpha + \beta X_{ij} + \varepsilon_i$$

where P_i is the natural logarithm of the price of a tourism product i; X_{ij} is a vector of the j attributes associated with the tourism product; β is the intersection and ε is the random error (Papatheodorou et al., 2012; Santana-Jiménez, Ya-Yen, Hernández, & Suárez-Vega, 2015).

The ordinary least square regressions (OLS regressions) were used to contrast the research propositions. In order to eliminate the effect of inflation on the sample, the prices of each of the packages were deflated using the German price index

(Verbraucherpreisindex), taking 2010 as a reference. Similarly, as most research based on hedonic prices (Espinet et al., 2003; Haroutunian & Pashardes, 2005; Rigall-I-Torrent & Fluvià, 2011; Rigall-I-Torrent et al., 2011; Saló et al., 2014; Thrane, 2005) have followed Rosen's (1974) suggestion of using log-linear specification instead of linear. The present study uses this type of specification as most independent variables are dichotomous. An additional advantage of log-linear regressions compared to linear ones is their ease of interpretation. Generally, log-linear regression coefficients can be interpreted as the percentage of change in the dependent variable associated with the increase of one unit in the independent variable (Thrane, 2007). In turn, the dependent variable, price of the package, was log-transformed to correct heteroscedasticity (Hosany & Gilbert, 2010).

For the continuous variables, the coefficient of the estimated variables is multiplied by 100 to obtain the percentage of change in the price caused by a modification of 1% in said variable. In addition, the coefficients associated with the dichotomous variables have to be transformed to determine the effect in percentage on the dependent variable. This transformation is $(e^{\beta} - 1) \times 100$, where beta is the estimated regression coefficient (Halvorsen & Palmquist, 1980).

More specifically, a model was developed for each of the five countries analysed, and the considered variables were constant between the models. The equation we intend to estimate is the following:

$$\log \text{price} = f(d_1, d_2, \ldots, d_N; e_1, e_2, \ldots, e_N; t_1, t_2, \ldots, t_N; \beta) + \varepsilon$$

where

$\mathbf{P}_i$ = price of the package
$\mathbf{d}_j$ = destination attributes j
$\mathbf{e}_h$ = establishment attributes h
$\mathbf{t}_t$ = tour operator attributes t

The dependent variable defined in this study is the price of the tourist packages offered by TUI Schöne Ferien and Neckermann Reisen. In order to ensure the homogeneity of the compared data, all of the packages had a 7-day duration and departed from Munich or Dusseldorf airport on the same day. On the other hand, the choice of independent variables was based on the experts' opinion, the review of the literature, as well as a combination of economic decisions, with the aim of selecting those variables, which had a greater effect on price, and econometric criteria regarding their meaning (Mangion et al., 2005).

In order to conduct the analysis, a set of quantitative and qualitative attributes were selected. The variables were divided into 3 groups: country and destination variables, specific accommodation variables, and tour operator variables. The first group comprises geographic indicators and weather variables. The second group encompasses the general characteristics of the establishment. The last group contains the specific variables of the tour operator such as the brands, certifications, offers, advantages, agreements, and market segments – labels recommending the package for a specific segment, among others.

Brochures were coded by one researcher, obtaining all the variables from the information published in the analysed brochures. Variables were coded as dummy (0,1) for country and destinations, accommodations services (e.g., existence of Wi-FI), and tour operator brands and labels – as promoted in the brochure. Discrete variables were taken literally – copying the information – from the brochure for destinations (note average temperature is in C°, daily sunshine is in hours, accommodation size is in number of rooms).

Table 1 shows a list of the final attributes analysed in this study, as well as the authors who have previously used them in the hedonic price methodology applied to the price structure of holiday packages. As can be seen, a high number of studies have focused on the price structure of packages to Spain, Mallorca being particularly relevant; there is a lack of studies on other destinations located in Egypt and Turkey, despite their indisputable relevance in international tourism. In addition, specific accommodation variables were included; even though they have been widely analysed in the literature, they are necessary to explain the price structure of a package holiday. Some variables that have been less mentioned in the literature were also included, such as Wi-Fi, certain services like water parks, or independent awards.

Lastly, a wide range of specific marketing variables of tour operators – a key element of this investigation – were analysed. The most studied variables have been those related to the agreements reached between tour operators and accommodations, and the influence of exclusivity contracts (Aguiló et al., 2003; Alegre, Cladera, & Sard, 2013; Alegre et al., 2012; Mangion et al., 2005). To our knowledge, there are no studies that include disaggregated variables that allow for analysing the influence of tour operator's brands, ownership of the accommodation, specific segments they target, awards and incentives, etc. Finally, despite the strategic relevance given to promotional space (number of pages in the brochure) and the pictorial elements (number of photographs) – these variables create image making the products tangible, and suggesting price evaluations (Picazo and Moreno, 2017; Singh & Lee, 2009), there is a gap in the literature on how they affect the price of packages. Therefore, the following variables – Table 1 – were included in the study.

4. Results and discussion

To compare the package prices to the different destinations: Spain, Turkey, Egypt, Malta and Cyprus, tackling the seasonality issue (summer and winter), Fig. 1 below shows the average prices of holiday packages offered by the tour operators TUI (with higher prices for all seasons and destinations) and Neckermann. In general terms, holiday packages for Cyprus show the highest price levels in the summer season, with an average price of 851€ per person (TUI) and 680€ (Neckermann) while Egypt, with an average price of 712€ (TUI) and 561€ (Neckermann), led the winter season. In turn, the results regarding specific destinations

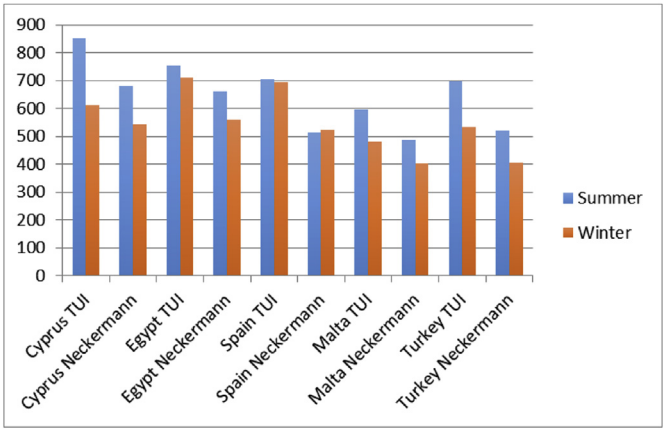

Fig. 1. Countries' average prices of packages offered by tour operators by season. Source: Prepared by the authors.
Source: Prepared by the authors.

showed that the West Coast of Cyprus is the area with the highest average prices in summer, around 844€ per person, and Tenerife being the destination with the highest prices in the winter season, with an average price of 671€. The prices analysed show a clear seasonality; the prices in summer season are higher than in winter in most destinations, except Gran Canaria and Tenerife, where average prices even increase in winter season. These results suggest the need to examine in detail the price structure of each destination.

Table 2 shows the results of the estimations of five models – one for each country featured in the study – considering all the seasons analysed, using the OLS method. The adjusted R^2 indicates that the explanatory power of the models is high: 78.5%, 74.7%, 78%, 85.5% and 85.9% of the variations in price of the packages to Spain, Turkey, Egypt, Malta and Cyprus, respectively. We will now show the results of the regressions, and comment on the influence of the distinct factors on the price of the packages for the different destinations.

4.1. Destinations

In the first place, there are substantial differences in the price of the package among destinations within the same country, standing out with higher prices those packages for Fuerteventura and Gran Canaria – Mallorca showing the lowest prices (−25%), in Spain; Turkish Riviera in Turkey; Cairo, Luxor and Aswan in Egypt; and the West Coast in Cyprus. The percentage difference between the summer and winter season is quite sharp in destinations like Turkey and Cyprus, with price differentials of 47% and 27% respectively. However, Egypt shows a difference of 14% and Spain of 4.5% between seasons; the Spanish case could be explained by the low seasonality in the demand to the Canary Islands, which would compensate the prices and reduce the differences between seasons.

According to the first proposition of this study, the data shows a statistical relationship between the tour operator brand and the price structure of the holiday packages of the main tourist destinations in the Mediterranean and Southern Europe. More specifically, the prices of holidays packages offered by TUI are much higher than those offered by Neckermann, exerting its greater influence on Egypt and Spain with an increase of 39% and 27% respectively. This could be the result of TUI's leadership in the market, since as Aguiló et al. (2003) state, TUI is the European tour operator with the largest market share and sets the highest prices in the industry.

The influence of weather information communicated by the tour operator (which sometimes differ from official ones) on the price of the package changes for each of the destinations, and represent smaller impacts, ranging from 0.4% to 6.3%. Daily sunshine hours and number of rainy days have a greater impact on price than the average temperature – daily or nightly. This smaller influence could be due to the fact that all destinations are under the sun and beach umbrella, and there may be no perceived weather differences between destinations.

4.2. Tour operator's marketing variables

Other variables related to the descriptive elements of the destinations and their accommodations were also included in the model in order to analyse the tour operators' marketing strategies. In this regard, the number of pages of the brochure where the holiday packages are featured, despite it being statistical significance, has no impact on the price. The variable number of pages that introduce the destination and the variable number of pages for each establishment have less relevance and a negative effect on price. This could be due to the greater competition between the products, which is reflected in a greater relevance in the number of pages.

In terms of pictorial elements, the number of photographs on the cover of the brochures has a positive effect on the price of the packages offered, so including an additional image on the cover would increase the prices of Spanish destinations 2.2%, Turkish destinations 13.8%, the Maltese 9.6%, and the Cypriot 11.2%. On the other hand, the effect of the number of images on the introduction pages varies; while in Turkey and Malta it would increase the price 1.7% and 4.5% respectively, in Egypt it would reduce the price of the package 1.9%. Lastly, the number of visual elements in the description of the accommodations was not significant. These results indicate the need to pay more attention to pictorial elements and their design, the projected image and their link to the desired positioning of the destinations and the accommodations.

The results of the model revealed that the tour operator rating of the accommodation is a determining factor in the price of the package. The present study also confirms the results of Mangion et al. (2005), which revealed that the rating assigned by the tour operator exerts a significant and positive impact on the price of the package. If 4-star hotels were taken as a reference, increasing the category assigned by the tour operator to a 5-star hotel, would represent a 29.40% rise in the price of the package in Spain, 14.50% in Turkey, 14.44% in Egypt, 351.00% in Malta, and 16.70% in Cyprus. On the other hand, the greatest price deduction took place between the 4 and 2 stars rating, where the decrease represented a 23.20% in Spanish accommodations, and a 33.00% in Cypriot accommodations.

The following paragraphs include an analysis of the impact of the brands and labels tour operators use in their marketing. The tour operators' concepts and own brands, developed according to the lifestyle of each market segment, seems to have a strong influence on the price of the packages in those destinations where they operate. Overall, the implementation in the accommodations of some of the concepts developed by the tour operator TUI, had a positive impact on the price of the package. This is the case of “Puravida”, a concept aimed at individual travellers with a modern lifestyle, who want to relax but also be active during their holidays; the implementation of this concept represented a 25.60% increase in the price of the package in Spain, and an 18.00% in Turkey. “Robinson”, a holiday club with a wide range of sports and leisure activities, is the concept that has a greater influence on price (34.30% increase in Turkey, and 6.10% in Spain). Similarly, the establishments marketed under the concepts of “TUI Best Family”, aimed at families, and “Viverde”, for active tourists who want to be in touch with nature, experimented a 13.30% and 14.40% increase in their price in Spain. On the other hand, given the smaller number of accommodations under the concepts developed by Neckermann, “Smartline” was the only significant brand. In line with its slogan “Colorful holidays for less”, it reduced the price of the packages 9.30% in Spain, and 11.90% in Turkey.

The tour operator's new strategies have tried to personalise their offering by using labels in the description of the accommodations in the brochures, where they indicate the market segment they specialise in. So far, there has been no evidence in the literature on how each of these segments labels affects the price of the tourism product. The following segments had a positive effect on package price: “active” (with the highest increase of 18.4% in Cyprus), “single parent family”, “premium”, and “singles”. The accommodations labelled as “Couples” and “Wellness & Spa” are worth noticing, as they experienced a significant increase in the price of several destinations. On the other hand, the segments

Table 2
Regression models by country.

Specification	Spain	Turkey	Egypt	Malta	Cyprus
Constant	6011 (0,046)***	5,13 (0,281)***	6554 (0,157)***	6,18 (0,092)***	6099 (0,089)***
Gran Canaria	0,277 (0,038)***	–	–	–	–
Tenerife	0,239 (0,041)***	–	–	–	–
Fuerteventura	0,297 (0,039)***	–	–	–	–
Lanzarote	0,276 (0,04)***	–	–	–	–
Mallorca	Reference	–	–	–	–
Turkish Riviera	–	Reference	–	–	–
Aegean Coast	–	−0,032 (0,015)**	–	–	–
Istanbul	–	−0,325 (0,132)***	–	–	–
Sharm El Sheikh	–	–	Reference	–	–
Marsa Alam	–	–	0,007 (0,014)	–	–
Hurghada	–	–	−0,016 (0,011)	–	–
Cairo, Luxor & Aswan	–	–	0,134 (0,026)***	–	–
Cyprus' South East Coast	–	–	–	–	Reference
Cyprus' West Coast	–	–	–	–	0,095 (0,012)***
Daily mean temperature	0,006 (0,006)	–	–	–	–
Nightly mean temperature	0,014 (0,007)**	–	–	–	–
Daily sunhine hours	−0,017 (0,005)***	0,034 (0,053)	0,047 (0,01)***	–	–
Nº of rainy days	0,004 (0,003)	0,063 (0,036)*	0,045 (0,019)**	–	–
TUI	Reference	Reference	Reference	Reference	Reference
Neckermann	−0,27 (0,013)***	−0,124 (0,053)**	−0,387 (0,086)***	−0,152 (0,038)***	−0,209 (0,033)***
Winter	Reference	Reference	Reference	Reference	Reference
Summer	0,045 (0,013)***	0,469 (0,467)	0,139 (0,034)***	0,243 (0,039)***	0,271 (0,015)***
Nº Brochure pages	0 (0)***	0 (0)*	0 (0)***	0 (0)***	0 (0)***
Nº TT.OO. introduction pages	0 (0,001)	−0,014 (0,003)***	−0,009 (0,007)	−0,001 (0,004)	0,016 (0,004)***
Nº Nº Destinations pages	−0,001 (0)*	−0,0000001738 (0)	−0.001 (0,004)	–	–
Nº Destinations introduction pages	0,009 (0,003)***	0 (0,01)	−0,041 (0,064)	–	−0,028 (0,007)***
Nº Establishment pages	−0,019 (0,01)*	−0,006 (0,013)	0,017 (0,012)	0,003 (0,052)	0,005 (0,029)
Nº of cover photos	0,022 (0,01)**	0,138 (0,022)***	0,082 (0,138)	0,096 (0,029)***	0,112 (0,019)***
Nº of destination photos	–	0,017 (0,006)***	−0,019 (0,003)***	0,045 (0,011)***	–
Nº of establishment photos	0 (0,003)	−0,005 (0,006)	−0,002 (0,005)	−0,008 (0,01)	−0,011 (0,009)
TT.OO. rating non defined	0,127 (0,08)*	−0,05 (0,143)	0,011 (0,039)	–	−0,176 (0,097)*
1-star (TT.OO.)	−0,183 (0,08)**	–	–	–	–
2-star (TT.OO.)	−0,232 (0,023)***	–	–	–	−0,33 (0,078)***
2,5-star (TT.OO.)	−0,166 (0,03)***	–	–	−0,274 (0,103)***	–
3-star (TT.OO.)	−0,125 (0,009)***	−0,085 (0,053)	−0,193 (0,045)***	−0,125 (0,043)***	−0,091 (0,037)***
3,5-star (TT.OO.)	−0,087 (0,008)***	−0,114 (0,03)***	−0,111 (0,018)***	−0,084 (0,032)***	−0,053 (0,031)*
4-star (TT.OO.)	Reference	Reference	Reference	Reference	Reference
4,5-star (TT.OO.)	0,109 (0,01)***	0,055 (0,013)***	0,058 (0,01)***	0,234 (0,036)***	0,085 (0,014)***
5-star (TT.OO.)	0,294 (0,014)***	0,145 (0,014)***	0,1444 (0,013)***	0,350 (0,021)***	0,167 (0,018)***
5,5-star (TT.OO.)	0,781 (0,043)***	0,371 (0,05)***	0,447 (0,068)***	–	0,345 (0,069)***
6-star (TT.OO.)	1146 (0,137)***	–	–	–	–
Club Magic Life	−0,178 (0,107)*	0,141 (0,147)	–	–	–
Puravida	0,256 (0,058)***	0,18 (0,065)***	–	–	–
Robinson	−0,061 (0,102)	0,343 (0,154)**	–	–	–
Sensimar	–	–	–	–	–
Tui Best Family	0,133 (0,042)***	–	–	–	0,083 (0,084)
Viverde	0,144 (0,07)**	–	–	–	–
Smartline	- 0,093 (0,032)***	−0,119 (0,037)***	–	–	–
Sunconnect	–	–	–	–	–
Sunprime	–	0,146 (0,144)	–	–	–
Sunwing	–	–	–	–	–
Atlantica	–	–	–	–	−0,064 (0,023)***
Grupotel	–	–	–	–	–
Iberotel	–	0,082 (0,055)	−0,055 (0,016)***	–	–
Jaz	–	–	−0,157 (0,03)***	–	–
Riu	−0,047 (0,014)***	–	–	−0,012 (0,105)	–
Sol y mar	–	–	–	–	–
Sentido	−0,08 (0,029)***	–	–	–	–
TT.OO. Certifications	0,018 (0,008)**	0,015 (0,012)	0,027 (,013)**	–	0,016 (0,032)
Partner	0,01 (0,012)**	−0,066 (0,025)***	−0,08 (0,019)***	–	0,037 (0,035)
Exclusiv	0,04 (0,011)	0,05 (0,018)***	0,087 (0,095)	–	−0,072 (0,039)*
Number of Offers	−0,004 (0,002)***	−0,007 (0,004)*	−0,009 (0,004)**	−0,015 (0,007)**	−0,012 (0,0058)***
Number of Advantages	0,007 (0,002)***	0,011 (0,004)***	0,018 (0,004)***	0,032 (0,008)***	0,004 (0,004)
Activ	–	–	–	–	0,184 (0,073)***
Cultural	–	–	–	−0,080 (0,037)**	–
Design	–	–	–	–	–
Monoparental Family	0,051 (0,02)***	–	–	–	–
Family	–	–	–	−0,134 (0,067)**	–
Flair	0,099 (0,019)***	–	–	–	–
Young People	−0,059 (0,029)**	−0,103 (0,064)	–	−0,207 (0,093)**	−0,167 (0,105)*
Couples	0,067 (0,014)***	0,027 (0,024)	−0,053 (0,019)***	–	0,055 (0,028)**
Senior	–	–	–	–	
Only adults	–	0,05 (0,032)	−0,127 (0,037)***	–	

Table 2 (*continued*)

Specification	Spain	Turkey	Egypt	Malta	Cyprus
Singles	–	–	–	0,192 (0,046)***	
Sustainable	–	–	–	–	
Wellness & Vital	0,028 (0,009)***	0,026 (0,014)*	–	−0,113 (0,022)***	
Premium	0,028 (0,025)	0,075 (0,047)	–	–	
Beach	−0,058 (0,042)	–	–	–	
Short trips	−0,036 (0,017)**	–	–	–	
Chain	0,027 (0,008)***	0,068 (0,016)***	0,028 (0,015)*	−0,032 (0,031)**	−0,018 (0,019)
Rooms	−0,00003091 (0)	0 (0)***	−0,00002236 (0)	0 (0)	0,000007123 (0)
Hotel	Reference	–	–	–	Reference
Self-contained	0,015 (0,01)	–	–	–	−0,034 (0,021)*
Rural	0,102 (0,038)***	–	–	–	–
Type of Board-Non defined	–	0,202 (0,141)	–	–	–
Self catering	−0,168 (0,009)***	–	–	−0,153 (0,066)**	−0,032 (0,046)
Breakfast	−0,056 (0,007)***	0,148 (0,045)***	−0,06 (0,023)***	−0,136 (0,024)***	−0,042 (0,014)***
Half-board	Reference	Reference	Reference	Reference	Reference
Full-board	0,21 (0,071)***	0,222 (0,048)***	0,306 (0,058)***	–	0,253 (0,096)***
All inclusive	0,109 (0,009)***	0,059 (0,016)***	0,071 (0,012)***	0,298 (0,04)***	0,109 (0,019)***
Daytime entertainment	−0,022 (0,008)***	−0,008 (0,021)	−0,041 (0,018)**	0,041 (0,023)*	−0,03 (0,014)
Evening entertainment	−0,018 (0,008)**	0,028 (0,022)	0,029 (0,019)	−0,052 (0,023)***	0,001 (0,02)
Mini club	−0,005 (0,007)	−0,006 (0,015)	−0,03 (0,016)**	0,007 (0,023)	0,016 (0,014)
Swimming pool	−0,003 (0,017)	0,016 (0,017)	0,031 (0,024)	0,002 (0,034)	−0,025 (0,026)
Water Park	−0,011 (0,021)	0,016 (0,013)	−0,012 (0,013)	–	–
Wi-Fi	0,026 (0,006)***	−0,005 (0,011)	0 (0,013)	0,064 (0,018)***	0,049 (0,015)***
Internet access	−0,004 (0,006)	−0,028 (0,012)***	−0,006 (0,009)	−0,055 (0,019)***	0,004 (0,014)
Jacuzzi	−0,022 (0,006)***	0,008 (0,011)	−0,007 (0,01)	−0,027 (0,019)*	−0,034 (0,014)**
Gym	0,015 (0,006)**	0,015 (0,018)	0,009 (0,012)	−0,025 (0,024)	0,02 (0,022)
Wellness Center	0,003 (0,007)	0,02 (0,011)*	0,037 (0,01)***	0,028 (0,018)*	0,01 (0,013)
Independent Certifications	0.040 (0,12)**	0,016 (0,019)	−0,072 (0,018)***	0,209 (0,079)***	0,018 (0,022)
N	3188	1270	669	253	409
Adjusted-R2	0,785	0747	0,78	0,855	0859
F	164,826	57,749	44,002	29,597	47,142
P-value	0,000	0000	0,000	0000	0,000

Note: Standard errors in parentheses.
*p ≤ 0,1. **p ≤ 0,05. ***p ≤ 0,01.
Source: Prepared by the authors.

which had a negative influence on price, included “cultural”, “family”, “adults only”, “short holidays”, while the segment “young people” had the greatest impact on the decrease in the price of all the analysed packages.

In contrast to the finding of Thrane (2005) and in line with those of Aguiló et al. (2003), the tour operator ownership of the accommodations had a negative effect on the price of the package. In particular, belonging to the TUI group reduced the price of the packages 4.7% in Spain in the establishment “Riu Hotels & Resorts”, 6.4% in Cyprus in “Atlántica Hotels & Resorts”, 5.5% and 15.7% in Egypt in “Iberotel Hotels & Resorts” and “Jaz Hotels & Resorts”. Similarly, the ownership of the establishment by Neckermann, through their chain “Sentido Hotels & Resorts” reduced the price of the packages in Spain 8.0%. In the same line, the effect of the variable “partner”, which means that the accommodation has some type of agreement or link with the tour operator, also produces a negative effect on price, except in Spain where there is a slightly positive effect (1%). The fact that the hotel was exclusively operated by the tour operator had a disparate effect; it was not significant in Spain and Egypt, it increased the accommodation prices 5.0% in Turkey, and reduced them 7.2% in Cyprus. These results indicate the need to further analyse the competitive structure in each destination.

The “incentives” – number of offers – offered by the tour operator in the description of their packages with the aim of influencing the consumer's purchasing decision were, as expected, very significant in the explanation of the package price. In particular, the packages that included offers such as children discounts, early bookings, long stays, etc. Therefore, for every additional offer, the price of the package decreased 0.4% in Spain, 0.7% in Turkey, 0.9% in Egypt, 1.5% in Malta, and 1.2% in Cyprus. Regarding the “advantages” associated with each of the packages, such as loyalty points, free hotel transfer, welcome pack with a bottle of wine and fruit in the accommodation, etc., each additional advantage increased the price of the package 0.7% in Spain, 1.1% in Turkey, 1.8% in Egypt, and 3.2% in Malta. In turn, the certifications and awards granted to the accommodation by the tour operator were significant in Spain and Egypt, increasing the price of the package for every additional certification or award 1.8% and 2.37% respectively. These results highlight the need to further analyse how the different brands, labels and certifications offered by the tour operator can affect the final price.

On the other hand, the certifications granted by independent organizations to tourism accommodations were very significant in the price structure of packages with destination Spain (4.0%) and Malta. (20.9%), while having a negative influence of 7.20% in Egypt; thus, it is necessary to further study the impact of brands and the specific effect of each certification (quality, sustainability) in the different destinations.

4.3. Accommodation variables

Based on the structure of the packages and the accommodation in the different destinations included in this study, the model distinguished three types of establishments: hotel, self-contained and serviced apartments (apartments, bungalows, etc.), and rural accommodation. Taking hotel as a reference, self-contained establishments were only significant to explain the price of the packages with destination Cyprus (−3.4% compared to hotel). Rural accommodation, on the other hand, had a positive effect on the price of Spanish package holidays, increasing their prices 10.2% compared to hotels.

Regarding the specific variables of the accommodation, belonging to a chain was significant for most of the analysed

destinations. In Spain, Turkey and Egypt, it had a positive effect on the package price of 2.7%, 6.8% and 2.8% respectively, while having a negative effect on the price of the package in Malta (−3.2%). However, the number of rooms was only statistically significant in the explanations of package prices in Turkey, although there was no impact on price.

The type of board offered by the accommodations had a strong influence on the price structure of the packages. In particular, the estimates suggest that the average price of the packages that offer accommodation and breakfast are lower than those offering half-board, except in Turkey, where accommodations with breakfast are more expensive, an offering that could be interpreted as more exclusive than the rest. It is also interesting to analyse the role of full board on the price structure of the package, as the positive price differential between half-board and all-inclusive is lower than the price differential between half-board and full board; this could suggest that tour operators favour all-inclusive instead of other board types.

On the other hand, the variables regarding leisure and entertainment in the accommodation, such as daytime activity program and evening entertainment, mini club, swimming pool or Water Park, were in most cases not significant; in some cases, they had a negative effect on the price of the package. This could be due to the fact that the tourist considers those attributes as basic, and thus expects them to be included in the package without any additional costs. This can also be explained given the association of these accommodations with less exclusivity and singularity. In turn, the fact that the accommodation provides a gym was only significant for Spanish packages, increasing their price in 1.5% compared to hotels that do not offer this service. However, establishments with Wellness Center in Turkey, Egypt and Malta could increase their prices 2%, 3.7% and 2.8% respectively. These results indicate the growing willingness to pay for the elements linked to health and well-being, where maybe even daytime entertainment activities should take note of this result for planning their activities in the future.

Lastly, packages with Internet access from a physical computer were on average a 2.8% and 5.5% cheaper in Turkey and Malta; however, having Wi-Fi in the accommodation was statistically significant in Spain, Malta and Cyprus, increasing their prices 2.6%, 6.4% and 4.9% respectively, compared to other accommodation without this service. These interesting results underline the importance of this essential service, as well as the need to analyse its impact in greater depth. In conclusion, the results obtained allow us to accept the two propositions.

5. Conclusions

This paper analyses the effect of tour operators' marketing strategies on the price of sun and beach holiday packages marketed in Europe. In order to fulfil the aim of this study, almost 6000 holiday packages have been analysed, over a period of 8 seasons (4 years), and for 15 holiday destinations in the Mediterranean and Southern Europe: Spain (Gran Canaria, Tenerife, Fuerteventura, Lanzarote, Mallorca), Turkey (Turkish Riviera, Turkish Aegean coast, Istanbul), Egypt (Sharm el Sheikh, Hurghada, Marsa Alam and Berenice, Luxor and Aswan), Malta (Malta) and Cyprus (Southeast Coast and West Coast), gathering information advertised in the brochures of the most relevant European holiday groups (TUI and Thomas Cook).

The conducted analysis helps to better understand the package price structure to each country and their destinations, including variables of the destination, accommodation and tour operator marketing activities. The results confirm the importance and key role of tour operators, which are facing a new challenge in the distribution system with the arrival of OTAs. This study brings new perspectives to the debate on the role of tour operators in the marketing – these aspects have not been studied in the literature – of destinations and accommodations in their brochures, particularly on the impact of their actions and new trade policies of implementing their own brands and concepts, the purchasing of establishments, category assigned by the tour operator, specific segments they target – labels, awards and incentives, promotional space – pages, and pictorial elements in their brochures —number of photographs.

The main academic contribution of this study is the inclusion of tour operator marketing variables in the analysis of package prices; these variables have traditionally been omitted, as the only variables previously considered were those regarding accommodation and destination. This study reveals the specific variables affecting price and which should be considered in future studies that analyse the prices of tour operators' packages. In addition, we have included certain accommodation variables that had received less attention in the literature so far, such as Wi-Fi. Lastly, the comparative consideration of 15 destinations – there is a lack of studies in the literature on destinations located in Egypt and Turkey – makes the representativeness of the conclusions very significant.

There are many practical implications for destinations, accommodation, and tour operators alike. For destinations, significant differences were found among the analysed countries. In addition, the contribution of each destination's brand to the final market price of the package is quantified, helping to better design the brand architecture of destinations. Similarly, the price differentials according to seasons also help to consider future investments in order to reduce seasonality, including the impact on market prices. Moreover, the results also indicate the effect of the different tour operators' variables on the prices, which could be useful to establish trade agreements with tour operators. For instance, the simple description of weather variables (average temperature, etc.) does not seem to have an impact on price in the market of sun and beach destinations; thus, destinations could negotiate how the weather information should be communicated differently (e.g., tourism climatic index of Mieczkowsk - Becken, 2013). This is especially relevant for Egypt and Canary Islands, which are the competitive leading destinations in winter season. Destinations should also try to increase the number of photographs presenting the destination in the brochure, instead of paying for extra pages in the brochure.

With regard to accommodation, when negotiating their trade agreements with tour operators, they should take into account that tour operator ownership, partnership, or any kind of special bond with them, results in a negative impact on the final price. Establishments should try to be part of a chain, as thanks to their brand power, they achieve higher prices in the package than independent hotels. Moreover, the cooperation with tour operators should be more aimed at including certain tour operator concepts and brands, which do have a positive impact. The opportunity of specialising in certain segments represents a premium price (e.g., singles with a modern lifestyle, holiday clubs with a wide range of sports and leisure activities, active tourists who want to be in touch with nature, single parent families, couples, wellness and spa), with some differences depending on the destination. Additionally, certain strategies, such as trying to increase the rating the tour operator uses to promote the accommodation, has a very significant impact on its final market price. These marketing variables have a higher impact on price than the typology of accommodation. Other tour operator elements like environmental and quality certifications, and awards granted by tour operators, also seem to be an

interesting way of achieving an increase in the final price. Moreover, when these certifications are awarded by independent bodies, the effect on price is even higher.

In relation to the services offered, full-board versus all-inclusive has greater impact on price, possibly as it represents a higher quality service. In addition, some services have a significant impact on the final price (gym, spa and wellness). This shows the need to focus investments on health and well-being issues, and even introduce them across other services, which are not currently affecting price (e.g., daytime entertainment should be more focused on health and well-being). Finally, accommodation should focus on offering Internet services through Wi-Fi as opposed to with physical computers. The Wi-Fi service has a significant impact on the market price. In any case, results should always be interpreted appropriately by taking each particular destination into account.

With regard to tour operators, this study provides them with a practical guide to evaluate the impact of their promotional activities on price, it enables drawing comparisons with other competitors (TUI, Neckermann), thus helping them in the decision-making process regarding their trade policies, investments and negotiations with accommodations in each of the destinations analysed. The effect of their recently-implemented own brands and concepts is of particular interest, as the moving from more standardised packages based on destinations, towards more individualised packages based on segments and lifestyles, seems to be the correct strategy to increase prices.

To conclude, we present some limitations of this study and suggest future lines of research: a) certifications and awards, both independent and those granted by trade agents, as well as by review and satisfaction web pages should be studied in greater depth to analyse their impact on price; b) further research the effect of images and pictorial elements, and how they could affect price and tourist behavior; c) analyse the impact of a wider range of destination variables (economic and sociodemographic variables, safety indicators, competitiveness, etc.), and accommodation variables (location, occupancy, RevPAR); d) conduct similar analyses with other trade agents, specially OTAs; e) include a higher number of packages, tour operators, countries, and destination types; f) delve into the analysis of the seasonality and climate change, with longitudinal results; and g) conduct detailed analyses differentiated by segments, as they could have different price structures.

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