



GLOBAL ONLINE TOURISM AND INDIAN PERSPECTIVE

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Abstract

The ongoing trends of online tourism have enlarge the scope of travel trade and result indicates tourist arrival reached to 1.1 billion up by 5.1% and global online travel sales also recorded to US\$590 billion in 2013. Globally, trends of flight search and hotel reservations display that electronic tourism have changes the scenerio as well as Indian travel enterprisers are also offering web portals consisting of post advance features that are helpful in travel planning. Surprisingly, rail is the fastest growing sector in online travel in the country, many foreign travelers in India prefers to book train tickets via internet. The results say hotel sector is also utilizing the electronic services, in the recent year; the number of e-commerce transaction of hotels is expected to grow 2.5 times over the next two years.

Key Words: *Electronic Service, Booking System, Virtual Networks, Digitalization, Stakeholder.*

E-TOURISM

The World Tourism Organization report have conceptualize e-tourism as 'for tourism destinations and business, e-business is about realizing the opportunities of improved connectivity both externally through the internet and internally through intranets'. The concept contains interactivity and connectivity among deferent tourism stakeholders, external environment concerns to the different dimensions of e-trade and is essential for the smoothly progress of engaged person. Scottish Parliament, (2002) explored "E tourism is new way of doing business, it is fast communications, global accessibility and minimal cost for business going online". Buhalis (2004) defines e-tourism as: "E-Tourism reflects the digitalization of all processes and value chains in the tourism, travel, hospitality and catering industries, at the tactical level, it includes e-commerce and applies ITs for maximizing the efficiency and effectiveness of the tourism organization, at the strategic level, e-Tourism evolutionists all business processes, the entire value chain as well as the strategic relationships of tourism organizations with all their stakeholders." Online travel services is a motivational factor for the development of entire tourism economy, convenience and time saving features have changes the business trends and also enhances the scope as well as competitiveness in the industry. Now a days tourist are interested in tailor made online products and these remains favorable aspects for the industry, it indicates that the new development in ICT's has made a shift in relationship among services providers and consumers, Clemons, Hann & Hiit (2000) It has changed the tourism business and online travel services are one of those most popular domains. In contemporary times, the enterprisers have accepted that internet acts as a supportive product and effectively empowers business organizations to attain their pre-stated objectives. The efficient use of technology in these organizations have reduces operational costs and also helps customers, (Poon, 1993; Werthner & Klein, 1999; Xiaoqi Ma, J, et.al, 2003) if managed effectively ICT help tourism destinations to get an advantage by maintaining price low and by differentiating their services from other competitive firms.

WORLD INTERNET USAGE STATUS

WORLD INTERNET USAGE AND POPULATION STATISTICS						
DEC 31, 2014 - Mid-Year Update						
World Regions	Population (2015 Est.)	Internet Users Dec. 31, 2000	Internet Users Latest Data	Penetration (% Population)	Growth 2000-2015	Users % of Table
Africa	1,158,353,014	4,514,400	318,633,889	27.5 %	6,958.2 %	10.3 %
Asia	4,032,654,624	114,304,000	1,405,121,036	34.8 %	1,129.3 %	45.6 %
Europe	827,566,464	105,096,093	582,441,059	70.4 %	454.2 %	18.9 %
Middle	236,137,235	3,284,800	113,609,510	48.1 %	3,358.6 %	3.7 %

East						
North America	357,172,209	108,096,800	310,322,257	86.9 %	187.1 %	10.1 %
Latin America / Caribbean	615,583,127	18,068,919	322,422,164	52.4 %	1,684.4 %	10.5 %
Oceania / Australia	37,157,120	7,620,480	26,789,942	72.1 %	251.6 %	0.9 %
WORLD TOTAL	7,264,623,793	360,985,492	3,079,339,857	42.4 %	753.0 %	100.0 %

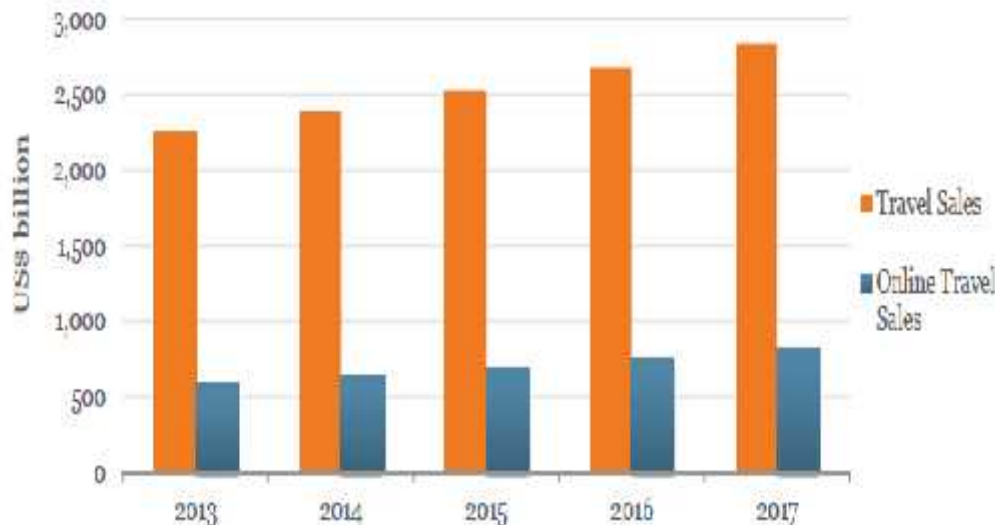
NOTES: (1) Internet Users

Sources: <http://www.internetworldstats.com/images/world2014users.png>

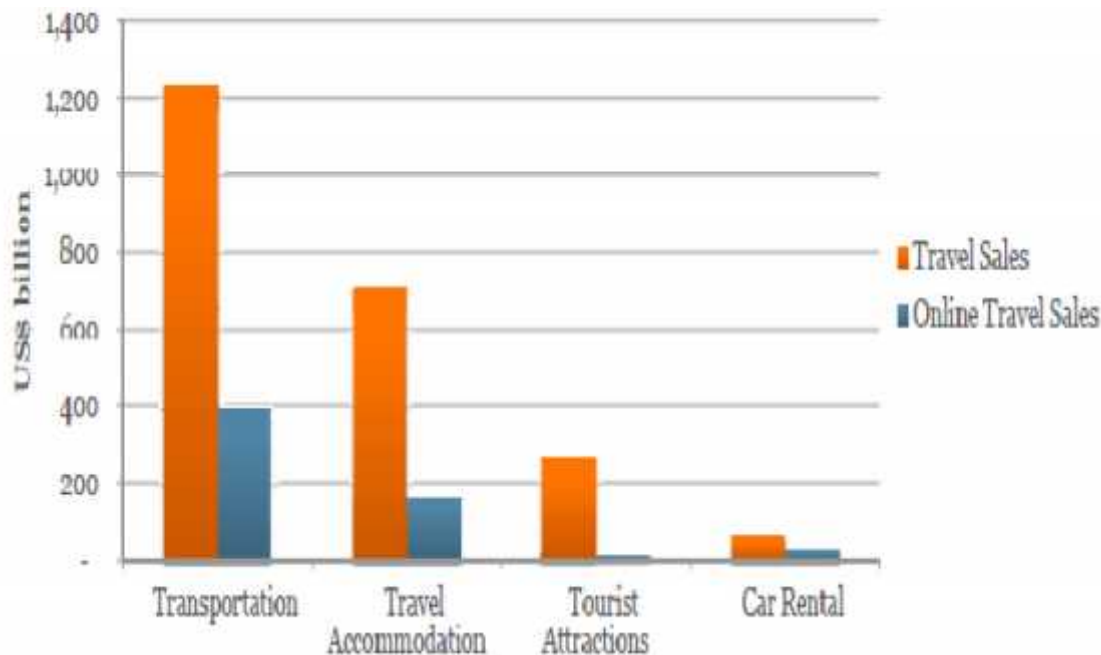
At the global level, internet population percentage increased to 42.4%, North Americans (86.9%) are enjoying the electronic technology having number one position followed by the Oceania (72.1%), Europeans (70.4), Caribbean (52.4%), Middle East (48.1%), Asia (34.8%), and Africa (27.5%). On the same pattern internet user's tremendous growth of 753.0% is noticed from the year 2000 to 2015, as far world regions are concerned Asia is sharing largest (45.6%) followed by Europe (18.9%), Latin America (10.5%), Africa (10.3%), North America (10.1%), Middle East (3.7%), and Oceania (0.9%). Comparative analysis of the table shows Asian region is emerged as a new market of internet users but European's penetration ratio is more than Asia after America and Caribbean and also have maximum share of the world. The growth rate of internet users increased in the year of 2000-2015, the emerging regions are Africa (6958.2%), followed by Middle East (3358.6%), Caribbean (1684.4%), and Asia (1129.3%). Hence, world internet usage patterns shows online business prospective and the developing Asian countries can reap out the benefits of European and American markets if they effectively utilize the electronic technology.

GLOBAL ONLINE TRAVEL PERSPECTIVES

Euro monitor International survey indicated travel trade sale will reach from US\$2,260 billion (2013) to US\$2,840 billion (2017) and also recorded global online travel sales amounted to US\$590 billion in (2013) 25% of total sales, further forecasted that 27% of total travel sales in 2014 and also to see a further increase in the coming years estimated at 4.7% due to healthy growth driven by rising number of trips in advanced and emerging markets. Asia Pacific is expected to drive global growth in online travel with its online travel sales set to double from US\$90 billion in 2013 to US\$180 billion in 2018.

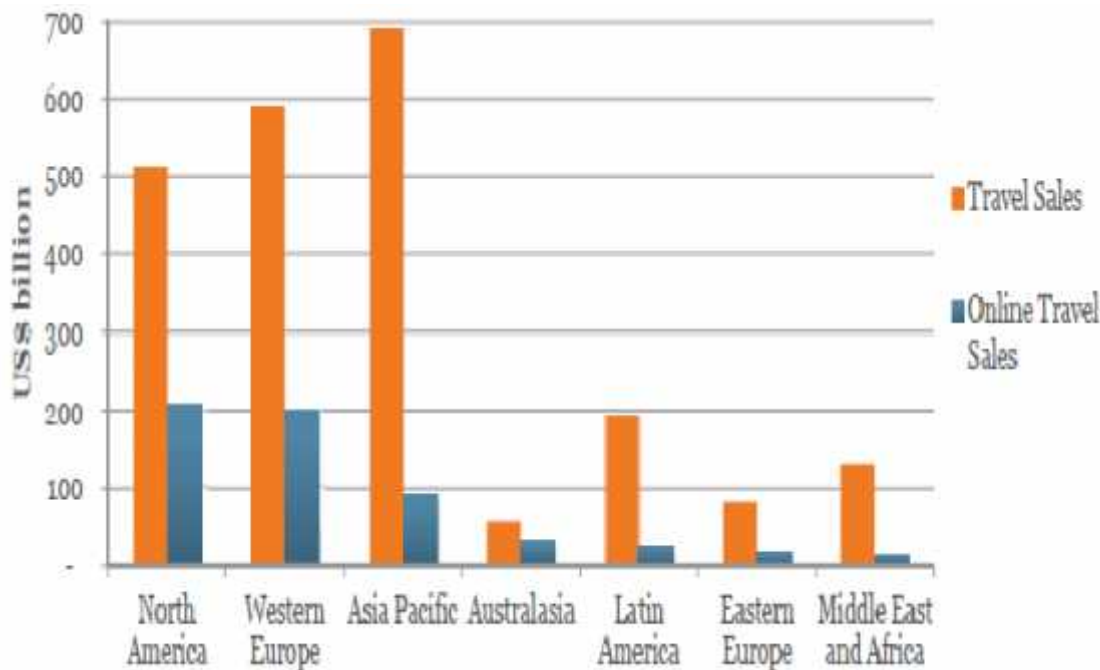


Sources: Euromonitor International, trends shaping online, 2014



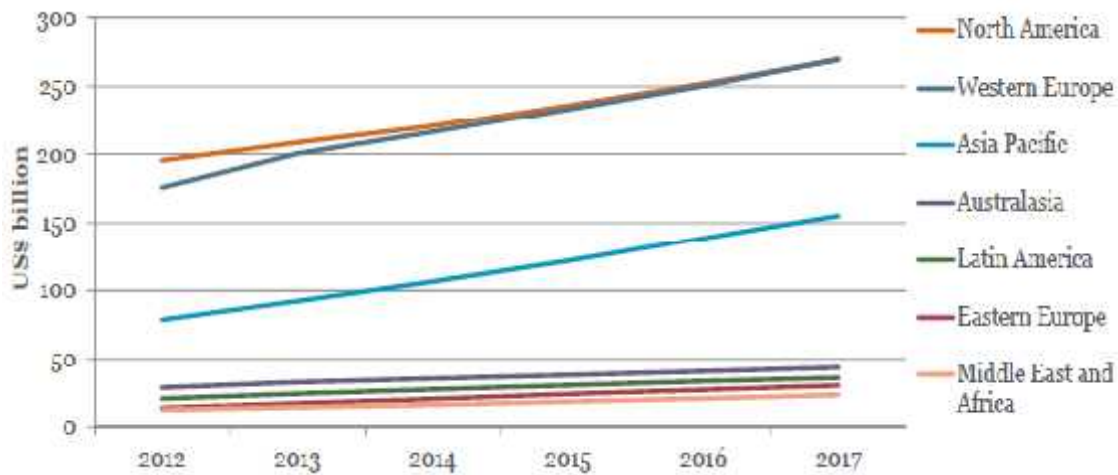
Sources: Euromonitor International, trends shaping online, 2014

On the basis of tourism component category in the year 2013 the above table compares travel sale and online travel sale of transportation, accommodation, tourist attraction and Car rental. The statement shows Air online sales accounted for US\$360 billion - 46% of total air travel sales and Travel accommodation amounted to US\$164 billion, with a 23% penetration rate and other segments are showing minimum percentages because tourist relies upon reservation of hotel and airlines.



Sources: Euromonitor International, trends shaping online, 2014

By Regionwise online travel sales data indicates North America stays ahead in online travel sales followed by Europe the second largest at US\$200 billion with 34% penetration, Asia Pacific is largest for total travel sales of US\$691 billion but is only third for online global travel, additionally, developed countries heavily relies upon electronic tourism and are also largest sources of market for the growing world.



Sources: Euromonitor International, trends shaping online, 2014

Travel market trends report 2014 on world economy and travel performance growth between the years 2013-2017 shows Asia Pacific to double its online travel sales by 2017 from US\$78 billion to US\$155 billion, North America to record the lowest growth over 2012-2017 at 7% CAGR, Western Europe to catch up with North America by 2017, with US\$270 billion. Globally, the new market sources of Asian middle and affluent classes will affect the economy and the number of tourist arrival will increase. The online travel expected to be the main force and mobile technology demand will transform the industry in terms of booking, customer service and behavior.



Sources: Euromonitor International, trends shaping online, 2014



As per online travel agency are concern the table indicates that Priceline and Expedia are the dominant players at international level, Odigeo hotel search and Travelocity are powered by the Big Two Chinese and Indian players are also growing rapidly in this segment not only this world trend report (2014) says OTAs have made significant investments in Google ads which fuels their growth from search engine to knowledge engine: providing not only links but also answers, Slow but steady growth for Google Hotel Finder and Google eengaging customers through social media.

In future, online travel would be the main force and demand of mobile technology will transform the industry, world trend report (2014) Photos and comments shared on social media are effective sources of inspiration for travel, Social media is a great tool to engage customers and also gain loyalty over the time but less effective in generating bookings in the short term Flights meta search engines. In the post modern era, technology dimensions are affecting travel trade and new innovation have changes the customer's approach result in additional demand in services such as mobile system and wearable product that contains features of notifications and bookings, many company have launches wearable electronics for travelers, Euromonitor international (2014) Expedia released an app for the Samsung Galaxy Gear smart watch in August 2014 and is working on one for Google Glass both focusing on notifications for travelers, the Qunar app for the Samsung Galaxy Gear is mainly focused on customer service but it does also have booking functionalities in particular for last-minute hotel deals, others are the Starwood app, Iberia, Vueling and Air Berlin. Strategically, travel agencies should have to go for these electronic devices that are connected to internet through mobile and these features also help traveler in different activities.

INDIAN ELECTRONIC TOURISM PERSPECTIVE

Strategically, Indian government has develop the tourism sector with financial assistance and by the campaigning in overseas results in the number of foreign tourist arrival to India has increased around 7.4 million in the year 2014. According to tourism ministry India, a growth of around 5.9 percent was seen in 2013, \$18.45 billion in 2013 to about \$19.66 billion in 2014 up about 6.6 percent from the previous year, strong promotional campaigns by the Ministry of Tourism followed by the continued depreciation of the Indian Rupee are driving the strong growth of inbound tourism (World travel market report, 2014), most of the tourist in 2014 were from the countries USA, UK, and Bangladesh that's a massive jump of around 48 percent of 7.4 million FTAs in India this year, (jan7, 2015 the dollar business). In international market, E-commerce expansion have attracted the entire tourism sector and also motivate stakeholders to employ this segment, further one, competitiveness in terms of challenges and opportunity have changes the business scenario now travel service suppliers are offering online channels to customer for the sake of maximum share in the market. E-tourism in India is in infantile stage than the developed nations, so, it is imperative to adopt technological instruments which can attract large number of tourist from the outer world. European, American, and Oceania markets are heavily utilizing the electronic segment for booking and also are sharing the information. In a developing nation, travel trade sector required post advance terminologies of electronic tourism that can enlarge the scope as well as made destination accessible, Euro monitor international (2014) forecasted India looks set to overtake Brazil as the second largest BRICS economy by 2018 as the country's economic and demographic growth continues. In the past decade Ministry of tourism India have launched websites in the name of tourism of India, incredible India and in this sagment introduced Incredible India mobile application in the year 2014, and also have offered E visa scheme to 180 countries, result in, inbound tourism is increasing Skyscannere (2015) A staggering growth of 1024.4 per cent in tourist arrivals on e-Tourist Visa between January and May 2015, and it proves that India is becoming a most popular destination among foreigners not only tourism ministry but private enterprisers are also utilizing the standardize services of electronic tourism such as fast downloading, reliable information and website designing, Euro monitor International (2014) currently, the majority of online travel services in India have target the young and urban consumer, the changing behavior of consumption across the world has pushed travel companies towards online tourism practices. Information revolution has changes the business perspectives in the country, Google India survey (2014) have displayed the number of online transactions using e-commerce in India is expected to grow from the current 40 million to 100 million in 2016, and 250 million in 2020, additionally, the number of online searches on smart phones have increased by 30 times between 2011 to 2014, results are showing increased penetration of smart phones in India. The tremendous growth of flight searches in the past years have also pushed policy makers to consider its importance, Sky scanner (2015) with a year-on-year increase of 57 per cent in flight searches, UK top the list of travelers heading to India followed by the US which witnessed a 115 per cent, Australians too are not far behind and have recorded close to 111 per cent increase. Other countries that have seen a boost in flight searches to India are Germany (33 per cent) and UAE (24 per cent), Countries like Russia, Canada, Saudi Arabia, Singapore, and Ireland have also recorded an increase in flight searches to India in this summer season. Hence, companies are offering web portals consisting of post advances feature which are helpful in travel planning, Business Standard report (14 January, 2015) stated search giant Google introduced Flight Search tool for Indian Internet users, It has roped in Goibibo as partner. Flight Search will allow users to search for flights within Google and compare than book flights on mobile devices and facilitate tourist through different websites as well as strengthen the booking system, tourism ministry of India have also accepted internet penetration and included the technology in several segments, world travel market (2014) Mobile internet is



the most popular way to access the internet in India and subscriptions reached 72 million in 2013, more than 70% of total internet subscriptions in the country. The greatest example is IRCT which is offering SMS service; further the report mentioned that with an increase of 300% in online bookings between March 2013 and March 2014, rail is the fastest growing sector in online travel in India, IRCTC has launched a mobile app for bookings, train schedules and real-time train status updates since 2013, IRCTC rail bookings are also possible from non-internet mobile phones through SMS messages, consumers can avail this facility by registering their mobile phone number with their bank, many foreign travelers in India prefers to book train tickets via online travel agents as IRCTC only accepts American Express credit cards from international tourists, consumers can also book train tickets from online travel retailers such as Yatra and Clear Trip. Hotel sector is also utilizing the electronic service and can say it relies upon technologies, the results say the story, Google India survey (2016) stated online hotel booking in india is increasing and over the next years to reach USD 8.4 billion and will grow from the current USD 0.8 billion to USD 1.8 billion and also the number of e-commerce transaction of hotels is expected to grow 2.5 times over the next two years.

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