

## ELECTRONIC TOURISM: SIGNIFICANCES OF THE STUDY IN INDIAN CONTEXT

# Dr. Goldi Puri\* Amarjit Singh\*\*

\*Assistant Professor, Institute of Hotel and Tourism Management, M.D. University, Rohtak, Haryana, India. \*\*Research Scholar, Institute of Hotel and Tourism Management, M.D. University, Rohtak, Haryana, India.

#### Abstract

Technologically, Tourism development and information communication technology are associate to each other, 80's Global distribution system and modern internet system comprises of what's App. and social sites such as twitter and face book has dramatically transformed the structure of industry. Networking scope is increasing as per se internet user's graph is in upward stage and also activating the whole system, E- Tourism significance may be in different forms because of complex nature of the industry, broadly, it can understand as benefits of b2b, b2c, and c2c in tourism segment. Despite of huge touristic resources, India is still at 42nd position as per world tourism rank concerned; there is a need to study the ICT role and its implementation to increase the profitability of Indian tourism industry.

### Key Words: Transformation, Electrification, Relationship, Automation, Profitability.

### Introduction

The world's largest industry tourism is consistently progressing over the year and competitiveness in this sector has changes the concept especially in the second half of the twentieth century the industry is growing at international level. The tourism industry accounts directly for 5% of global Gross Domestic Product (GDP), 30% of global exports of services and 1 out of 12 jobs worldwide (UNWTO 2012) and also stated tourism a service industry has potentialities of development, in some economies; it is foundation of the environment pyramid, while in most others it is contributing in the general development, now a days, the travel patterns have changed, recreational and independent travels are advance terminology. Technologically, Tourism development and information communication technology are associate to each other, 80's Global distribution system and modern internet system comprises of what's App. and social sites such as twitter and face book has dramatically transformed the structure of industry, "Information is acknowledged to be the "life blood" of tourism, because without information, customers motivation and ability to travel is severely limited" (O'Connor & Frew, 2002). The internet "This term is used to describe computer networks capable of providing virtually instant access, organizing, communicating information and supporting transactions, Internet is an efficient medium helping companies to interact and craft messages and marketing activities on actual consumer responses 24 hours a day, 7 days a week, throughout world time zones" (Li & Grey 2000; Waldo 2000; Levy 1996; Wilcox 1999; Berthon, Pitt & Watson 1996; Henrichs 1995 cited in Leelayouthayotin, 2004, p.10). Presently, tourism industry have analyze the e-technology and strategically utilizing the available resources of ICTs, stakeholders are practicing internet components and increasing efficiency in this sector, Buhali and Law (2008), stated ICT enhanced global interaction among different segment in tourism industry. Generally, ICTs is an integration of hardware and software network system which is helpful in information dissemination among stakeholders and consumers and also operate programmers. Additionally, the system is constitute of network equipments associate to each other such as mobile, Tabs, computers and effectively performs several functions, werthner and Klein, (1999) synthesized ICT by including hardware, software, groupware, Netware, and human ware. Tourism, being as an information based industry has progress with the help of information and technology industry (Law, Leung & Wong, 2004) generally, information and communication technology in tourism means electrification of digital tools and techniques to collect, distribute, and share data with the application of design software in tourism business. Contemporary technological environment not only promotes product but also is the need of hour, in this global market none of the industry can be developed without the assistance of networks, internal and external knowledge is crucial in the competitive environment (Bell and Albu, 1999; Amin, 1999; Porter, 2000; Yeungs 2000; Lyons, 2000; Koschatzky and Bross, 2001), further one, non-institutional framework of tourism invite the technology such as independent travel demand along this various market forces diversified the tourism industry that mould the product and made highly network intensive. Internet has develop the society and made innovations in different sectors, technology's Interactive feature have transformed business and society into new trends and new concept emerged such as B2B, C2C etc, this social net working phenomena of addressability not only enhances interactivity but also systemize the existing and potential resources (Barwise, Elberse, & Hammond, 2006), now a days, networking scope is increasing as per se internet user's graph is in upward stage and also activating the whole system, Gergely Ráthonyi in 'influence of social media on tourism' described Web 2.0 as travel 2.0 and explained new generation of travel websites with new technologies that enable social collaboration among travelers where tourists can share their experiences with fellow travelers. New online trends mean that tourists are having more control over their travel decision making process and exerting an influence on tourism related businesses to take new trends into account (Cox et al. 2007), tourists regard this information as more trustworthy and beneficial rather than professional travel advice that's why travelers are becoming increasingly more interested in seeking the opinions and reviews of the fellow travelers (Fotis et al. 2012; Leung et al. 2011). Subsequently, travel information search



and booking are the motivational factors and invite people to consume internet, a whole system of ICTs and the Internet has been rapidly diffused throughout tourism sectors (Buhalis, 2004; Buhalis & Law, 2008; Poon, 1993; Werthner & Klein, 1999), Ancker (2003) found that approximately half of those surveyed would use the Internet for booking holidays and more than one quarter of those surveyed indicated a strong intention to use mobile booking services in the future. Many tourism-related organizations had to go through a major business processes re-engineering to take advantage of the emerging technologies in order to transform their processes and data handling as well as their ability to operate and to compete in the emerging global marketplace (Laudon & Laudon, 2007). In technological expansion decade, new forms of social media not only enhance the interactivity but also changes travel patterns and also presented a network mechanism which update tourist accordance the conditions, Fotis et al., (2012) social media regularly identify as social software, social web sites, consumer-generated media, user-generated content websites, or even Web 2.0. Additionally, travel blogs and virtual tourism enhances the competitiveness among destination suppliers, Lo et al. (2011) showing the diversity of independent and complex information available for the tourists when choosing a destination, Parra-Lopez et al. (2011) stated, the general use of social networks tends to significantly reduce the role of the informative websites managed by destination management organizations.

## E tourism: current status

The World Tourism Organization report,' E-business for Tourism' 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's among deferent tourism stakeholders to the achievement of consistently improved services through internet and internets, external environment concerned to the different dimension of e-trade and are essential for the smoothly progress of engaged persons. Buhalis (2004) defines etourism 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 ecommerce 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." Al-Maghrabi (2011) Etourism describes the search for and dissemination of tourist information, and the management, sale and purchase of social networks, etc. It ranges travel services on the Internet, via retail websites, specialist collaborative websites, blogs, and from single travel services (plane ticket, car rental, etc.) to a package holiday or a dynamic package. In international market, Ecommerce expansion have attracted the entire tourism sector and motivate 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 market information's. Most of the tourist in 2014 came from countries such as USA, UK, and Bangladesh, that's a massive jump of around 48 percent from the 7.4 million FTAs in India this year (jan7, 2015 the dollar business), in a developing nation ICT in travel trade require post advance terminologies which enlarge the scope as well as made destination accessible. In international market, E- commerce expansion has attracted the entire tourism sector and motivates to employ this segment, in the past decade, Ministry of tourism India focuses upon enlargement of visitors through websites in the name of tourism of India and incredible India

# Significance of web based tourism

The globalization framework of ICTs empowered and strengthened the tourism stakeholders to access market, additionally; it not only decreases the cost but also enhanced the business mechanism with the changes in mode of applications, the Internet has influenced tourism in significant manner by providing a great variety of services and products on-line (Kabassi, 2010). Tourism destination organizations uses Internet applications to distribute destination in order to improve the destination image, attract potential customers and increase the loyalty of existing customers (Palmer and Mc Cole, 2000; Ortega and Rodriguez, 2006,) Web based tourism significance can be analyzed by the study of its beneficial aspects, Porter stated by the advent of ICT tourism competition has increased due to service packages and high quality oriented products with good prices, even, non-touristic industry also intrude in travel sector. Here, positively, the online market made tourism a good replacement product and reasonable competition is noticed in the presence of tourist. E- Tourism significance may be in different forms because of complex nature of the industry, broadly, it can understand as benefits of b2b, b2c, c2c in tourism segment. Vicky Katsoni1 and Maria Venetsanopoulou in study Use of innovation systems for an effective tourism will not simply depend on a destination's natural and cultural resource but its ability to harness new technologies or its depth of human capital, destinations develop the Management Systems (DMSs) as a new distribution channel to support destinations in their competitiveness and product marketing (Buhalis, 2003; Jones and Haven-Tang, 2005; Ndou and Petti, 2007).

### Significance to organizations

The technological era of management information system and network system have greatly develop the business mechanism of organizations. Organizations such as hotels, DMOs and transportation companies consider their websites to be one of the



Research Paper Impact Factor: 3.853 Peer Reviewed, Listed & Indexed IJBARR E- ISSN -2347-856X ISSN -2348-0653

main sources for collecting information and data for users (Elsayed, 2008). E-tourism have balanced the demand and supply of product through the inclusion of yield management for example an airline's reservations system allows the company to manage their inventory more efficiently and the managers to increase occupancy levels, they also incorporate sophisticated yield management systems that support organizations to adjust their pricing to demand fluctuations in order to maximize their profitability (Buhalis, 2004). Further, in hotel segment, yield management manages demand and maximizes the occupancy with the inclusion of average room rates. Enterprisers enjoy the benefits of database management, Özturan and Roney (2004) described a database of customers is required before pull marketing is possible, worldwide information of suppliers and customer helped in this formation, "stimulating good eWOM should result in enhanced business activity" (Litvin et al. 2008, p. 463). In marketing research and human resource management, strategically, website have positioned the product at international market, Akehurst (2009) commented that the internet opened up communications, distribution channels and transactions. Akehurst (2009) discussed the phenomenon of blogging and presented possibilities for micro blogging, stating that blogs have a value for marketing management, as well as for management and marketing research, that "tourist products and destinations are better advertised via the Internet" (Stiakakis and Georgiadis, 2009, p. 2). Electronic tourism made product accessible at reasonable cost, stakeholders enjoy speedy service and save time in limited cost by using e-tourism there is a greater potential for reducing costs and opportunities for cost savings (Stockdale, 2006). Although ICT not only disinter mediate the entire tourism sector but also developed the tourism product with the implication of research technologies such as innovation of video conferencing and data sharing, further these motivate suppliers to know the tourist's satisfaction level as well as their tendency of destination consumption for ex. adoption of online survey method. Mekonnen G/Egziabher in his research paper, Information Technology: Its Uses in Tourism Industry explained development of any product requires data input and discussion to confirm the viability. Nowadays, it is quite possible to exchange data and hold discussions between producers and marketers in any part of the world without leaving ones office. Buhali in his strategic use of technology in tourism industry presented that useful application are available in tourism industry which horizontally, vertically, and diagonally integrates the inter and intra organizational functions of small scale as well as large scale industries, significantly it is helpful in management and marketing of hospitality business. Additionally, e- tourism designs linkage and leakages framework which create ample business opportunities that strengthened the chain system of hotels, airlines, travel agency, and tour operators, Dogac, et al (2004) argues, the internet enhances the level of collaboration between tourist operators and brings about greater levels of interoperability with internal and external applications previously available to technologically advanced tourism stakeholders via proprietary systems. In the beginning stage, private sector introduced technology in tourism, gradually; public and non government organization started to utilize the benefits and introduced new electronic dimensions such as E- documentation in the forms of passport, electronic fund transfer, and visa etc. In the newly evolving production environment the most efficient relationships are based on the creation of alliances, partnerships and networks among firms (Castells, 2004). Destination communities and regions rely on network formation (between businesses, between the private and public sectors) for the development of competitive tourist products. Recently, automation of airport, port, and trains not only facilitate tourist but also enhanced the business flow into the concerned area for example in India electronic visa application system (2014) simplify the entire documentation process. A single e-visa on arrival scheme not only reduces time and cost but also helpful in the growth of tourism. Australian visa automation system works with three inter-linked functions, each of which is supported by computers that are located in different parts of the world (Santinha, Castro, and Sobral, 2006). Wolfgang Georg Arlt, in Macao (2005) stated effective Internet communication across cultures is about much more than having a static website with may be just a few pages translated word by word into another language. E- tourism features brings continuity in supply as well smoothness and also create new opportunities for the engaged stakeholders, further one, new Web 2.0 version strengthened the tourism business mechanism through easy accessible marketing approaches such as information sharing as well as interpretability of services, collaboration among supplier and tourist leads towards reasonable competitiveness in the international market and also beneficial in the changes of tourism perceptiveness of a nation. Rapid developments in mobile telephony, cable, fiber-optics, and wireless applications as well as in the field of computer hardware and software products appear to offer excellent opportunities to tourism development (Santinha and Castro, 2010; Batlle et al., 2009; Bell, 2008; Van der Meer and Van Winden, 2003). In concrete, its help decrease distribution costs, improve customer services, and result in a competitive advantage e.g. travel web, extranet provide a securable environment to tourism organizations (Avcikurt and Köroglu, 2000, p 113). Partnerships between telecommunication companies and electronic travel agencies such as British Airways- Lastminute.com and Galileo-Trip.com facilitates networking (Buhalis and Licata, 2002; Wang and Fesenmaier, 2004).

### Significances to tourist

The Internet has become one of the most important sources of consumer information (Zins, 2007), especially for young and better educated consumers (Beritelli, Bieger, & Laesser, 2007; Casanova, Kim & Morrison, 2005; Seabra, Abrantes, & Lages, 2007). Technological advanced version is not only informative but also made a strategic men having managerial features such as assessment of pros and con before planning to travel and enjoy benefits of internet at each stage of buying



Research Paper Impact Factor: 3.853 Peer Reviewed, Listed & Indexed IJBARR E- ISSN -2347-856X ISSN -2348-0653

process. Changes in the economic, cultural and technological environments have definitely encourage consumers to increase the use of the Internet in their quest to save time and money by means of popular search engines, such as Yahoo and Google which are constantly improved to provide faster access of information for travelers (Mitchell, 2006), surprisingly, prior to plan a trips the most common search engine websites are google.com and yahoo.com, travel portals are Trip advisor, Travelocity, and Microsoft Expedia, not only for the sake of business tourism but also for recreation and vacation purposes majority of tourist visits these sites, the advent stage of technology with portable devices such as smart phone, Tabs, and laptop assists men result in travelers are used to access information during journey as well as staying at the destinations, the most searching documents are transportation schedules, route- directions, ticket fares, room rents, and maps, "Internet makes the search of destinations, tourism providers, and services easier and richer than traditional channels do" (Minghetti and Buhalis, 2010, p. 267). Werthner and Ricci have mentioned IT and internet role in changing customer needs and ways of searching and selection of tourism services. Wayne Pease and Michelle Rowe, in 'an overview of information technology in the tourism industry' explained ICT is shifting the 'balance of power' to them since they can research their purchase and compare the offerings of competitors and also became virtual tourist conscious about market prices. Tourist's psychographic nature tends to make him take longer durability at the destination, hence, ICT acts as a security element that motivate heavy consumption of resources, previous research showed that tourists who searched on the Internet tended to spend more at their destinations as compared to those who consult other information sources (Bonn, Furr, & Susskind, 1998; Luo, Feng, & Cai, 2004). In developing nation tourism is still status symbol product and primarily customer tendencies remains towards securable aspects, here, technology offers virtual tourism, coincide it, in western zone shortage of time motivate their behavior to visit internet, the study of Heung (2003) argued that most of the travelers, who made an online purchase of airline e-ticket, were from western-countries with high incomes and high education, thoroughly, in worldwide economy number of internet users are increasing in each sector, Stats (2001) presented by 2011, the number of worldwide Internet users was reached nearly two billion out of a population of approximately 6.93 billion.

### Need of the Study in Indian tourism

Today, electronic tourism is playing significant role in tourism, traveler's search behavior enhanced competitiveness in designing of websites, strategically, prior to and in between travel for service suppliers it became crucial to know the trip planner's degree of intensity towards travel sites, the analytical study preview the benefits of e-tourism adoptions as well as assists the planner regarding successful factors affecting satisfaction of e-tourist in the concerned area, most of tourism companies put information online and permit tourist to reserve their services and product online. over 80% of travelers participating in a TripAdvisor.com survey agree that "reading other travelers" on-line reviews increases confidence in decisions, makes it easier to imagine what a place would be like, helps reduce risk/uncertainty, makes it easier to reach decisions, and helps with planning pleasure trips more efficiently" (Gretzelet al, 2007). Electronic tourism is booming as well as rebutting the international economy, According to a study by ComScore in March 2013, nearly 183,000,000 Internet users visited travel websites in Europe. PhoCusWright, stated the share of online travel as a percentage of total travel bookings is nearly 60% in the US, compared with more than 40% in Europe. In France alone, it was worth more than €12.4bn in 2013 Xerfi study, FEVAD, Consumer behavior has helped drive growth, which has been continuous since 2006, In 2013, nearly 30 million French citizens (62% of the population) used websites to prepare their holidays (Raffour Interactif consultancy), additionally, Forecast statistics demonstrate that in USA online leisure and individually booked business travel sales are projected to reach US \$162.4 billion in 2012, and travel planning online increases spectacularly by means of the literally thousands of websites (e.g. Lonely Planet, Travel Online, Travel Notes, Travel net, When We...Get There, etc.), indicated that 83% of leisure travelers and 76% of business travelers planned their trips over the Internet (Ipsos MediaCT,2012). New innovations of mobile technology have changes tourist tendencies and also create new dimensions in tourism industry, world travel trend (2014) stated, Mobile bookings are expected to reach 35% of online travel bookings by 2018 and also transforming the tourism landscape in terms of bookings, customer service and consumer behavior, mobile devices are increasing key in the travel industry in terms of both customer service and destination services. A travel website needs to change to meet travelers' needs and should be focused on personalized tools such as providing value added services for example self-check-in of hotel guest/airline provide recommendation/advise, currency conversion, translation, airlines/hotels and others (Werthner and Ricci, 2004). Satisfaction is important from various perspectives many researchers have highlighted that satisfaction can affect tourist retention. The satisfaction in its first step can affect potentials interest for special products as a result it is necessary to investigate which factors are important for tourists while deciding purchase of any tourism service via internet. In other word, what is the perception of its customers about each of these factors? There is a quick need for finding away to assess and increase tourist satisfaction while they are searching and purchasing on line Phuong (2010), Considering these statements as essential questions to be elaborated, this study will make an analysis of tourist adoption and satisfaction with reference to electronic tourism. The technological dimensions creates discretionary time and also up rises living standard with the qualitative demand, this tendency made tourist more flexible and sophisticated which lead them towards electronic sources from where they gain reliability in information's. Experienced, sophisticated,



Research Paper Impact Factor: 3.853 Peer Reviewed, Listed & Indexed IJBARR E- ISSN -2347-856X ISSN -2348-0653

demanding travelers require interaction with suppliers to satisfy their specific needs and wishes (Buhali and Peter 2005), hence, the study presents baselines for tourism supplier who primarily relies upon dot com facilities, therefore, a technology based mechanism is the need of hour in a growing country like India having vision of maximum business at international map, findings shows that service quality dimensions i.e. Customer Interaction, Information Content, Responsiveness and Security affected the overall satisfaction of consumers in the Indian e-tourism (Soni Karekar 2014). Researcher primarily have focused upon posterior consumption behavior based on perception, present study contains the issues of factor affecting adoption and satisfaction of e-tourism in Indian context, and broadly discuss the pre and posterior factor affecting tourist's decision. Kapil Jain et.al, in drivers affecting e-tourism services adoptability stated, drivers are utility, reliability, economy, efficiency, coincide it online e-tourism service option gives a big opportunity to travelers for saving their time, money but due to security threat, they hesitate to use e-Tourism services. The ministry of tourism (2015, 7 Jan) stated, the tourism sector is important to revive brand India for the success of the make in India initiative, tourism accounts for around 12.4 percent of the total employment in India and ranks fifth globally as an export category after fuels, chemicals, food and automotive products. However, despite the huge potential to create employment and improve FFEs, India's tourism sector remains stunted according to official estimates FTAs to India are less than 1 percent of the total FTAs; the government is aiming to increase the number of FTAs to 1 percent of the total 1.1 billion international tourists in coming years. Therefore, ICT is the need of hour in present scenario, each and every part of world economy is directly or indirectly closely linked to information and technology, Elliot and Joppe (2010) have tracked the growth and impact of net packaging and have found that it can not only produce incremental revenues, but also result in longer stays and higher expenditures per booking, net packaging can be an effective strategy for growth and economic recovery, as long as the motivations for booking net packages are better understood. Despite of huge touristic resources, India is still at 42nd position as per world tourism rank concerned, Google survey 2016 indicates, year-on-year growth in hotel searches using all devices is 37 per cent, the growth in searches using smart phones in India is 147 per cent, While the potential to grow e-commerce in hotel transactions is quite high, hardly 29 per cent of the online searchers do transactions online, the survey provides an insight into the hotel industry to overcome the gaps that exist in their offerings, and grow the sector to its full potential, the survey finds the industry needs to continue invest in trust building, Convenience, Relationship and Payments. An and Bethapudi in role of ICT in tourism industry stated, the satisfaction level of the tourist is not high in terms of ICT in India, and there is a need to study the ICT role and its implementation to increase the profitability of Indian tourism industry.

#### References

- 1. Al-Maghrabi, Talal; Basahel, Abdullah, (2011), "What Drives consumers' e-loyalty to Airlines Web Site? Conceptual Framework and Managerial Implications", European and Mediterranean Conference on Information Systems 2011 (EMCIS11), Athens, Greece.
- Bonn, M.A., Furr, H.L. and Susskind, A.M. (1998), "Using the internet as a pleasure travel planning tool: an examination of the sociodemographic and behavioral characteristics among internet users and nonusers", Journal of Hospitality and Tourism Research, Vol. 22 No. 3, pp. 303-17.
- 3. Buhalis, D., and Deimezi, O. (2004). E-tourism developments in Greece: Information communication technologies adoption for the strategic management of the Greek tourism industry. Tourism and Hospitality Research, 5(2), pp. 103-131.
- 4. Buhalis, D.-Law R. (2008) Progress in information technology and tourism management:20 years on and 10 years after the internet-The state of e-tourism research. Tourism Mangement, Vol.29, No.4, 608-623.
- 5. Elliot, S. & Joppe, M. (2010). Packaging travel on the web: A case study of Ottawa Tourism, Travel & Tourism Research Association 2010 Conference Proceedings, June 20-22, 2010.
- 6. Fotis, J., Buhalis, D., Rossides N. (2012): Social media use and impact during the holiday travel planning process, Information and Communication Technologies in Tourism 2012, pp. 13-24.
- 7. Heung, V.C.S. (2003). Internet usage by international travelers: reasons and barriers. International Journal of Contemporary Hospitality Management, 15(7), 370-378.
- 8. Law, R., Leung, K. and Wong, J. (2004), "The impact of the internet on travel agencies", International Journal of Contemporary Hospitality Management, Vol. 16 No. 2, pp. 100-7.
- 9. Lepp, A., Gibson, H., & Lane, C. 2011. Image and perceived risk: A study of Uganda and its official tourism website. Tourism Management, 32(3): 675-684.
- 10. O'Connor, P. and Frew, A.J. (2002), "The future of direct retailing of travel and tourism products: the influence of information technology", Progress in Tourism and Hospitality Research, Vol. 4, pp. 1-15.
- 11. Roney, S. A. I. 2004. Internet use among travel agencies in Turkey: an exploratory study. Tourism Management, 25(2): 259-266.
- 12. Wang, S., & Cheung, W. 2004. E-business adoption by travel agencies: prime candidates for mobile e-business. International Journal of Electronic Commerce, 8(3): 43-63
- 13. Werthner, H., and Klein, S. (1999). Information technology and tourism A challenging relationship. Springer Computer Science.