Impact Of Technolory On The Treval And Tourism Industry

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1.1 ABSTRACT

Travel and tourism is one of the largest and fastest growing global service industries. According to the world Travel and Tourism Council the travel and tourism industry's total contribution to the global economy rose to $6,990 billion, or 9.5% of the GDP, and is expected to grow by 4.3% to $7289 billion, or 9.6% of the GDP, in 2014.

This study is focused on the importance & use of IT in tourism industry and its future. The study is exploratory in nature as it based on the secondary sources of information. It covers the details of basic IT tools associated with tourism industry and the drawback involved as well as identifies what improvements are required to make it more effective and easy to use.

1.2 INTRODUCTION

There are various definitions of tourism. Theo bald (1994) suggested that etymologically, the word "tour" is derived from the Latin *'tornare'* and the Greek *'tornos,'* meaning *'a lathe or circle; the movement around a central point or axis.'* This meaning changed in modern English to represent 'one's turn.' The suffix -ism is defined as 'an action or process; typical behavior or quality' whereas the suffix -its denotes one that performs a given action. When the word tour and the suffixes -ism and -ist are combined, they suggest the action of movement around a circle. One can argue that a circle represents a starting point, which ultimately returns back to its beginning. Therefore, like a circle, a tour represents a journey that is a round trip, i.e., the act of leaving and then returning to the original starting point, and therefore, one who takes such a journey can be called a tourist. Tourism has become a thriving global industry with the power to shape developing countries in both positive and negative ways. No doubt it has become the fourth largest industry in the global economy.

Similarly, in developing countries like India tourism has become one of the major sectors of the economy, contributing to a large proportion of the National Income and generating huge employment opportunities. It has become the fastest growing service industry in the country with great potentials for its further expansion and diversification. However, there are pros and cons involved with the development of tourism industry in the country. Let us discuss the development as well as the negative and positive impacts of tourism industry in India.

1.2.1 Impact of Internet in the travel and tourism industry

The advancement of the Internet has deeply affected the way tourism and travel intermediaries perform their business. The development of vertical portals like has redefined the travel business. This has led to the formation of various last minute online travel portals which effectively organize and distribute distressed tourism inventories to the clients. Tourism suppliers like British Airways have started applying ecommerce applications thereby allowing their customers to directly access the reservations systems. Hence, a customer is able to make a flight search and go through the various options available and finally take a purchase decision. The Internet has made it possible for customers to access high quality information within a short time. Also it has made service expectations as consumers expect to be served 24 hrs / 365 days. Nowadays, customers expect to be served at all times rather than the office hours of the tourism providers.

1.2.2 Mobile technology and the tourism and travel industry

The advent and application of mobile technologies have further impacted the tourism and travel industry. This has been possible due to the development in ecommerce. It is now possible for customers to view and choose various travel and tourism options by surfing the internet through their mobile phones. Short messaging services also provide a lot of information as the booking confirmation can simply be presented to the airline or the hotel and one is allowed to enjoy the service. The emergence of new and high tech mobile phones has again stirred a revolution in mobile technology. This is especially helpful as these phones allow a user to access internet and book services online. Hence, one can also book tour packages and other travel related services through the mobile.

1.3 DIFFERENT TYPES OF TOURISM INDUSTRY

1.3.1 Rural Tourism

Started in 2002-2003 by the Ministry of Tourism rural tourism offer the visitors a glance into the lives of rural India, their rich culture and heritage, cuisine, their style of living, etc. This initiative got positive response from people in and around the world in the year 2010. Rural Tourism Project at Vodka Village in Kutch district of Gujarat won Pacific Asia Travel Association Award.

1.3.2 Adventure Tourism

This includes exploring some of the remote, toughest areas of India - be it forest expedition, river rafting or mountain trekking. This segment is gaining popularity among young people who want to escape their routine life and engage in some activity that give them an adrenaline rush.

1.3.3 Wellness Tourism

In recent years some of the ancient Indian practices like Ayurveda, Yoga and Panchakarma have gained popularity among international masses. This has accelerated the wellness tourism as people come to India to seek treatment through this method.

1.3.4 Medical Tourism

With skilled doctors, low cost treatment and superlative healthcare infrastructure, India has seen exponential growth in medical tourism. Most of the people visiting India from other countries for medical treatment come for two reasons either the cost is very high in their country or the required medical infrastructure is not available.

1.3.5 Eco Tourism

With people becoming more aware of their environment Eco Tourism has witnessed growth in recent years in India. The International Ecotourism Society defines Eco Tourism as "responsible travel to natural areas that conserves the environment, sustains the well-being of the local people, and involves interpretation and education"

- ➢ Government Initiatives
- ➢ Road Ahead

1.4 IMPACT OF TOURISM IN INDIA

Tourism industry in India has several positive and negative impacts on the economy and society. These impacts are highlighted below.

1.4.1 POSITIVE IMPACT

- Generating Income and Employment
- Source of Foreign Exchange Earnings
- Preservation of National Heritage and Environment
- Developing Infrastructure
- Promoting Peace and Stability

1.4.2 NEGATIVE IMPACT

- Undesirable Social and Cultural Change
- Increase Tension and Hostility
- Creating a Sense of Antipathy
- Adverse Effects on Environment and Ecology

1.5 ENVIRONMENTAL IMPACT OF TOURISM IN INDIA

The tourism industry in India can have several positive and negative impact on the environment which are discuss below.

1.5.1 POSITIVE IMPACTS

1.Direct Financial Contributions

2.Contributions to Government Revenues

3.Improved Environmental Management and Planning

4. Raising Environmental Awareness

5.Protection and Preservation of Environment

1.5.2 NEGATIVE IMPACTS

1. Depletion of Natural Resources: Tourism development can put pressure on natural resources when it increases consumption in areas where resources are already scarce.

(i) Water resources

(ii) Local resources

(iii) Land degradation

2. Pollution

Tourism can cause the same forms of pollution as any other industry: air emissions, noise, solid waste and littering, releases of sewage, oil and chemicals, even architectural/visual pollution.

(i) Air and Noise Pollution

(ii) Solid waste and littering

(iii) Sewage

3. Destruction and Alteration of Ecosystem

An ecosystem is a geographic area including all the living organisms (people, plants, animals, and micro-organisms), their physical surroundings (such as soil, water, and air), and the natural cycles that sustain them. Attractive landscape sites, such as sandy beaches in Goa, Maharashtra, Kerela, Tamil Nadu; lakes, riversides, and mountain tops and slopes, are often transitional zones, characterized by species-rich ecosystems. The threats to and pressures on these ecosystems are often severe because such places are very attractive to both tourists and developers. Examples may be cited from Krushedei Island near Rameswaram. What was once called paradise for marine biologists has been abandoned due to massive destruction of coral and other marine life. Another area of concern which emerged at Jaisalmer is regarding the deterioration of the desert ecology due to increased tourist activities in the desert.

1.6 THE IMPACT OF TECHNOLOGY ON TRAVEL AND TOURISM IN THE MIDDLE EAST

Mobile devices, tablets and computers are frequently used in the Middle East for every aspect of trip planning, from browsing to booking, to even post-travel reviews. This is opening tremendous growth opportunities for key players in the industry as they utilize these devices to engage with current and prospective customers. Euromonitor International analyses the technologically-savvy, growing population's impact on the travel landscape, which is already creating a more connected and personalized experience.

1.6.1 Digital-savvy and young population feeds travel and tourism online

With extensive internet use via the online and mobile platforms, throughout all stages of the travel experience, players in the travel and tourism industry are adapting marketing strategies in order to maximise their visibility and to maintain competitive advantage. Moreover, there is a clear shift in booking patterns toward mobile and tablet booking devices. According to Euromonitor International, Middle East online travel penetration will grow from 18% in 2013 to 22% in 2014.

Euromonitor International estimates that 50% of travelers from UAE and 35% of travelers from Saudi Arabia access online services via their smartphones, providing travel companies great marketing opportunities to engage with potential customers. Mobile internet potential is expected to intensify with the growth of the younger and more digital-savvy population in the region. Strong growth of the mobile platform is expected to play an important role in the business strategies of travel and tourism businesses throughout the region.

1.6.2 Key travel and technology trends identified by Euromonitor International:

In 2012, online travel penetration in the Middle East accounted for 18% and is expected to reach 22% in 2014. By 2030, the region is predicted to have nearly 81 million outbound travelers.

UAE tourism receipts are forecast to rise by 67% by 2018. The region is entering a new era of stability, increased connectivity and expansion of existing infrastructure. Euromonitor International expects UAE's hospitality market to reach US$7.5 billion by 2016, up from US$4.5 billion in 2011, a 67% increase.

Tourist arrivals in the UAE are expected to grow at a CAGR of 5% between 2012 and 2022, with hotel supply expected to increase from the current 96,992 hotel rooms in Dubai and Abu Dhabi, to a total of 125,383 hotel rooms in 2016. In November 2012, year-to-date occupancy reached 80%, up 2% from the same period in 2011.

Dubai International Airport recorded total passenger traffic in 2012 at more than 52 million travelers, up 13% from previous year, with passenger

numbers forecast to reach 98 million by 2020. Abu Dhabi alone welcomed 2.3 million hotel guests in 2012 in hotels and hotel apartments, an increase of 13% from the previous year.

1.6.3 United Arab Emirates tops technology-tourism

In Dubai alone, 60% of airline booking and ticketing came from online purchases in 2014. In the UAE, half the population uses the online platform while planning or purchasing travel products. Amongst leisure travellers, 39% use the internet to plan their trips, while 12% book their travel online. Moreover, 46% of airline tickets in the UAE are booked online, followed by Kuwait (34%), Saudi Arabia (23%), Lebanon (18%) and Egypt (12%). Hotel rooms are less commonly purchased online, with 12% of hotel bookings in Saudi Arabia conducted online, 9% in both UAE and Egypt, 6% in Lebanon, and 5% in Kuwait. If there is room for growth in terms of online booking, the low conversion purchase rate is mainly explained by the mistrust or inconvenience of online payment solutions offered.

1.6.4 Strong impact of online travel agencies on travel and tourism revenue

In 2014, online travel agency sales in the Middle East have reached USD$3 billion, representing about 17% of total sales. Online travel agencies are leading direct sales in the Middle East, with 34% of this total in 2013 coming from hotels. Online travel agencies have a compound average growth rate of 18%, with Expedia.com and Booking.com the key players in the market.

1.6.5 Smartphone and social media influences Middle East travelers

The internet is playing a key role in the decision making process for both leisure and business travelers in the Middle East. Amongst travellers using an online platform to plan their trips, 50% used mobile for their travel decisions in the past year. Middle Eastern travel has a great opportunity to engage with customers using the mobile platform and to convert these mobile travelers into bookings. In fact, bookings made online through smartphones represents a strong opportunity for the travel industry, and last minute booking is high in Saudi Arabia for both leisure and business travelers.

Euromonitor International estimates that mobile data traffic in the MENA region will grow faster than in any other part of the world between 2014 and 2018, with penetration of smartphones and tablets estimated to reach about 600 million devices by 2018, up from just million in 2013.

1.7 SEVEN WAYS TECHNOLOGY IS CHANGING THE TREVAL INDUSTRY

A general overview of the technological development that are challenging, changing, and disrupting the travel & tourism industry now.

1.7.1 The smartphone

Remote check-in paperless boarding passes, real-time treval news, maps, GPS, messaging, shopping and a camera you take everywhere. The smartphone hasn't just changed one element of the treval experience, it's changed all of them.

1.7.2 Biometrics

With border control and safety issues increasing, facial, fingerprint and iris-recognition are all currently being trialled as ways to improve the experience at airport security around the world. In the US, automatic passenger control kiosks have recently been installed at airports including LAX, JFK, Orlando and O'Hare to cut down on queues at arrivals.

1.7.3 The sharing economy

Airbnb and Uber have shown the potential for disruption when technology allows peer-to-peer sharing and matchmaking. Services like Beyond Stays and Guesty have sprung up to help hosts manage bookings, room cleaning, repairs and other services-while Expedia has begun moving into the p2p market by showcasing HomeAway vacation rentals.

1.7.4 Composite Materials

The development aircraft are 70% more fuel efficient per seat kilometre than in the 1960s, as parts that are both lighter and stronger than ever before. This has enabled the creation of larger aircraft that can carry more passengers.

1.7.5 Customers Power

Technology has shifted the balance of power between business and customer across the travel industry, with access to honest and up-to-date reviews and recommendation an essential element of holiday planning.

1.7.6 Wearables

2015 will be the year we find out whether wearables are the next big thing or old news. Google Glass has been guietly retired in its current form, although trials by organisations including Virgin Atlantic and Copenhagen Airport have suggested that the product might still have a future among the professional workforce.

1.7.7 The end of getting lost

Recommendations, apps like Foodspotting allow users to share great dishes that they've discovered, Foursqure lets people find local experience based on personalised recommendations, and sites like Meetup and Couchsurfing allow people to travel independently without ending up on their own.

1.8 CONCLUSION

Thus we have seen that the travel and tourism industry has revolutionized their travel plans and strategies with the help of improved information technology solutions. They are resorting to customer focused travel solutions and are aiming to provide a one stop solution for all travel related services through information technology. Travel and tourism providers need to work in collaboration with each other to provide a one point platform to all its clients. Hence, they must embrace newly developed and effective information technology solutions to run travel operations smoothly and efficiently. At the same time, the prime focus should be on providing excellent customer service. For all these, the only answer is to embrace best and updated information technology.

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