Effect of Internet and Mobile Technology on Tourism and Travel Industry

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ABSTRACT

Tourism is one of the major industries of the modern society. People travel due to different motives. Tourism industry as a whole is the combination of accommodation, transportation, activities, attractions and other ancillary services. It includes intermediaries like tour operators and travel agents. One can say that the Tourism Industry is the industry of industries and for its proper coordination & smooth running, use of internet and technologies has become a very vital part of this industry. From pre-visit booking till post visit feedback and experience sharing, we have become very much dependent on internet and technology. For checking availability and booking of seats in the airlines, railways, etc., internet and technology play an important role. Many software such as GDS, OPERA Property Management System (PMS), Amadeus, Galileo, etc have been developed for efficient working of tourism and travel industry. And for all such software, internet serves as the lifeline. Almost all airlines have their own website and mobile applications wherein they promote and do major amount of business online using information technology. During the last decade, Internet technology has gained importance as it has become the major force to work safely and effectively. Moreover, this technology has also helped airlines to reduce costs and get closer to the customers. This in turn has also forced the third party and tour and travel organisation to reframe their business model. Also for customers things have become easy and booking a flight or a holiday is just a click away. This paper is exploratory in nature as it is based on the secondary sources of information. This paper highlights the effect of internet and mobile technology on Travel and Tourism Industry.

Keywords: Tourism, Travel, Mobile Technology, Internet, Review, Traveler,

INTRODUCTION

Technology plays an important role in Tourism as it helps in achieving economic growth by arranging economic means for consumers to travel. The tourism industry is often defined as the complex sectored system of innovation and production, given the fact that the tourism products and actors undergo dynamic changes due to changes in the external forces. The evolvement and progress of information technology has therefore had a tremendous impact in tourism (Aldebert, Dang, & Longhi, 2011).

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EFFECT OF INTERNET ON TRAVEL & TOURISM INDUSTRY

Travel and tourism industry has begun to focus more on Internet applications during the last decade. Today Internet is being used as a direct channel for customer reservations by many travel service suppliers, such as hotels and airline companies. However, the integration of the Internet into the travel and tourism industry has posed a serious challenge towards the traditional role of travel agencies. This in turn has forced the tour and travel agencies to reframe their business model. In fact travel agents believe that they can take advantage of the Internet technology to provide value-added services for their customers (Law, Law, & Wai, 2002). The travel agents have been able to reduce their operational costs as these travel agents have found it easy to book and make arrangements over the Internet for their clients. Internet has made their services more efficient and timely (Vrana, Zafiropoulos, & Paschaloudis, 2004). The development of vertical portals has redefined the travel business. These vertical portals have effectively organized and
distributed distressed tourism inventories to the clients, thus bringing value addition. In current times when customers expect to be served 24/7, the Internet has made it possible for customers to access information at any point of the day. In addition to this customers can book or make reservations at any point of time (Buhalis & Licata, 2002).

Since tourism enables knowledge about the consumer or tourist to be gathered, as well as vice versa, internet is especially relevant to it. This leads to the rise of both the global visibility of destinations and the global merging of market segments (Werthner & Klein, 1999). The use of web-based tourist information systems has grown significantly. When we talk of Travel revenues on the Internet then it has consistently ranked high in comparison with other goods and services (Kadison, et al., 1998). The reasons that are being advocated for the high rank are the richness of information provided online and the breadth of the audience. In addition the intensity of competition and the emergence of new players with countless web sites supported by efficient transaction support are counted among the reasons for the high rank of travel revenues over internet when compared to other goods and services. There has been significant impact on communications due to the online technologies within the tourism industry.

**EFFECT OF MOBILE TECHNOLOGY ON TRAVEL & TOURISM INDUSTRY**

Desktop computers are well suited to the research, planning and booking of people’s holidays before their trips but it does not offer portability and flexibility. Laptop computers are more portable when compared to desktop computers but are cumbersome to take on long trips. The best option in current times that offers both flexibility and portability are the smart Mobile phones. Smartphone makes it more portable to carry all the resources one needs to have along your travel expeditions. One of the main benefits of smart technology mobile phones for travellers is the ability to connect to the Internet. The advent and application of mobile technologies have helped in bringing efficiency to the Tourism and Travel Industry. Mobile Technology is the key driver in enhancing tourism experiences. This has been possible due to the development in ecommerce. Just by surfing the internet through their mobile phones, the customers can easily choose their travel option and plan accordingly. 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.

Mobile technology and e-commerce has made it easy to facilitate payments and seeking clarifications. Making payments while booking services or reserving hotel rooms is most important at the pre-visit stage. Seeking assistance and finding out information would be the focus and an important function during the visit itself. And sharing the feedback for other visitors online and evaluating the visitor experience, as well as planning for future trips, would be of significance at the post visit stage.

The widespread use of Web applications and the increasing number of social media applications during the last decade have given a new shape to the tourism destination promotion. It has become must for Destination Management Organizations (DMO) to adapt and meet the challenges placed by new interaction and communication paradigms in the tourism sector. (Roque & Raposo, 2016). Driven by the rise of the Smartphone, it is forecast that digital currency will replace cash in the next decade. For tourists, this will bring the benefit of not having to carry cash on holidays.

**NEGATIVE EFFECT**

Internet and Mobile technology has reduced the role of travel agents because consumers can find information on trips or booking via the Internet, rather than using the services of a travel agent. Travel agents who still are using the tradition approach and have not restructured their business model to the current trends of online technologies and mobile technologies have been affected. Infact the small level travel and tour operators who could not afford to redesign their business model have been more affected than the bigger travel and tour operators. Today customer can find the price of the room or the price of trip cheaper by themselves rather being dependent on travel agents and there is growing perception among customers that the sole source of cheaper travel products and services can be found online in comparison to travel agents. The internet has affected the traditional travel channels such as travel agencies by providing opportunities for travellers to book their travel directly online. Nowadays most of the hotels and airlines have started encouraging travellers to book tickets directly on their websites thus avoiding having to pay 10% commission to the travel agents. This has created an urgent need for traditional travel agents to redesign their business and marketing models to find new methods and strategies to stay in business.

**CONCLUSION**

Travel and tourism industry has been revolutionized with the advent of internet and Mobile technologies. Smartphone, tablets, laptops, and other mobile devices have not only changed the way customers research and book their travel arrangements, but they’ve also fundamentally shifted the way travel companies view devices as tools for continued interaction and communication with would-be travellers. With so much of today’s e-commerce dependent upon mobile apps as a way of customer engagement and transaction, travel companies are betting big on providing travellers with responsive, user-friendly applications to serve their booking and travel needs. There has also been misuse of
technology but we also cannot deny the fact that tourism and travel are highly dependent on technology and its use has made life a whole lot easier. Irrespective of whether we like it or not technology touches almost every aspect of the tourism industry. Technology can be a great time and cost saver if we use the benefits of technology such as convenience, speed, and accuracy in a smart way. Most importantly tourism industry has to keep into mind that it does not forget the importance of the human element as tourism is all about the experience and if it does so then it would be making a major error.

REFERENCES


