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Research Paper Tourism

ICT and Impact of National Tourism in India : Challenges and Opportunities

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ABSTRACT

Tourism is one of the first sectors to embrace Information Technology (IT). IT is crucial to the tourism industry and its success. Tourism emerged as very largest global industry of the 20th century and is projected to grow even faster in the 21st century. India has huge possibilities of growth in the tourism sector with vast cultural and religious heritage, varied natural attractions, but a comparatively small role in the world tourism scene. Development of Information and Communication Technology (ICT) has transformed the contemporary business environment. It has led to new information economy which is digital in nature. A New Tourism Policy, which builds on the strength of the national Tourism Policy of 1982, but which envisages new initiatives towards making tourism the catalyst in employment generation, environmental re-generation, development of remote areas and other disadvantaged groups in the country, besides promoting social integration is, therefore, vital to our economy. It would lead to larger foreign exchange earnings and create conditions for more Foreign Direct Investment. IT has bought with it a number of changes and challenges that affect business and tourism.

KEYWORDS : Information and Communication Technologies (ICT), Tourism policy, Foreign Direct Investment, Information Technology (IT)

ICT and Economic growth

Information and Communication Technologies (ICT) is a broad terminology referring to multiple communication technologies which range from simple and complex namely Cell Phone applications (SMS), Digital Cameras, Internet, Wireless (WiFi and WiMAN),VOIP,GPS, GIS, Convergence (data, voice, media), Digital radio. ICTs empowers the individual with the information access, which is transparent. Efforts are under way to integrate ICTs to all sectors and developmental activity. Tourism is one such potential area. Tourism and economy are closely interconnected. Discussion on Tourism involves the discussion on economic enterprise also. ICT facilitates this integration and enables customisation of tourism products to suit the needs of individuals. Due to changes in consumer behaviour of the tourist the market is becoming more segmented with each potential consumer belonging to a number of market segments simultaneously. Tourist operators need to be aware of these changes and be equipped to respond, or better still, take a proactive approach.

ICT is expected to benefit economic development in several ways:

- Through allowing local business access to global markets.
- By providing new opportunities to export a wider range of goods and services.
- By improving the internal efficiency with in the firms.

ICT Today:

- Cell phone applications (SMS)
- Digital cameras
- Internet
- Wireless (WiFiand WiMAN)
- VOIP
- GPS & GIS
- Convergence (data, voice, media)
- Digital radio
- Applications on demand

Benefits of the Internet and ICTs

The development of the Internet and ICTs has made many significant impacts on the operation, structure and strategy of organisations, as well as communication with consumers. The enhancements in ICTs capabilities, in combination with the decrease of the size of equipment and ICTs costs, improved the reliability, compatibility and inter-connectivity of numerous terminals and applications (Gupta, 2000). The emergence and mainstreaming of the Internet empowered the global networking of computers, enabling individuals and organisations to access a plethora of multimedia information and knowledge sources, regardless of their location or ownership, often free of charge. Figure 5, summarized by Turban et al. (2008), displays benefits of e-commerce to organizations and individual customers.

Benefits to Tourism Industry

- Locating customers and/or suppliers worldwide, at reasonable cost and fast.
- Reduce cost of information processing, storage, distribution.
- Reduce delays, inventories, and cost through supply chain improvements.
- Business always open (24/7/365); with the help of ICT there is no over time or other cost.
- Customization/personalization at a reasonable cost .
- Seller can specialize in a narrow field, yet make money.
- Facilitate innovation and enable unique business models.
- Rapid time-to-market and increased speed.
- Lower communication cost.
- Saves time and reduces cost by enabling e-procurement.
- Improve customer service and relationship through direct interactions with
- customers.
- All distributed material is up-to-date.
- E-commerce may help small companies to compete against large ones by using
- special business models.
- Using customization inventories can be minimized.
- Reduce distributing cost by deliver online.

Benefits to Consumers

- Can shop any time from any place because of ubiquity .
- Large selection to choose from a variety of channels (e.g., vendor, products, styles) .
- Can customize many products and/or services .
- Can compare and shop for lowest prices .
- Digitized products can be downloaded immediately upon payment .
- Easy finding what you need, with details, demos, etc.
- Do auctions any time and from any place.
- Can work or study at home/office.
- Can socialize online in communities yet be at home.

Transition in the Industry

Technological progress in the recent decades has made tourisms enterprise across the globe more innovative than even before. The three important innovations, which have redefined the organizational structure of world truism industry, are the following.

1. Development of the Computer Reservation System (CRS)
2. Development of the Global Distribution System (GDS)
3. The Internet.

Computer Reservation Systems (CRS) : A database which enables a tourism organisation to manage its inventory and make it accessible to its partners. Principals utilise CRSs to manage their inven-

tory and distribute their capacity as well as to manage the drastic expansion of global tourism. CRSs often charge competitive commission rates while enabling flexible pricing and capacity alterations, to adjust supply to demand fluctuations. Airlines pioneered this technology, although hotel chains and tour operators followed by developing centralised reservation systems. CRSs can be characterised as the "circulation system" of the tourism product.

Global distribution systems (GDSs): Since the mid 1980s, airline CRSs developed into GDSs by gradually expanding their geographical coverage as well as by integrating both horizontally, with other airline systems, and vertically by incorporating the entire range of principals, such as accommodation, car rentals, train and ferry ticketing, entertainment and other provisions. In the early 1990s, GDSs emerged as the major driver of ICTs, as well as the backbone of the tourism industry and the single most important facilitator of ICTs globalisation (Sheldon, 1993). In essence, GDSs matured from their original development as airline CRSs to travel supermarkets. Since the late 1990s GDSs have emerged as business in their own right, specialising in travel distribution. SABRE, GALILEO, AMADEUS and WORLDSPAN are currently the strongest GDSs in the marketplace.

The Internet and Tourism

The Internet is especially relevant to tourism since it enables knowledge about the consumer or tourist to be gathered, as well as vice versa. The use of web-based tourist information systems has grown significantly. Travel revenues on the Internet have consistently ranked highly in comparison with other goods and services. The reasons cited for this prominence relate to the richness and currency of information provided online and the breadth of the audience as well as the intensity of competition and the emergence of new players with countless web sites supported by efficient transaction support. Online technologies within the tourism industry have significantly impacted on communications, transactions and relationships between the various industry operators and with the customer.

Benefits of Information Technology in Tourism

Benefits from IT, particularly the Internet for tourism, are substantial. These benefits are no longer dependent on proprietary information systems as has been the past experience, since the Internet is a commonly available technology. Internet provides many advantages to players in the tourism industry. Some of these benefits are:

- Enhanced level of collaboration between tourism operators, for example, between travel agencies and service providers;
- Pre-arrangements with respective suppliers no longer necessary;
- web service discovery will identify alternatives, enabling holiday
- Packages to be constructed.
- Greater negotiation of service to be purchased and customization of services/activities.
- Generally greater levels of interoperability with internal and external applications.

Travel Intermediaries:

The Travel Agent must be a licensed travel product retailer that provides travel information, reservations and other forms of assistance to consumers, companies and groups in making travel arrangements.



Regulation and Intermediaries

- Travel Agents
- Some states require a license.
- Where a license is not is not legally obliged, certification or accreditation.
- consists of approval from industry conferences.
- Minimum bond and minimum cash reserve.
- Minimum experience.
- Travel agents have a legal obligation to perform in a professional manner.
- Tour Operator/ Wholesalers
- A local business license and compliance with governmental and airline regulations are required.

Sustainable Development and Perspective Plans

The principle of sustainable development stipulates that the level of development does not exceed the carrying capacity of the area. It will be governments' policy to ensure adherence to such limits through appropriate planning instruments, guidelines and enabling regulations and their enforcement. Efforts will be made to diversify the tourism products in such a way that it supplements the main stream of cultural tourism. Comprehensive perspective plans for developing sustainable tourism by assessing the existing tourism scenario in each State/Union Territory with respect to availability of natural resources, heritage and other socio-cultural assets, quantitative/demographic factors like population, employment, occupation, income levels etc, services and infrastructure will be developed by initiating immediate action in this direction.

Conservation and Development

Tourism development needs to be properly guided and regulated to avoid adverse impact on the natural environment and cultural heritage which constitute the tourist attraction. A judicious balance needs to be maintained between conservation and development. Government will continue its policy of trying to maintain balance through planning restrictions and by educating the people in appreciating their rich heritage and by eliciting their co-operation in preserving and protecting it.

Promotion and Marketing

Promotion and marketing is an important component of tourism development and needs to be undertaken along with product development in conformity with consumer profiles and product characteristics. The policy of the Government therefore will be to develop and implement cost effective marketing strategies based on market research and segmentation analysis in each of the tourist generating countries.

International Co-operation

Tourism is a global industry requiring inputs from various international agencies and collaborations with other countries. The policy of the Government therefore will be to foster positive win – win partnership with all the international agencies and other countries.

Professional Excellence

Tourism being a service industry it is necessary to enhance its service efficiency. The new policy will strive towards excellence by introducing professionalism through training and re-training of human resources and providing memorable visitor experience to both domestic and international tourists.

Limitations and Future Possibilities

There is a need for a well-structured Information System or Intelligent System technologies in tourism industry to facilitate the access of tourist information by the users. The current ICT system has certain limitations. For instance, accessing information through Internet and www is an intelligent mean of getting the information, but many a times, the information is highly fragmented. One shall arrive at it only after intelligent navigation, which is time consuming and may mislead in the process. Sometimes, presentation of information in the web is not intelligent too. Search engines for tourism should be developed. Facilities to browse according to the topic portals can be made. Wireless is likely to be the next major event in the history of technology. Its application in tourism industry is also likely to increase in future. Mobile services shall continue to be an important channel of information and tourism services distribution for both providers and consumers. Future mobiles might decrease in size, weight ad prize and likely to increase in power, storage, connectivity, position and capabilities. Electronic personal guide might be in frequent usage. Besides SMS (short message services), WAP (Wireless Application Protocol) standard for accessing the Internet with wireless devices like mobile phones should be increased. GNSS (Global Navigation Satellite System), which gives the position, and GPRS (General Packet Radio Services) enabled mobiles which can handle larger amounts of data than the GSM network shall be useful in tourism industry. W-LAN (Wireless Local Area Networks) and Blue

tooth, which gives wireless access at short distance about few meters, can be useful too. It is also essential that usability studies and research is conducted to examine the ICT integration in tourism and its impact. Usability is the measure to the quality of a user's experience while using the ICT tools. It could be a product of a system, website, a software application, mobile technology, or nay related technology. It is important to note the technology and application to work together with respect to bandwidth, user interface, position etc. All applications, technology and services should be user-friendly which can be used both by the veterans as well as the new-bees effectively. Hence technology and services should be effective, efficient and safe.

Conclusion

Tourism in today's world is a very big economic and social activity, generating a large amount of income, employment and foreign currency and investment opportunities. Though, currently, the developed nations are getting the lion's share of the benefit of tourism, there is a promising future for the developing nations also. The paramount use of IT in tourism business activity by itself does not mean anything, unless it advances the idea of human development. It should contribute to the over all development of a country. The contribution of tourism towards socio-economic development and environmental conservation is immense. Apart from satisfying the recreational, educational and other needs of tourists, tourism could be used as a community development vehicle aimed at local people at the destination area. At macro level tourism gives an alternative or additional foreign currency source which is very much scarce in developing countries. However, not the earning of income from tourism but its judicial distribution among the stakeholders is an issue where in many cases the income remains in the pockets of handful multinational tourism business companies and national tour operators. This should be avoided, and only then, that tourism serves as a development vehicle to socio-economic and environmental development. The business developed due to the great contribution of IT should address this problem. If this idea is included as a tourism development objective in any country's economic agenda, the development cannot be achieved without keeping pace with the development of Information Technology.

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