

Tourism in the Digital ERA

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ABSTRACT

Digital innovation in the contemporary era of global capitalism has successfully changed the ecosystem of many industries. Tourism industry is one of the industries in which digitalisation has left no stone unturned. With increased digitalisation, literally in every field of life, the travel experience has a complete radical shift from what it was a few decades ago. Technological inventions and innovations have made travel affordable, accessible and convenient. Different age group of people with different tastes and preference are feeling more satisfied today with digital tourism like never before. Indians also are not lagging behind in utilizing the digital platform to enhance their travel experience. This paper will study the recent developments made in the tourism sector using the digital platform and with the help of secondary data will try to show the growth of use of the digital platform across the globe.

Keywords: Digitalisation, tourism, travellers, internet, online websites

1. INTRODUCTION

Globalisation has been a sort of buzzword in the contemporary world, a chronicle of a perplexing gamut of social, economic, political and cultural changes sweeping the globe under the spell of global capitalism. The IT revolution in the contemporary era of global capitalism has been the most compelling strand of discovery that has played a catalytic role in faster transfer of information and in amplifying networking activities that has added momentum to business activities all across the globe. ICT's pragmatic move in developing the 4C model of digital transformation has revolutionised business activities in different industries like healthcare, retail, finance, media and entertainment.

This model of digital transformation helps to –

- **Connect** devices through the Internet of Things (IoT)
- **Collect** data and transform it into management information
- **Control** the information for using it in business strategy making
- **Change** the business model by developing new services

The 4C model thus enhances the operational efficiency of the business by reducing cost of maintaining field staffs for information collection and also encourages rapid business invention and innovation towards delivery of new services by maintaining a dynamic pool of real-time information.

According to Gartner's IT glossary, digitalization is the use of digital technologies to transform a business model in order to open up new avenues for seeking higher revenues and cost efficient modes of service delivery. The aspect of digitalization is perhaps the most indispensable factor acting as the engine of development in the contemporary era. An industry that has in recent times shown an outstanding incorporation of this facet of digitalization is the tourism industry. The tourism sector is generally based on cooperation between a voluminous array of products and

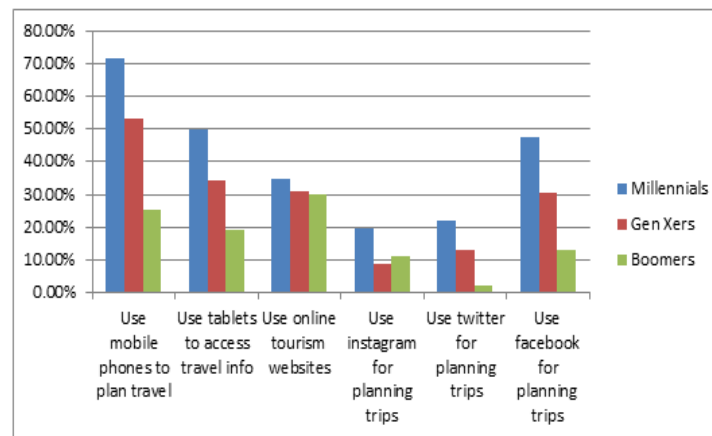
services and therefore the applicability of digitalization in this sector is quite discernible. Gone are the days we used to visit travel agents with posters of famous travel destinations decorating the walls of their offices. Thanks to international players like Airbnb, HomeAway, Kayak, Momondo, Skiplagged, Skyscanner and other players like Make my trip, Goibibo, Tripadvisor etc. whose travel websites have changed the face of tourism industry in the last decade or so. Travelling to foreign or offbeat domestic destinations has been made super easy in today's digital world. If one is interested in booking a journey, all that is needed to be done is to pull out one's laptop, iPads or smart-phone and get hitched to the website or app to grab every titbit of information required. Other online tools like Google maps, Google Street View, Youtube, etc., have also enabled the contemporary travellers to run a thorough research on the vacation destinations as soon as they start planning the trips. The turquoise ocean water in Thailand, the snow-capped mountains of the Alps, the white sand beaches in Bali, the buzzing metropolis of New York and the arid desert of the Sahara has always existed but it is the technologically-interconnected networks of the digital world that has brought these places home, right in front of us in our living rooms on the screens of our tech-advanced devices.

DIGITAL TRAVELLERS

According to the World Travel and Tourism Council Report (2018), among all other sectors in the economy, the travel and tourism sector stands to be the highest contributor to GDP. With the persistent rise of tourism activities across the globe it is of crucial importance to understand how travellers' tastes, preferences and requirements have changed in the past few years. Such changes in consumer profiles and their travel requirements have significant impact in revolutionising digital technologies for serving the needs of the customers. In digital platform based tourism business, customers are measured to be associates in business actions and their participation in sharing their travel experiences helps in understanding what new inventions or innovations can be made in the travel directories to enrich the experience of the future consumers. Information on differential consumer behaviour, across time and space, paves the avenue for introducing personalized services and tailor-made solutions (McCrindle et al., 2009).

Digital technology is considered to have a significant impact on the behaviour of millennial (ages 22-37) and Post-millennial travellers (ages 18 – 34), compared to Gen X (ages 35- 49) and Baby-Boomers (50 – 67). The millennials are the more likely to stay connected on digital platforms throughout the planning and execution of their trips. A recent report by Airbnb (2016) however reveals that even the Gen Xers and the Boomers are not lagging behind in digital participation though they are not as dynamic as the millennials. All the contemporary travellers use their mobile phones, tablets, tourism websites etc. to plan their trips and while on the trips their continuous updates on social sites like Instagram, Facebook and Twitter helps them fetch relevant information and suggestions from their virtual online friends that further accentuate their travel interest and enrich their travel experience.

USE OF DIGITAL PLATFORM AMONG DIFFERENT AGE GROUPS

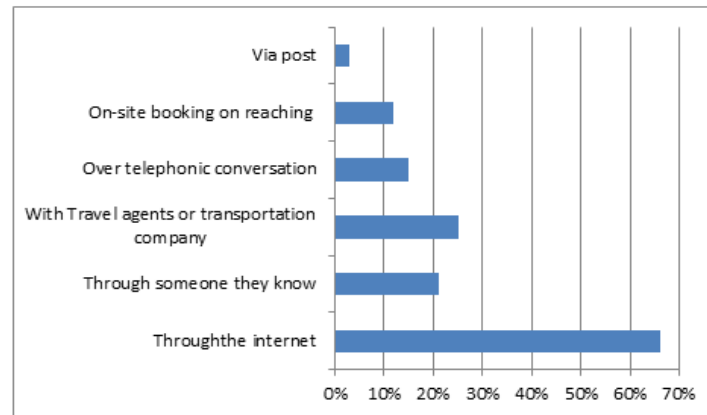


Source: Airbnb Survey Report, 2016

FIG 1

Airbnb 2016 report reveals that millennial travellers spend a considerable time reading online reviews, comparing packages across websites and planning their own itineraries. Whether it is a business trip or a leisure trip, the millennials are constantly looking for two aspects in their travel logs – price for money and personalised travel experiences. They are more interested in thrill activities like water sports, jungle safari, active nightlife etc. They are also keenly interested in experiencing new culture and while visiting a locale they often tries to enhance their experience of the locale by switching a restaurant meal with that of a local culinary or avoiding the commonly available modes of communication to walk around the place in order to know the life of a commoner there. Boutique services in today’s digital era like Quintess Beyond and the NextGreatPlace takes care of such unique preferences of customers and offer a kind of handpicked location choices and designs exclusive packages as per the requirement of the traveller. With the option to filter their choices regarding the destination and the activities they want to get engaged with in the respective spots of visit, the websites and the apps help the consumers to disseminate their tastes and preference without any human interaction. According to Netscribes Research more than 50% travellers prefer booking online because of this easy virtual interaction option available and also because they get great price deals with hotels and restaurants booking. Among them 53% traffic comes from mobile apps alone. A survey done on EU 28 by Blupath reveals that other modes of organizing trips like booking with travel agents, booking directly with the hotels on reaching the site, over telephonic conversations or through someone they know are going obsolete as more and more travellers are going for online modes of organizing trips that includes booking accommodations at hotels or booking conveyance for transportation.

MODE OF USAGE OF MEANS OF COMMUNICATION FOR ORGANISING TRIPS



Source: <http://www.blupath.co.uk/understanding-the-digital-tourism/>

FIG 2

DIGITAL DEVELOPMENTS

In recent times, travelling for many adds to their aesthetic values and different people have different motives for travelling. Some are escapist, travelling to run away from mundane daily routines or from sheer heartbreak, while others may be thrill-seekers or self-improver. Again there are oblivious and curious travellers who are not remotely interested about where he or she is until they exhaust the cultural or scenic beauty of the place. For all of them the digital platform has provided a completely unmatched living experience. The following are the significant moves that has helped this completely heterogeneous group of travellers in numerous possible ways –

- 1) Mobile integration – the growth of mobile-first and mobile-only brands have helped the group of escapist and oblivious travellers a lot. For introverts it is like a dream coming true to be able to literally do everything on their mobile phones – from checking in – to unlocking doors of their rooms – to ordering foods etc. without any sort of human interaction.
- 2) AI and Chatbots – Hotels today provide all information regarding where to eat, what to see etc. via AI (Artificial Intelligence) powered apps. Accessing information at the reception desk or going through travel magazines at the travel desks of the hotels are long gone. Guests can even use voice-activated chat bots to set alarm, order room service, open window curtains and so on. Cosmopolitan in Las Vegas has gone even farther to develop a robot named Rose, who is 24X7 available for taking the guests’ request for various services. Marriott has been using AI- powered Chat bots not only to serve guests while they are in the hotels but also during their pre and post stays to continuously assess the changing taste and preferences of the customers in order to deliver better future services.
- 3) Integration of IoT – As more and more digital devices are getting connected through the internet it is becoming easy for the tourism industry to harness the data and later use them as business information to expand their revenue by pleasing their customers. If for example, the IoT data tells the travel firms that a particular customer who visited a particular destination in the last summer, it can automatically send the same traveller a message proactively asking them if they are interested to travel to the same or similar destination this summer. This is not only a business strategy helping the firms to expand revenue but it is

also a time-saving process for the travellers to harness information on destinations of one's choice by just the movement of a finger.

- 4) Virtual Reality – Guests can easily look inside the hotel property or any other places they are planning to visit or stay in through 3D or 4D images (recently developed) uploaded in the travel websites/portals. Apart from being informative, these images are often eye-satisfying to people at times of boredom between their tough work schedules or busy hours who are not really planning for actual tours but are contented for the time being with the virtual presence in the world of images.

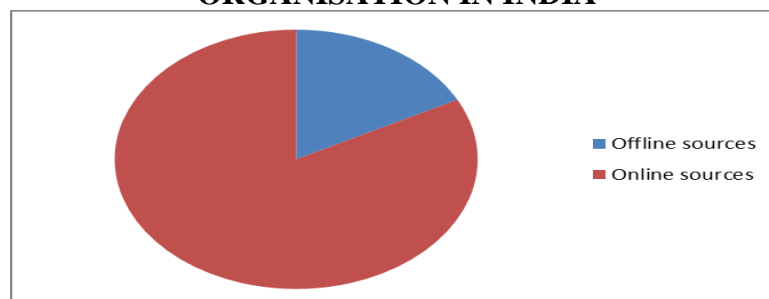
DIGITAL INSEMINATION AND CULTURAL TOURISM

To quote Sheldon (1997) “information is the life-blood of the travel industry”. Effective use of the contemporary information technology can serve as a potent source of competitive advantage for a tourist destination. The use of ICT in designing and delivering important tourism information is bringing into the net a wide range of never-before explored culturally rich destinations into the reach of the travellers. It is not only adding to the enjoyable experiences of the travellers but is also essential for sustainable development of tourism. Apart from big corporate players there are also governments promoting cultural tourism in their official portals. Different images and videos are used to promote a country's or a region's cultural heritages that includes art, architecture, history, religion and lifestyle of the people there. Incredible India, Amazing Thailand, Naturally Nepal, Definitely Dubai are some of the catchy taglines that are been used on websites featuring the countries' cultural heritage to promote tourism. Increasing insemination of the digitization aspect is also contributing a lot to travel related education and entertainment (also called “edutainment”) (Hadžić, 2004). The contemporary digital era is thus resulting in the dissolution of different cultures both within and across countries.

DIGITAL TOURISM IN INDIA

The travel market in India is highly penetrated by the digital strand. A survey report released by Google India and the Boston consulting group (2017) reveals that, only a meagre number of travellers in India rely on offline modes for organising their trips. Most of them have moved to online services and intensely uses the digital platform for planning and executing their trips. The following figure (Fig. 3) reveals the online-offline mix of number of people availing tourism services in the country according to the Google BCG in the year 2017.

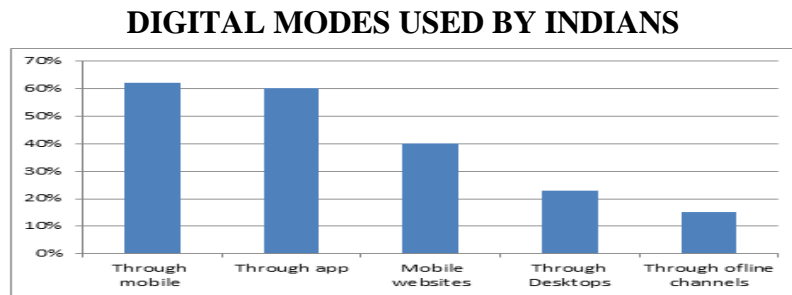
PROPORTION OF PEOPLE USING OFFLINE AND ONLINE MODES FOR TRIP ORGANISATION IN INDIA



Source: Google BCG Report, 2017

FIG 3

The same report from Google BCG reveals the digital modes used by Indians for availing the tourism services and no doubt that Indians are extensively using their mobile phones and other gadgets to get access to different apps and websites when it comes to plan their trips. The following figure (Fig. 4) shows the extent of such usage.



Source: Google BCG Report, 2017

FIG 4

Statistics from The World Economic Forum (WEF) in the same year in its report on Global Travel and Tourism competitiveness (2017) reported India to jump 12 places to grab the 40th rank in the global competitiveness list on travel and tourism. Apart from implementing facilities like availability of visa on arrival, e-visas etc. India's increasing digital presence in the tourism sector is counted as the responsible factor for such improved performance. The digital India drive of the present central government is expected to further change the travel experience of both domestic and international travellers. New tourism websites are to be launched with authenticated reviews on hotel and transport services to e-empower the tourists. A unique effort to develop the 1363 travel helpline with 12 language options has been made by the Union Minister of State for Tourism and Culture in order to ease the travel experience of both domestic and foreign travellers. The new ministry website, which is proposed to be launched this year on the World Tourism Day, is hoping to provide a single-window delivery platform to all the travellers across the country about every titbits of information on India.

2. CONCLUSION

Travelling is all about bridging gaps between people and places and digital technologies in the form of high speed internet connectivity, search and geo location technologies, social platforms, online payment techniques through e-wallets are acting as leveraging tools making connectivity easier like never before. Tourists worldwide are presented with variegated personalised options about where to stay, how to get around and every possible piece of information that would quench their thirst to see the unseen and to know the unknown. Digitalization has indeed transformed the face of tourism in the recent decades and has brought about great opportunities for wanderlusts to explore the world.

The only hitch is that the modern era of digitalisation is changing the perception of Time. Individual time management is a crucial necessity in today's virtual world. Förster-Beuthan points out in her latest book – Experience of time and ontology – we “subjectively feel an acceleration of time” in today's hyperconnected world with all our devices – mobile phones, laptops, tablets, palmtops, etc. – pouring on us truckload of information from diverse layers of time – past, present and future – all in parallel. Only if these information are well simulated not only our travel experience but all other cognitive experiences associated with travelling will enhance our lives and lived experiences.

Let's just grab more out of what today's virtual world provides us with and let's make travel a part of our aesthetic pleasure while believing what Willam Blake said – “great things are done when men and mountains meet.”

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