Remarking An Analisation

E-Tourism in India Challenges and Opportunities

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Abstract

The Indian travel and tourism sector is one of the key drivers of growth among the services sector in India.this sector is in the list of top 15 sector in India to attract FDI (foreign direct investment).With increase in the number of global tourist and rise in potential of India many companies have invested in the tourism and hospitality sector. Tourism potential in India mainly comprises of variety of ecology,terrains and planes,natural beauty, cultural and historic heritage etc. Tourism apart from potentiality or creating job opportunity it also generate source of foreign exchange for the country.As internet and IT sector has become lifeline of digital India and involvement of this medium in tourism industry has lead to the rise of E-Tourism i.e electronic tourism. The revolution of the internet and information and communication technology has lead tourist to plan and customize their plans accordingly through internet application offered by the tourism players.

Keywords : E –Tourism , E-commerce, Destination

Introduction

E-Tourism is defined as the implementation, application ,analysis of Information technology and e-commerce solution in the travel and tourism industry as well as analysis of the respective economic process and market structure and CRM. In another words we can say that e-tourism is the digitisation of all the process and value chains in the tourism, travel, hospitality and catering industries that enable organization to maximize their efficiency and effectiveness. E-tourism cannot be understood as an independent process or system as it comprisesof numerous participants and players those utilise the electronic mode through information technology and communication system to reach the customer directly or indirectly. The e-tourism takes different forms that can be accessed by the customers through different channels and distribution systems.the main players of tourism industry comprises of tour operators ,airline industry ,travel agency etc.each of these players depends totally on electronic medium for providing the best tourism services.

Evolution of E-Tourism

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During the last decade of 20th century, India saw the emergence of e-tourism, its origin and growth. It is because of the online revolution of IT sector and its utility where the tourists are more interested to get information about destinations, facilities, availabilities, prices, geography & climate. This led to the implementation of e-commerce strategies in tourism industry and services initiated in the form of online hotel booking, flight booking, car booking, bus booking etc. these services provided by the big online travel companies such as yatra.com,, Makemytrip.com etc. due to involvement of e commerce and redesigning of whole process and operation of tourism industry this sector has become more attractive and efficient. The whole process of e- tourism took more than decade to come into existence. Major Transformation and development of tourism industry took place in the following steps.

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Historical Development of e-tourism

The first phase of e tourism started with the origin of CRSs (Computer Reservation systems) in the year 1970. CRS is the initiator for the origin of e tourism and conversion from the traditional tourism. CRSs enable principals to control, promote and sell their products globally, while facilitating their yield management. In addition, they integrate the entire range of business functions, and thus can contribute to principals' profitability and long term prosperity.CRSs also reduce costs of communication, while providing appropriate and intelligence information on demand patterns or the position of partners and competitors. Hence, CRSs contribute effectively to both the operational and strategic Management of the Industry.

The Second phase of e tourism emerged as GDS (Global Distribution system) it is because of this GDS travel agents becomes able to made reservations for flights . it was the one of the major discovery of internet and communication technology which helps in providing of majority of tourism products online. GDSs emerged as the "circulation system" or the "backbone" of the tourism industry by establishing a global communication standard and a new tourism electronic distribution channel. As GDSs connect most tourism organisations with intermediaries around the world, they lead the standardisation processes and control a considerable market share.

The Third phase of e tourism emerged as IDS (Internet Distribution System) IRD that offers all the services of tourism sector with the ability to customise or choose between the ranges of service option that suits the requirement of the customers as per their need and economy.The IDS are those portals that allow hotel reservations online.This reduces the cost of distribution as it does not require physical settings.

The Fourth phase of e tourism emerged as DMS (Destination Management System) it not only coordinate of whole range of product and services offered by the local suppliers and promote them on the global scale but also allows travellers to create a personal destination experience. DMS provide information and undertake some marketing activity through mass media advertisement. It also provide advisory services for consumer and travel trade.

Aim of the Study

1. To find the growth of e tourism in India.
2. Factors affecting growth of e commerce in India.
3. How e tourism service can be increase and revenue can be generated.

Statistical Method /Research Method Used

The study is totally based on the secondary method where data is collected through references but without any survey. The source of data mainly shows about the growth of e tourism in India. Data are mainly collected through Indian government tourism department annual reports.

With the growing number of smart phone users and widespread of internet networks in many areas has lead to increase in online business which ultimately lead to rise in the e tourism.With travel becoming cheap and affordable, the number of travellers and their frequency of travelling in India is increasing continuously.

India Internet Population to Reach Half Billion by 2018 (in Bn)
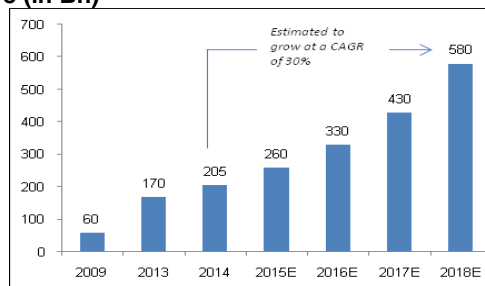
Source : Internet World Stats, BCG Analysis

India is home to the third largest Internet user-base worldwide. However, its Internet penetration rate at 17% is much lower than the average of 34% across several aspiring countries. According to a report by Boston Consulting Group BCG, the number of Internet users in India is estimated to reach 580 mn in 2018 from 205 mn in

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2014, primarily led by affordable access and improved awareness. This indicates significant potential for growth over the next few years.

Factors Affecting Growth of E Tourism in India
Economic Factor
This factor mainly refer to the costing of tickets. with the additional charges incurred in the booking of tickets (like processing , comfortable charges etc) create negative image of the growth of e tourism.

Reliability
This factors refer to service provided by means of online is reliable or not whether image showing by means of online should be authentic otherwise it create negative image of e tourism.

Efficiency
This refers to the number of tickets or booking which one can do in a day without any barrier of timing. Limitation should be minimized to increase the image of e tourism.

Security
This refer to the factor especially concerned with the payment of booking, their should be no loop holes in the payment gateway and transaction processing should be fast to provide better services for e tourism.

Internet Accessibility
Accessibility for booking of tickets hotel etc by means of electronic medium should be fast even at the 2G speed booking should occur otherwise negative image of the e tourism will be created.

India Online Travel Overview
India's Trave Industry (size in $bn)
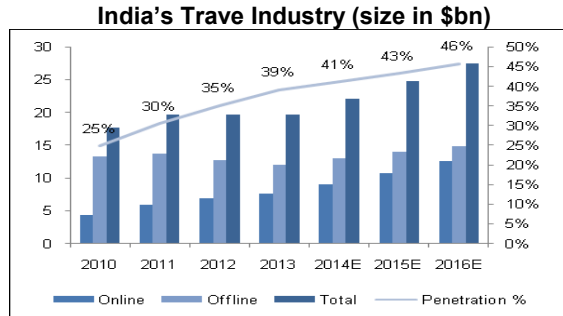
Source: Phocuswright, India Online Travel Overview Seventh Edition, August 2014

Within the domestic travel and tourism industry, the online travel segment has significantly grown over the past few years. India's online travel segment is expected to grow 17.8% during 2013–2016.
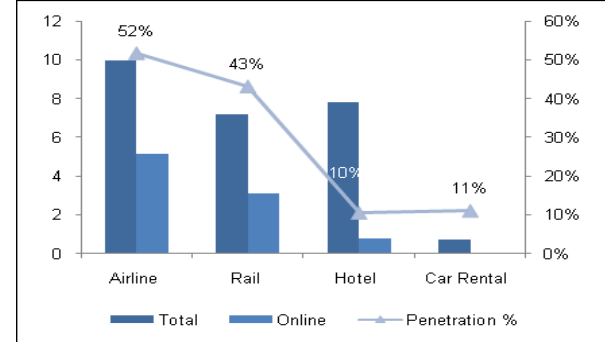
Market Share of Online Tourism Agensies

Source: MakeMyTrip Investor Presentation, Industry Sources, ComScore

From the above data we see that the market share of OTA is dominated by make my trip maximum number of transaction is done by means of Make my trip.

Hotels – One of the Least Penetrated Segments in Travel Categories in India (US$ Bn, %)

Source: MakeMyTrip Investor Presentation

From the above graph we see that hotel industry is the least penetrated segment of online business while airline industry is the largest penetrated segmentof online business.

Recommendation
1. Consumers are turning to the internet to take advantage of ease of booking and comparative pricing.95% of consumers search online before making a travel purchase so internet facility should be superior one to provide best online tourism facility.
2. Best deals are an important motivation for customers to go online. According to our research 36% consumers make unplanned trips if offered a discount. So plans should be highly acceptable for making any booking.
3. Application for tourism should be user friendly so that one can access to transaction of online ticketing smoothly.
4. Their should be no any hidden charges for the processing of booking of tickets as it create negative impact of online tourism.
5. Medium for transaction or payment gateway should be faster so that transaction can be accessed without any hassel.

Conclusion
As electronic medium and information and communication technology is playing a vital role in the development of e tourism so more emphasis is being given for the advancement of IT sectors. Travel portals are offering various offers on travel package industry including the booking of tickets for airlines, hotels,car, bus and customized travel solutions to lure more customer. Mobile is creating new opportunity for growth and innovation .mobile application are helping customer to connect with the portal seamlessly and its becoming a major factor.

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