E - COMMERCE SITES IN TOURISM INDUSTRY IN INDIA – A REVIEW

Dr. A. A. Kulkarni

Professor and Head, Department of Commerce, Gopal Krishna Gokhale College, Kolhapur (M.S.) 416012

Abstract:

Digitalization through e-commerce sites plays very important role in the travel and tourism sector. Travel and tourism technology is the application of information technology in the travel, tourism and hospitality industry. There are number of forms of digital applications in tourism industry such as airline booking, ships bookings, hotels and buses bookings, car rentals, hotels booking, leisure travel plans etc. It has originally initiated with the computer reservations system of the airlines industry. Online transactions in the travel and tourism industry are continuously increasing. About 80% of e-commerce market is travel related i.e. airline tickets, railway tickets, hotel booking etc. This paper covers the forms of e-commerce and travel and tourism in India.

Keywords: digitalization in hospitality, E-Commerce, tourism, e-commerce websites

Introduction

Hospitality Industry is pillar of economy in developed, developing and underdeveloped countries and one of the major source of foreign exchange. Countries like Thailand, Switzerland, Austria are mostly dependant on tourism industry. This industry is growing very rapidly and millions of people are directly and indirectly related with this Industry. With rise of internet usage on people's daily life, tourism industries are acquiring business through E-Commerce. Online travel booking or online tourism reservation is the specific business to-customer (B2C) transaction in the perspective of online tourism. Online travel booking includes online booking for single or packaged tourism products such as airline or train services, hotel rooms, vacation packages, car rentals, and so on. There is usually no physical distribution after online booking, which is different from online shopping for commodities.

569

The IT sector especially internet made major contribution in the tourism and hospitality industry. Today, anybody can individually arrange personalized tours through internet within the country or abroad. The services booked online are consumed in the offline environment which is different from online services such as online finance and online entertainment. For the travel enterprises, it is the expected choice to provide online booking for improving service efficiency, improving service quality and gaining competitive advantages.

With the broad adoption of third generation to fifth generation (3G,4G and latest 5G) technology, mobile has become the third screen alongside the desktop and the laptop. Business travelers now use smart phones to find local attractions, get navigation assistance, have access to supplier sites, read user reviews, and access social networking. Over 2000 travel-related mobile applications are available in the market today. Websites, blogs, online advertising, social media, online ordering and information repositories, cookies all helps influencing customers to choose a location or business, reservations systems. There are various benefits of using internet in tourism as it is fast and easy to access destination, receive price, search popular destinations and get information about destination etc., as well as it generates income for many people around the world. It is essential for travel and tourism industry to adopt E-Commerce for their growth and success.

Objectives of the Study:

1. to review tourism and hospitality industry in 21st century

2. To know the systems of E-Commerce in tourism and hospitality industry.

3. To study the relationship between E-Commerce and travel & tourism

4. To evaluate the role of Indian E-Commerce players in Tourism Industry

Methodology

1. As it is an analytical research, secondary data is used as methodology

2. The researcher has to rely upon the data through websites, internet

3. Even on the websites of ministry of travel and tourism, specific data is not available related to e-tourism

 Dr. A. A. Kulkarni

4. Due to COVID situation in last two   years, there are limitations on current data

Limitations

1. There are limitations on the data collected

2. As this sector changing rapidly, there are limitations to keep pace with the data.

3. There are limitations on the reliability of data. Different websites share different data, there is no authentic data from ministry of tourism.

Forms of Electronic-Commerce

Business to Customer (B2C): B2C stands for business-to customer and applies to any business or organization that sells its products or services to consumers over the internet. It refers to the online selling of products in which the manufacturers or retailers sell their products directly to consumers over the Internet.

Business to Business (B2B): The term "Business to Business" was initially used to describe electronic communication businesses. B2B E-Commerce is simply defined as E-Commerce between companies.

Customer to Customer (C2C): Consumer to Consumer C2C), E-Commerce involves electronically-facilitated transactions between individuals, often through a third party. One common example is online auctions, such as E-bay, where an individual can list an item for sale and other individuals can bid to purchase it.

Customer to Business (C2B): in Consumer to Business (C2B) is the most recent E-Commerce business model. In this mode individual customers offer to sell products and services to companies who are prepared to purchase them.

Mobile commerce (M-Commerce) :Mobile commerce refers to the buying and selling of products and services through wireless handheld devices such as cellular phones, personal digital assistants, laptops, tablets etc.

Relationship Between E-Commerce And Travel &Tourism

Over the last decade, the Internet has changed the way people buy and sell goods and services. Online retail or E-Commerce is transmuting the

571

Dr. A. A. Kulkarni

shopping experience of customers. The sector has seen significant growth especially in the last two years. The adoption of technology is permitting the E-Commerce sector to be more reachable and efficient. Devices like smart phones, tablets and technologies like 4G, 5G with high speed broadband is helping to increase the number of online customers. Banks and other players are providing a secured online platform to pay smoothly via payments gateways

Motives Behind The Growth Of E-Tourism

Incomparable transparency: The Internet has offered customers unparalleled transparency into schedules and fares offered by suppliers. A growing number of customers believe that booking hospitality online fulfills two primary needs – convenience and the ability to find the best value for their travel needs.

Consumer Awareness: Over the past decade, there has been a significant growth in the tech-savvy online buying population. Major contributors to this trend are the 'Generation Y' population born between 1978 and 2000. These consumers grew up in the Internet era and see it as part of their environment rather than as new technology.

Consumer created media: Social networking with consumer generated media (CGM), as a source of travel research, has changed travel consumption patterns and become mainstream. There are several categories of web-based communities that have promoted interactivity, collaboration and sharing among users.

Websites: Websites that focus on traveler reviews such as TripAdvisor, IgoUgo, and RealTravel are influential. Hotel reviews available on OTAs such as Travelocity, Expedia, Orbitz, Priceline, bookings.com and hotels.com are growing to be more important than brand in influencing bookings.

Journals and Blogs: Online travel journals or travel blogs, such as Lonely Planet and Frommers, are popular. Finally, there are sites that are focused on building communities and CGM around travel, such as Yahoo! Travel's Trip Planner and TravelMuse.

Flare-up of mobile usage and state-of-the-art mobile travel apps are the key growth drivers: Technology has changed the way people communicate and

Dr. A. A. Kulkarni

travel, worldwide. With developing technology and increasing use of mobiles, easy and efficient methods are being developed to make traveling easy and comfortable

Mobile Apps: Mobile travel apps are gradually acquiring pace in the market and are preferred by travelers to make their travel arrangements. Easy accessibility and hassle-free turning through online travel sites are major reasons for the market growth.

Participants In Hospitality & Tourism Industry In India

Make My Trip

MakeMyTrip.com, India's leading online travel company was founded in the year 2000 by Deep Kalra. Created to empower the Indian traveller with instant booking and comprehensive choices, the company began its journey in the US-India travel market. It aimed to offer a range of best-value products and services along with cutting-edge technology and dedicated round-the-clock customer support After consolidating its position in the market as a brand familiar for its reliability and transparency, MakeMyTrip followed its success in the US by launching its India operations in 2005. With constant innovation and determination, MakeMyTrip proactively began to diversify its product offering, adding a variety of online and offline products and services. Today, MakeMyTrip is much more than just a travel portal or a famous pioneering brand - it is a one-stop-travel-shop that offers the broadest selection of travel products and services in India   with dedicated 24x7 customer support and offices in 20 cities across India and 2 international offices in New York and San Francisco

MakeMyTrip's Products:

1. International and Domestic Air Tickets,
2. Holiday Packages and Hotels
3. Domestic Bus and Rail Tickets
4. Private Car and Taxi Rentals
5. B2B and Affiliate Services

Dr. A. A. Kulkarni

Irctc

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) is a Public Sector Enterprise under Ministry of Railways. IRCTC was incorporated on 27th September, 1999 as an extended arm of the Indian Railways to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations and to promote domestic and international tourism through development of budget hotels, special tour packages, information & commercial publicity and global reservation systems.

Services provided:

1. Food Plazas on Railway premises,

2. Private Railways(Tejas Express)

3. Railneer – Manufacturing Packaged Drinking Water

4. Rail Tour Packages

5. Internet Ticketing

6. Refreshment Rooms,

7. AVMs,

8. Book Stalls,

9. Milk Stalls, Ice Cream Stalls

10. Hotels

11. On Board Catering Services

Goibibo

GOIBIBO is a B2C online travel aggregator. It is part of the GOIBIBO travel organisation. GOIBIBO.com was developed and launched by GOIBIBO Group in 2009.The platform enable travellers   to search, compare and buy from across categories and width of travel suppliers for air tickets. GOIBIBO is a B2C online travel aggregator. It is part of the GOIBIBO travel and bus tickets. It access via mobile app and is available on IOS, Android and Windows. It provide search and booking features for fights, hotels and bus tickets. GOIBIBO is the largest online hotels booking engine in India and also one of the leading air aggregator. GOIBIBO is also the number one ranked mobile app under the travel category. GOIBIBO's core value differentiator is delivery of the fastest and the

Dr. A. A. Kulkarni

most trusted user experiences, be it in terms of quickest search and booking, fastest payments, settlement and refund processes. GOIBIBO has grown its hotels booking volumes by times in 2015 over the previous year. Seventy percent of hotel bookings take place on GOIBIBO's mobile app.

Yatra

Is an Indian online travel agency and a travel search engine based in Gurgaon Haryana, founded by Dhruv Shringi, Manish Amin and Sabina Chopra in August 2006.In April 2012, it was the second largest online travel website in india, with 30% share of 370 billion doller market for online travel-related transactions., it also launched a "holiday-cum-shopping card" with State Bank of Indio(SBI), India's gst bank. Acquisition-Yatra.com has made three acquisitions l now-ticket consolidator Travel Services International(TS) in October 2010, global distribution system.

Cleartrip

Cleartrip Pvt. Ltd. is an Indian online travel company providing online booking services for flights and train tickets, hotel reservations, and domestic and international holiday packages. it is amongst the top Online Travel agencies in India. Apart from India, it is also featured as a leading Online Travel agency in Gulf Region. it was founded by Mathhew Spacie, Hrush Bhatt & Stuart Crighton in 2006. Following slogan 'Making Travel Simple', it provides easy booking to travellers along with useful travel tips through their website. Cleartrip launched its first overseas venture in the UAE. In May 2012, it started services to the Gulf nations of Oman, Qatar, Kuwait, Bahrain, Saudi Arabia. In August 2014, Cleartrip established booking contracts with over 15,000 hotels across the globe and reported approximately 15,000 air transactions and 2,000 hotel bookings on its portal

Products and Services

1. Flight and Retail Booking
2. Cleartrip Mobile
3. Hotel Reservation
4. Cleartrip for Business

Dr. A. A. Kulkarni

5. Hotel Packages

Review of online hospitality industry:

Indian domestic travel market is rising to become a $48 billion industry by 2020 says a new report published by Google India along with Boston Consulting Group (BCG). As per the report, Indian travel market is projected to grow at 11-11.5% to $48 billion by 2020 with the biggest contributor, air travel expected to grow at 15% to $30 billion. Hotels will grow at 13% to $13 billion by 2020 while railways will remain largely stagnant at $5 billion. Additionally, as more people come online, Smartphone penetration improves and use of digital payments goes up, the report estimates that India's online hotel market will grow to US$4 billion with 31% penetration at a CAGR of 25% Online travel providers aim to ease travel planning and bookings for travelers. The online travel market is driven by quick and convenient flight and hotel bookings, rise in customers' trust in online payment, and ability to compare various available travel options. These days market players are extensively offering travel services through mobile websites and apps, as it is one of the most preferred mediums of travel bookings, particularly among the young professionals. Travel is a high investment – both monetary and emotional - category. Technology has led to democratization of travel through better information and price discovery.

Conclusion:

Online tourism industry is increasing very rapidly and millions of people are directly and indirectly associated with this industry. E commerce plays key role in tourism industry across the world. In India, with the emergence of smart phones, tablets, laptops and especially internet, one could see drastic changes in this industry. Especially in flight bookings and hotel bookings, these e-commerce sights play vital role. There is enormous growth potential for this industry. Market players are introducing new and enhanced versions of mobile apps, which offer great travel deals and hassle-free booking to attract young travellers. The growth is attributed to the increase in disposable income, rise in middle-class segment, and greater penetration of Internet facilities.

Dr. A. A. Kulkarni

References:

1. Buhalis, Dimitrios: E Tourism-Information Technology for Strategic Tourism management

2. Economictimes.Indiatimes.Com

3. IRCTC.COM

4. Chwala R ; Transport And Tourism(2006)

5. Rai V K:Tourism And Its Development- A Geographical Analyais

6. Inc42.Com/Buzz/Google-India-Bcg-Indian-Online-Travel-2020/

7. Travelbizmonitor.Com/Images/India_Online_Travel_Industry

8. Indian Tourism: Beyond The Millennium – M P.Bezbarush

Dr. A. A. Kulkarni