

Study of Tourism and Online Booking System of Hotels and Guides

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ABSTRACT

The online tourism industry is growing at a fast pace in India. The traditional forms of tourism are being replaced by new form e-tourism. The internet has offered with easy and costeffective solution to people who go for online travel bookings. E-service tourism companies need to understand the customer requirement and meet their expectations by evaluating and improving their website quality. The paper explores the factors of E-service quality in Indian context. The study found that mere online presence was not important but providing excellent e-services on websites was essential to retain customers. The Indian tourism industry, which is at the stage of an upward growth, can be greatly influenced by e-tourism. Tourism is stated to be the third largest net foreign exchange earner for our country and also one of the sectors which employees number of man power

The explosion of online booking systems has completely changed the direct channel and contractual relationship between hotels, guides and customers. From now on users have the choice of several distribution channels to book a hotel room and guides. The objective is to study those different online booking systems and identify the best alternative from a customer's point of view.

Once benefits and dis-benefits of online booking systems will be compared and analysed, the study will conclude on the importance for customers to use a direct channel and make their bookings.

Keywords: Online tourism industry, privacy, attractiveness, receptiveness, E-Services.

Introduction

Development implies change. It reflects a process of economic and social transformation within countries. World Tourism Organization defines tourists as people who travel to stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. Tourism is both incoming and outgoing economic phenomenon directly influencing national, regional and local economies. Tourism development leads to positive influence in the process of economic development in the destination. It is often considered as

a development opportunity, as a contributor to economic growth, and as a catalyst of favorable structural changes within the local economy. To develop the tourism sector some of the important factors are: infrastructure, products, trekking, winter sports, wildlife and beach resorts; facilitation procedures at the airports and railways, e-booking and e-ticketing facilities, development of different category of hotels, better transportation and bread and breakfast schemes

In India, travel and tourism has been the major part of Indian tradition and culture; in ancient times, the purpose of ones travel was mainly for pilgrimage, religious beliefs and involved visiting of holy places, but in the present world, all categories of people take pleasure in travelling to different places for the purpose of business, work, leisure, recreation, participation in fairs, festivals and other occasions. In India,the major attractions have been luxurious palaces built by the rulers, enchanting gardens, temples, forts, tombs and memorials forests, wildlife beaches, landscapes for eco-tourism, heritage trains, museums, science tourism centers for pilgrimage, spiritual tourism, heritage hotels, colorful fairs and festivals, yoga, Ayurveda, natural health resorts, medical tourism, religious places, artworks, handicrafts and so forth. The beauty of India's cultural heritage and the richness of the nature's endowments make India, an extremely delightful country for visit by the tourists from all parts of the glob

Indian Tourism Industry

The travel and tourism sector holds tactical significance in the Indian economy on making provision of several socio economic benefits. Provision of employment, income and foreign exchange, development or expansion of other industries such as agriculture, construction, handicrafts etc. are some of the central economic advantages provided by the tourism sector. In addition, investments in infrastructural facilities such as transportation, roads, accommodation and other tourism related services lead to a general development of infrastructure in the economy. According to the World Economic Forum's Travel and Tourism Competitiveness Report 2013, India ranks 11th in the Asia pacific region and 65th globally out of 140 economies ranked on travel and tourism Competitiveness Index. India has been observing stabledevelopment in its travel and tourism sector over the past few years. Total tourist visits have increased at a rate of 16.3 per cent per annum from 577 million tourists in 2008to 1057 million tourists in 2012

The travel and tourism sector maintained 25 million jobs in 2012 straightforwardly related to the tourism sector. Comprising 4.9 per cent of the total employment in the country in 2012, this is anticipated to amount to 31 million jobs by 2023. While these numbers specify direct

employment supported by the tourism sector revealing employment by hotels, travel agents, passenger transportation services or other restaurant, recreation and leisure employment, the total contribution including indirect and encouragingoutcomes is anticipated to cause a multiplier impact on the economy resulting in greater employment generation. Applying this multiplier impact, the travel and tourism sector supported a total employment of 40 million jobs in 2012 constituting 7.7 per cent of the employment of the entire economy.

This implies that for every job directly supported by the tourism sector, an additional 0.6 job is supported in the economy when the indirect and encouraged effects of tourism are reflected upon. There has been an increase in the arrivals of international tourists in India, which is supposed to observe an annual growth rate of 6.2 percent over the next decade; this growth can mainly be attributed to the rising income levels and the changing lifestyles, diverse tourism types and policy and infrastructural development by the Government such as simplification of visa procedures and tax holidays for hotels. There have been improvements and progress in the travel and tourism sector; capital investments in the tourism sector include spending by all the sectors directly involved in the travel and tourism industry.

Economic Growth

The World Travel and Tourism calculated that tourism generated \$121 billion of the nation's GDP in 2011. The GDP of the tourism sector has expanded 229% between 1990 and 2011. The sector is predicted to grow at an average annual rate of 7.7% in the next decade. In a 2011 forecast the World Travel and Tourism Council predicted the annual growth to be 8.8% between 2011 and 2021. This gave India the fifth rank among countries with the fastest growing tourism industry. India has a large medical tourism sector which is expected to grow at an estimated rate of 30% annually to reach about INR 9,500crore by 2015. The hotels and restaurants sector with a 1.5 per cent share in India's GDP in 2011-12 is an important subcomponent of the tourism sector. The objectives of tourism policy focus on providing employment, generation of foreign revenue, contribute to infrastructural development, revive cultural traditions and art, contribute to sustainable development, improve quality of tourism product and reduce seasonal nature of tourism. Tourism is presently the largest economic grosser for countries after manufacturing and exports. With strong economies, technological advancements tourism growth is here to stay. The flexibility of tourism sector depending on market needs is advantage as well as a disadvantage. Most countries understanding the benefits of tourism and little side effects are being driven to promote and enhance tourism opportunities respectively. Tourism nowadays is something which cannot be avoided and with the amount of profits, it is bringing to the economies of various countries. More and more countries are trying to shift their attention to boost up this upcoming sector. To promote tourism, the government has taken many policy initiatives including a five-year tax holiday for two-, three-, and four-star hotels located around all UNESCO World Heritage Sites (except Delhi and Mumbai) which started with effect from April 1, 2008 to March 31, 2013.

TABLE: INDIAN Exchange Earnings (FEE) (in US\$ million) from tourism in India

Year	FEE from tourism in India (in US\$	Percentage(%) change over the
	million)	previous year
1997	2889	2.0
1998	2948	2.0
1999	3009	2.1
2000	3460	15.0
2001	3198	-7.6
2002	3103	-3.0
2003	4463	43.8
2004	6170	38.0
2005	7493	21.4
2006	8634	15.2
2007	10729	24.3
2008	11832	10.3
2009	11136	-5.9
2010	14193	27.5
2011	16564	16.7
2012	17737	7.1

METHODOLOGY

Once different alternatives will be highlighted, the study will aim at presenting the best option for customers. The multi-attribute decision-making method and the Additive Weighting Technique are used to analyze different alternatives customers have to book a hotel room online.

- Additional costs because of conditions pre-admitted
- Lack information about the independent website
- Misleading advertising on the hotels
- No clear indication on complaint formalities
- Booking on hotel websites Advantages:
- Guarantee to get the lowest price to the customer and complete information about the hotel.
- Customers do not pay extra fees and take full advantage of leverage in case of cancellation or delays.

Disadvantages:

- Time-consuming to look on other hotel websites to select the best deal.

• Booking on OTAs (third party)

OTA is the acronym for Online Tourism Agency. Those travel websites, for instance, Expedia, Priceline or Travelocity, provide travel products to customers including hotel-booking options.

Advantages:

- Customers have access to different hotel deals and can choose the best option according to his expectations.

Disadvantages:

- Hotels pay fees to have their brand appear on those websites. Hotels view on OTAs is based on how much commission they pay to the OTAs.
- Lack of transparency
- OTAs and not hotels own information on customer's data. That is to say, it is more complicated for hotels to adjust their offer according to customers' needs.
- Calling the hotel Advantages:
- Transparent process and high-quality customer services

Disadvantages:

- Time -consuming to call different hotels.
- Booking at the hotel desk Advantages:
- Total transparency of the process
- Safety of customers' data

Disadvantages:

- Time-consuming
- Emails Advantages:
- Transparent system
- Direct contact with hotels Disadvantages:
- Usually not immediate answer
- Global Distribution Systems (GDS)

These are control software for travel services (hotels and airlines). They provide information to travellers such as prices, availabilities and so on. Hotels use them to get an overview of their customers, manage their stocks and supply chain.

Advantages:

- Customers can easily compare prices, rates, services linked to the hotel industry.
- Incredible visibility of hotels

Disadvantages:

- High fees to be a member of a GDS. Only powerful hotel structure can afford it.

FINDINGS

In the process of findings hotels and book guides for tourism the customers are going with some factors that shows the process of booking hotels and guides for the particular areas or places that customer booked for the visit. The factors are as follows:

Selection of criterion

Resources: do customers have access to different options?

Confidentiality risks: Are customers' data protected?

Information: Is the information provided reliable and complete?

Compliance risks: is the alternative responding to all rules and regulations

Indemnification: Are customers 100% sure to be indemnified if necessary?

Time: Is the alternative time-consuming for customers?

Analysis and comparison of the alternatives

From a customer view, booking a hotel room online directly on the hotel websites is the safest alternative in terms of personal data, transparency of information and general protection of the customer. However, they do not provide different options and the customers will have to navigate from a hotel website to another one. This process can be time-consuming but customers make sure they have access to right information and do not take any type of risks. Concerning calls and going to hotel desks, they are safe options as well but, similar to the alternative below, it can be very time-consuming for the customers.

Comparison of OTAs and GDS

GDS is usually referred as the 'ancestor' of OTAs. It is now less common to use them. It is more popular for hotels to directly use OTAs to ensure a greater visibility. Hotels must pay commission to have their offers submitted on OTAs or GDSs. Commissions are more or less similar. However, OTAs tend to be denounced for their deceptive contracts. OTAs provide

the riskiest contract for customers. Customers' personal information is not always safe; the lack of transparency in their processes can also damage customers' "protection". Hotels visibility does not only depend on the quality but also on a percentage of commissions paid, regularity of payment, negative customer feedbacks and so on. And so the visibility of offers is not really fair but depends more on the relationship between the hospitality industry and the third party website. Selection of the preferred alternative Booking a hotel room online using direct channels is definitely the best option customers can use.

Selection of the preferred alternative

Booking a hotel room online using direct channels is definitely the best option customers can use. How much better is this alternative? There is one single best solution; to book a hotel room directly on the websites. For instance, to book a room directly through a hotel website a better option by 160.24 % compares to book through OTAs. From the table above, it can also be concluded that emailing is a poorer option for customers than booking directly on the websites by 87.59% Calling hotels, sending an email and going to the hotel desk can be gathered. They are a very safe process but very time-consuming on the other side. Booking on OTAs and GDS represent less safe options for customers. Even if they provide a lot of information and options, they are not advised in terms of risks for customers

Performance monitoring and post-evaluation of results

Customers' database belongs to those independent online systems. Hotels have fewer opportunities to review customer's feedbacks, adjust their services and so propose the best offers to the customers. Concerning the information provided, third parties can present issue with the following aspects: - The tariff parity is not always respected. Third parties can add extra charges before the final payment of the customer. - Hotels are supposed to provide to those third parties the same number of rooms. Risk of overbookings can occur. Plus, once all rooms are booked on the independent websites, it is usually written that the hotels are full whereas only rooms available on the websites are all booked.

Customer's services are usually very poor on third party websites. Indeed it is much more complicated to reach someone in case of questions. The relationship between customers and those platforms is very distant and virtual. Finally, the major issue remains on the absence of a global regulation that would protect more customers. Abuses come from this primordial aspect and weaken contracts between customers and those independent websites

Conclusion

Tourism in India has largely developed and advanced; the main reasons that have led to progress and development of travel and tourism in India has been that the country is recognized for its rich cultural heritage, there are religious places, temples throughout the country, tombs, forts and palaces of ancient rulers attract tourists from all parts of the world. The country has different cultural traditions and on the basis of these colorful fairs and festivals are organized that attract people. Wildlife sanctuaries, beaches, luxury hotels,

different cuisines from different parts of the country lead to the development of tourism. India has progressed in the areas of education and medical and international people are visiting India for the purpose of acquiring education and medical treatment.

Wellness tourism involves yoga, meditation, exercise facilities, weight loss programs, nutrition programs and body/mind programs. People travel to different cities as well as states for the purposes of all kinds of tourism such as wellness, leisure, sports, education, medical, business, heritage, cultural, eco, pilgrimage, adventure and wildlife. India has progressed, developed and advanced in the promotion and enhancement of all kinds of tourisms and have formulated policies and programs in order to facilitate the visit of people to different places for the purpose of tourism.

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