

A study of Information and communication technology trends in Hospitality and tourism industry

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ABSTRACT

Hotels according to the western concept were introduced by the British and the British and Swiss were running almost all hotels in India except the Taj Hotel of Bombay, built by Jamshedji Naroji Tata in 1902. The real growth of hotel industry started in the twentieth century when big houses enter the hotel field.

Tourism is a major contributor to the Indian economy. The tourism industry in India has a share of 0.52% of world tourism and the receipts as 0.89% of the world receipts. Which is the reason for research in this area.

This paper primarily, aims and seeks to identify and examine the paradigm shifts in the hospitality industry due to technical upgrade and use of Information and communication technology (ICT) over the seeming years and how the trends have behaved in India. It seeks to examine the current trends in the hospitality and industry, bring to light the challenges faced by the hospitality and tourism industry and lastly critically analyse the future prospects of technology in the hospitality and tourism industry in India.

The study is based on secondary data available and researched upon by which it can be seen that there are very significant changes which are already prevailing in the industry and there is more in the box to come in future.

1. An introduction to the sector

Have you ever stayed at a hotel, flown on a plane, or eaten at a restaurant? If so, you have experienced the hospitality industry. The hospitality industry is a broad group of businesses that provide services to customers. It's focused on the satisfaction of customers and providing specific experiences for them. The hospitality industry is unique because it relies so heavily on discretionary income and free time. Think about your last vacation. You didn't necessarily need to go on the trip, but you did because you had both the free time and the extra money. In this paper, we'll examine recent trends and future upcoming changes in the industry of hospitality with special reference to the Information and communication technology i.e. ICT.

2. Objectives and justification of the study

The business environment is rapidly changing due to fast pace of change in technology and automation has become the basis of competition in almost all sectors. Likewise there are many developments happening in the sector of hospitality industry which is exposing the industry to challenges related to use of advanced and updated technological solutions in the industry. This is the reason and justification this study is undertaken.

However the objectives of the study can be summed up in below:

1. To analyze the benefits of using recent technology in hospitality and tourism sector
2. To examine what are the recent trends in the sector

3. Research methodology

The research is based on the secondary data available and includes past studies undertaken in this area. The basic sources of the data being:

1. Websites and blog content including online interviews

2. Books on hospitality sector

▪ Use of ICT in hospitality sector

The speedy and significant growth of the Information Communications Technology (ICT) and vast development and use of internet plays a vital role in hospitality industry all over the world. The new technology has, in fact, already revolutionized the tourism and hospitality business processes internationally.

Tourism and hospitality industry has been considered as one of the fastest growing industries and most prominent and largest service industry as it caters to the different types of people all over the world. Tourism industry being associated and interconnected with various other industries like food industry, transport industry etc. have a tremendous scope for the economical growth of any country. This industry is always considered as an information product.

According to the World Tourism Organization (WTO) statistics which has been published, the countries which do not have adequate ICT infrastructure and growth will not be able to compete with their counterparts who have a sound ICT infrastructure in the near future. As ICT has become a key element for this industry, it motivates the consumers to decide and purchase tourism products.

Source: <https://www.mapsofindia.com/my-india/travel/ict-for-tourism-and-hospitality-india-has-huge-opportunities/amp>

In a nutshell below can be considered as the benefits that industry can get by aggressively including ICT in their business:

1. Relevance

The customer is more interested and will share the experience with other customers the locations and places which are up to date.

2. Security

The guests will be more comfortable if the data privacy is been taken care by the industry and they will trust and also consider the places on priority who takes care of data privacy. This is been very actively followed by OYO Rooms in India who are very much dedicated towards the privacy of the guests making bookings.

3. Sustainability

By use of ICT methods the business can in various ways save energy and other resources like water. This will enable them to be more responsible environmental protection. In country like India it who is an active participant in discussions related to finding solutions to the world environmental issues, this part of being socially responsible always gives a positive image if the sector and the business in the minds of customer.

4. Efficient management

The business can be efficient in their operations that too with ease by use of ICT control methods for management.

5. Simplicity

By use of technology the sector can enable the customer ease in making bookings and even will help in researching about places in an effective manner all together. By the effective use of ICT Trivago has already become a success story in the industry. The options of various websites and at the same time comparing the prices for the same rooms with an

ease of bookings has given an edge to the business to grow to a great extent.

▪ Recent trends and ICT in hospitality industry

There are many ways through which the business in hospitality and tourism sector are changing and upgrading in their technology. This is evident by the recent developments in the same some of which are but not limited to:

1. Mobile door keys:

By the use of technology hotels are ditching the plastic card function and have started using technology to allow customer to check in to their rooms using their mobile phone.

2. Self service:

Today many guests prefer self service including remote check in to ordering food online. Various applications have been launched through which even the corporate gains are benefiting their employees with ease of operations in cafeteria of the premises of the organization. The applications are said to improve on the turn around time of the orders by employees also thereby saving time of the employees. The employees by sitting at their desk can order the food from the canteen using the mobile application, upon which they get intimation when their food is ready. This even helps in reducing the queue at the cafeteria and unwanted crowd in the same.



3. Virtual reality:

Hoteliers, marketers, advertisers have been struggling to grab attention of customers in this competitive market. This is when virtual reality brings a massive change to the way properties are advertised and customers are informed. This is going beyond images, text, and audio-visual ads. The industry use virtual reality to give the guest a view of the conference room, amenities, guest rooms and even offer a quick trip to interesting locations nearby. Virtual reality for the hotel industry allows guests to make better decisions by knowing what to expect during their stay.

4. Blockchain:

Blockchain is a growing list of records. These records, also named as blocks are "transactions" records. The Harvard Business Review defines it as "an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way." Blockchain for the hotel industry claims to make this data accessible while providing hotel owners with ample opportunities for their room distribution. This open access distributed ledger of a hotel's

inventory will give the flexibility to hotel owners to discover more options.

5. The Hype around Data:

There are huge amounts of data collection happening via mobile bookings, guest reviews, the internet search engines and even a cloud-based PMS as integrated by the hotel. The key here lies in understanding and prioritizing data. The data gathering also helps in better customer relationship management by the businesses.

6. Social media and review websites:

Social media has drastically changed the relationship between guests and hoteliers. There, guest and prospect guests can share experiences with one-another and exchange information about several aspects of the hotel such as: room rates or amenities. Furthermore, social media allows visitors to rate the hotel and post reviews online. Whenever people think of going away to a certain place, the first thing they do is to read the reviews about it. They can be considered really convenient and play a huge role for people to decide where to

stay, what restaurants to go, places to visit, transportation and attractions.

7. Robots:

Another exciting tech trend has been the emergence of robots and many hospitality companies are putting them to good use already. Perhaps the most famous example of this is the Hilton robot concierge 'Connie', which uses speech

recognition and AI to respond to queries from customers and intelligently learn from interactions. However, this is far from the only such example. Knightscope robots are being deployed in some airports for security purposes, while the Henn-na Hotel in Japan has drawn headlines for being the world's first robot-staffed hotel, with robots being used as front desk staff, customer information tools and even as luggage porters.

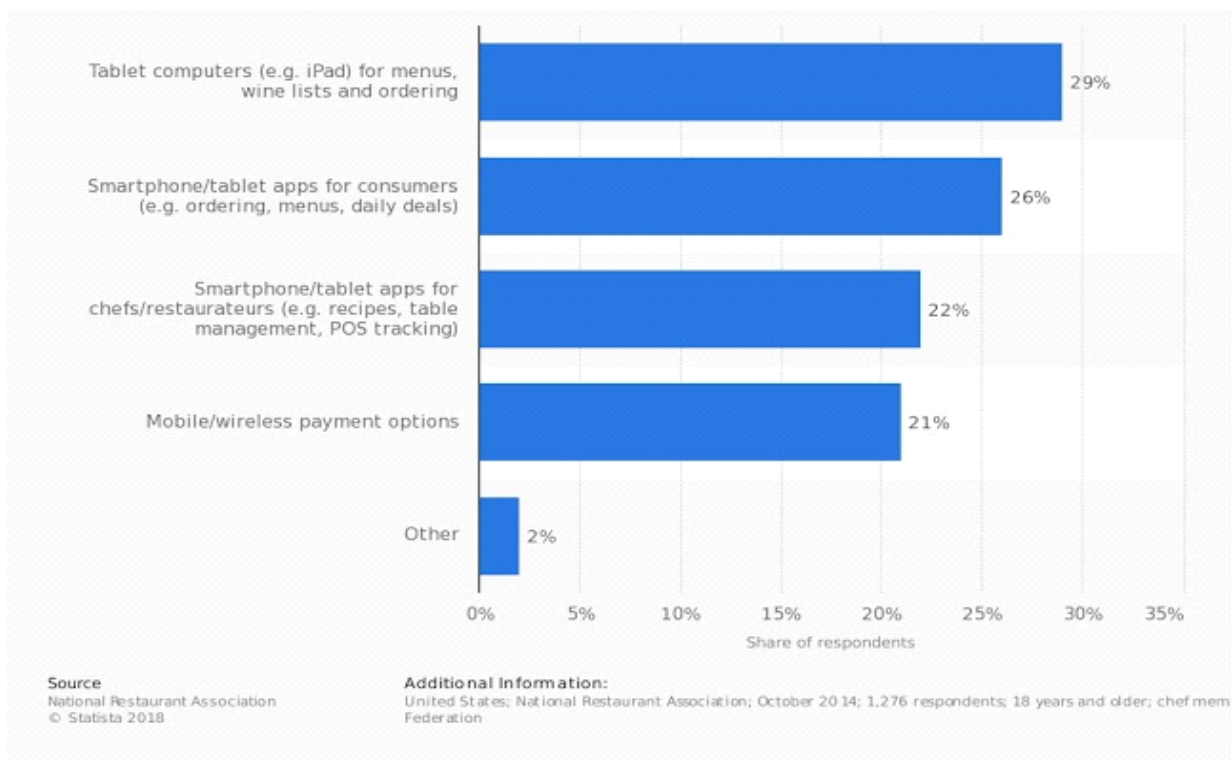


The use of ICT in the hospitality and tourism sector solves the business's existing problems, enable them to serve guests better in order to increase revenue. These questions should give a basic idea of what an business need, what to expect and how it can be a success factor:

- 1) Does the new technology reduce workload in different departments?
- 2) Can it help to personalize tasks such as check-ins? Can it enhance the service?

- 3) Does it allow your teams to meet the targets faster, and achieve more in the process?
- 4) Can your housekeeping, front desk, restaurant managers coordinate without the need for constant communication or updates?
- 5) Are the upgrades easily available?
- 6) Does the technology upgrade simplify your daily tasks and add to the bottomline?

The below image explains the recent technology trend in hospitality industry.



From above it can be easily said that when any new technology in hospitality industry arrives on the scene, it brings with it the need to implement a plan to make the hotel staff comfortable with the changes. The focus of business should be on a smooth transition that should make it easy to convey all the changes in the existing system without hampering their daily tasks. Once the business understand the requirements, advantages, and the benefits, they find it easier to integrate new tools and technologies to transform the way the hotel runs.

ICT brings a lot of advantages for business especially in hospitality industry. In the hotel industry, three departments cannot work efficiently without using ICT are front office, customer relationship and food and beverage department.

ICT helps to solve most of works in front office department, especially in reservation. It has brought people around the world get closer together even differences from languages, cultures and also region. Guests just sit at home and easily find all necessary information about destination where they want to travel by surf through internet. The old-fashioned way to book or reserve the room is over phone but now with the advances of IT, guests just surf the hotel's official website, look at the details of the room such as type, size and reserve for it. All these old-fashioned way are replaced by the modern way to help the hotel save time, cost; serve guests better, faster and also convenient for guests. For this reason, the birth of Central Reservation System (CRS) has absolute solved the problems facing when reserving guest rooms. CRS is a system that store and manage all information of the hotel such as room type, room availability, room rate, guests' information. Furthermore, CRS also has ability to integrate with Global Distribution System (GDS) so that the travel agency or booking online websites can book or reserve room that leads the hotel maximizing the revenue.

Customer Relationship Management (CRM) is also the department cannot operate effectively without ICT solution. Definitely, CRM is a dispensable department which is responsible for keep customer loyalty in order to bring guests back to the hotel, not only current guests but also prospective guests. One of the most important missions of CRM department is to keep in touch with guests by contact them frequently, not only direct but also sending emails. Therefore, the hotel can anticipate guests' future needs; it helps the hotel serve the guests better with better services. Traditionally, when the staffs in CRM department want to record the information of frequent guests, all works must be done on paperwork and it costs a lot of moneys to storage but now, if they want to record them, they just easily put all information into the CRM software which is installed in the hotel to manage the guests' information and also guests database. Some of the best performance CRM software such as GuestWare.

4. Conclusion

In conclusion, the research aimed and enabled to understand that ICT plays an important role in hospitality industry, especially in creating competitive advantage of each hotel. The hotel must always update the new modern IT to be more professional. This is the only way to keep guests' loyalty and attract new prospective guests. Using IT will help all work better, faster, and more convenient and save a lot of money.

ICT has played an important role in the hospitality and tourism industry over the last decade. Technology has helped reduce costs, enhance operational efficiency, and improve services and customer experience. Both customers and businesses can benefit from improved communication, reservations, and guest service systems. Technology has helped tourism and hospitality industries replace expensive human labor with technological labor. This helps reduce labor costs, but also helps avoid customer service issues.

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