

# ICT Based Innovation in Tourism Marketing

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## Abstract

Impact is not created by big budgets; it is created by innovative marketing approaches. An innovation is nothing but it is viewed as anything new that solves needs by offering significant advantages like adding up extra features, more convenience, being user friendly and most importantly being cost efficient. In order to generate more profits from the customer new products or services are being floated in the market. The need for innovation is not hold-up to product industry it also has an immense importance in service industry as well.

In India, Tourism is the largest service industry; it is one of the major sources of economic growth in India. After independence, the focus of development in India was on key areas like agriculture, housing, industry, irrigation, infrastructure and other social sectors. Tourism in India has been a late starter and has started getting attention in the last two decades only and with so many marketing innovation techniques it has made a remarkable impact on world map. The role of ICT in Tourism industry cannot be ignored in current information driven society. It has provided new tools and enabled new distribution channels, thus creating a new business environment.

**Key Words:** ICT, Innovation, Tourism & Marketing.

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## Introduction

ICT is information and communications technology, it is the infrastructure and mechanism that enable modern computing. ICT is a boon to every industry which brought the whole world under the same roof and with the click of figure we can get the thing which we desire of. Tourism is a lavish- glamorous industry which is now a days dependent upon the modern technology of ICT, various studies has been conducted in this regards.

According to English Oxford dictionary, the word information is derived from the Latin word informare, which means "To inform, instruct or teach" later the word came to mean "knowledge or facts

communicated about a particular subject, event, etc" (Cline, 2014).

ICT (information and communications technology) is a term that includes any communication device or application, included: radio, television, mobile phones, computer and network hardware and software, satellite systems and so on, as well as the various services and applications.

## ICT helps in promotion of Tourism

Among 7 p's of marketing the promotion gives details of the product and the price. The key characteristics of the promotion are the method of communicating the information, the content of the promotion and the cost to the operator. The promotion has a target market, and the method and content of the promotion has to appeal to the people who it reaches. The price the members of the target market are willing to pay has to cover the cost of the promotion. ICT is nowadays a very good medium of promotion of Tourism products. It had made travel easier.

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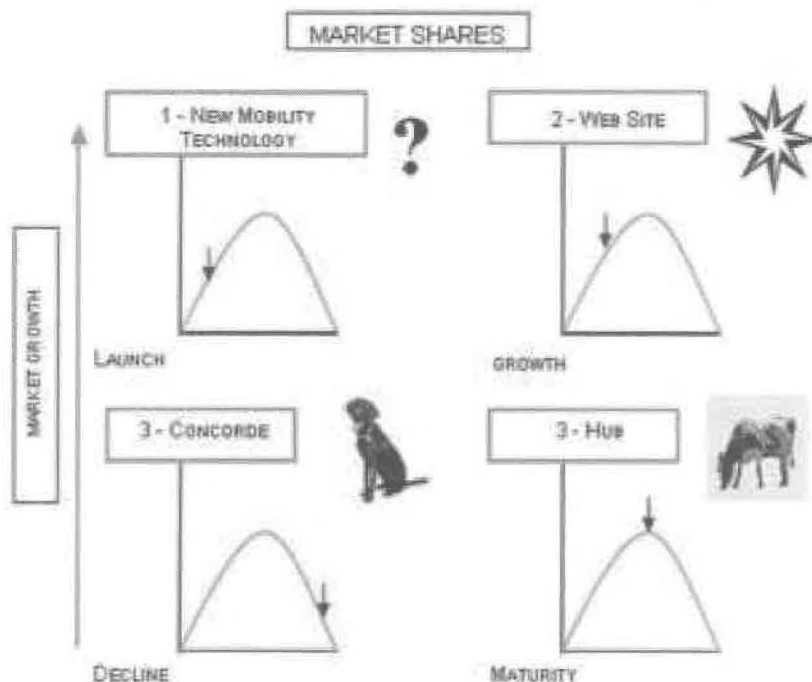
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### The BCG Matrix interpretation in Tourism Industry



Source: Decelle.2004

The BCG matrix or growth share matrix developed by Bruce D. Henderson in 1970, it helps the company allocate resources. In tourism also this matrix is suitable. The interpretation of these variables in tourism industry is as follows.

#### New Mobility Technology

“QUESTION MARK” TECHNOLOGICAL INNOVATIONS

Cutting-edge technological innovation at the research (launch) phase or being tried out by other industries, having uncertain but promising differentiation potential.

WEB SITE AND DERIVATIVE PRODUCTS:  
“STAR” TECHNOLOGICAL INNOVATIONS

Cutting-edge technological innovation being tested (growth); potential for differentiation is great and will impact the company's future.

CONCORDE “DOG” TECHNOLOGICAL INNOVATIONS

Basic technological innovation exploited extensively by the company and its competitors (decline phase); low competitive impact.

HUB: “CASH COW” TECHNOLOGICAL INNOVATIONS

Key technological innovation being operated or in the maturity phase; strong competitive impact.

Hence, several marketing innovations and strategies are required to give a proper shape and to retrieve and ideal results form an industry.

#### Researches related to ICT in Tourism

Rakhra, Pandey, & Dubey (February 2017), ICT an innovative approach is the most important aspect of today's tourism industry, it serves as an axis of industry. The study is focused on Madhya Pradesh tourism. The study was carried out with the objective- role of ICT in tourism industry. The ICT (Information Communication Technology) is a boon of today's era and is being used and undertaken by each person of

the society, nationally and even internationally, age wise and education wise. There is a gender difference in using ICT. Industry should focus on developing, hi-tech facilities in order to boost up the inflow of Inbound as well as Domestic tourists in the state. As it is evident from the research that majority of the tourists are using internet services for exploring information about tourists' destinations.

Farkhondehzadeh, Karim, Roshanfekar, Azizi, & Hatam (2013), according to the authors one of the major limitations of all of the information distribution channels in tourism industry is that they, for the most part, all ultimately flow through the GDSs (global distribution systems). It has several implications in terms of cost, addressees and information content. As a result, many tourism suppliers would like to avoid the GDS route and use electronic distribution to sell directly to the consumer. With the extra special growth in the use of the Internet and the World Wide Web both in the home and in the place of work, and the opportunities offered by diminishing hardware and communications costs, the potential exists for tourism suppliers to both share out information to and process reservations directly to the customers. In this paper the authors by in view of some of the bent form present-time business strategies such as the mass customization of services, the interactive design of products with customers, the service envelope around the most basic products and the increasing information intensity of products, they illustrated how such trends apply to the tourism industry and describes the way ICT can support or enable such strategies. Then, the authors analysed the role of ICT in tourism industry by introducing a framework to classify and analyze related organisations around three dimensions, distinguishing what happens (1) at the boundary of the firms, (2) in their relations with their customers and suppliers and (3) on the markets they reach. The actors that primarily considered were the following: (1) the service providers (hotels, airlines, congress organizers, etc.), the travel agencies, and other intermediaries, (2) the final customers (both corporate and individual), and (3) the countries (often represented by their tourism offices).

Qirici, Theodhori, & Elmazi these three authors had worked on the most important factor of development in today's' scenario "The ICT". They started up with the very basic question which comes to majority of the masses minds- What are potential sources of growth in tourism?

Possible answers include increasing the share of the sector, in particular the ratio of consumer expenses on tourism services and products

- (1) Increasing the relative market share of a region vis – a vis other regions
- (2) Moreover the proliferation of ICT in tourism has facilitated the growth of related employment in the ICT sector.

The reflection on business models addresses all issues to some degree: the focus on "value propositions" highlights the attractiveness of tourism products to consumers. As little data are available the paper has focused on unscientific evidence and strategic reasoning.

M. Elena & Andrea the author had concluded that the use of diverse ICTs has little effect on the level of competition as well as on increasing productivity; in general, a positive effect is increasing the market share of the firms. Besides, the use of ICT seems to favor innovation in the companies, considering innovation as launching new products / services to the market, as well as improving or introducing new processes. Likewise, e-business increases the level of productivity, market share and process innovation. Online orders have a positive effect on process innovation.

This study shows that the influence ICTs have on competitiveness, productivity, market share and innovation are very different depending on the sub-sector. While in the accommodation and gastronomy sub-sectors ICTs have a great impact, in the travel agency sub-sectors they seems to promote an increase of market share and innovation, but it affects in competition and productivity negatively. For statics calculations STATA 11 software was used and Mean values were calculated.

Andrea has mentioned in her research that innovation plays a vital role in a company's development and in

helping it keep up with new Technologies and customers' highest expectations. The author future added that so many researchers have approached tourism innovation, developed models of innovation in tourism, analyzed innovation types or the factors that influence innovation in this field. The purpose of the author in this paper is to review the existing literature on tourism innovation and to identify the main research tendencies in this area of interest. This study focuses on tourism and hospitality innovation, the authors under gone 17 research papers regarding these aspects. Relevant findings such as factors that influence innovation in tourism and hospitality (hotels' size, category and chain structure, introduction of ICTs, employee involvement and commitment, customer or guest requests etc.), types of innovation implemented in this area and correlations between innovations' success and hotel performance were highlighted. Tourism innovation research was approached by several European and American authors, both from theoretical and empirical perspectives.

Car, Šimunic, & Laškari the author mention about the mobile marketing and advertising using mobile devices. The author added that these has becomes an important factor in creating of marketing strategies. Without a mobile marketing and mobile advertising strategy, tourism and hotel businesses will miss out this growing consumer trend. The present study investigates about the mobile marketing and advertising strategies as a marketing channel used for promoting tourism and hotel products and services. An increasing number of tourist destinations use new technology and solutions to promote their tourism products and services. This paper defines the role of mobile marketing as new strategies for promoting tourism products and services; the author examines their advantages and disadvantages, and state about the impact of mobile marketing on the tourism supply and demand, as well as the estimated future development of this channel. The author analyzes mobile applications as a new tool to promoting and advertising tourism and hotel products and services. According to the research the amount of mobile devices constantly increasing, mobile applications can be a key

point to sending immediate messages to consumers at the right time, in the right place. The findings in this paper may be useful in developing mobile marketing strategies in tourism and hospitality industry. Mobile marketing still has growth potential as technological development never stops and that will completely change the traditional and conventional types of advertising.

Nguyen & Wan (2011), the authors seeks to provide insights into the application of internet communication technologies with social media in tourism industry from the perspectives of destination marketing organizations (DMOs), evaluating their effectiveness for tourism destination marketing management. The specific purpose of the research is to uncover the important role online marketing with practice of social media to build the destination brands and engage the audience to reach potential visitors. The study offers the contributions to the need of creating online marketing strategies and leveraging social media activities. DMOs need to realize the role online marketing and social media activities in marketing tourism destination and engage the audience to reach the potential visitors. Social media as one of internet communication options is an area of growth in the online marketing communication. DMOs need to emphasize the wide participation in online marketing and social media activities to achieve benefits. DMOs have to be in the place where the visitors are- Integrating online marketing and social media activities with traditional marketing as it is an essential marketing strategy for today's DMOs.

Werthner & Klein (2010), the authors in the research mention that travel and tourism sector has emerged as one of the most important sectors for developing as well as developed countries. Tourism subsumes many of the traits of the information society such as globalization, mobility and information richness. People from all nations, social rank, professions are potential tourists as mentioned by the authors. Tourism links all-inclusive supplier community with consumers, equally distributed worldwide. Its physical and virtual networks enable worldwide travelling, bringing together very distant cultures and habits. The industry is diverse;

the size of tourism principals varies from micro to global enterprises. While some are fragmented, other parts, like the airlines, are concentrated into an oligopoly of global alliances. Information systems (IS) in tourism have been among the pioneers of leading edge technology applications: Computer Reservation Systems (CRS) or Global Distribution Systems (GDS) have been among the first international inter-organizational systems. Yield management systems are among the most advanced data mining applications. Tourism marketing systems typically represent the forefront of multimedia and virtual-reality applications. The World Wide Web is profoundly changing the production, distribution and consumption of touristic products. Information and communication technology (ICT) is probably the strongest driving force for changes within the tourism industry. The first part of the paper presents a structural view, identifying the different types of players, the nature of the tourism business and tourism product. The second part gives a general introduction to the relationship between ICT and tourism and provides some empirical evidence of importance of tourism in the e-commerce sector. Part three gives a detailed account of the current transformation in the travel and tourism.

Buhalis & Law (2008), in this research work the authors reviews the published articles on eTourism of past 20

years. Using a wide variety of sources, mainly in the tourism literature, this research comprehensively reviews and analyses previous studies in the context of Internet applications to tourism. The research also projects prospect developments in eTourism and demonstrates critical changes that will influence the tourism industry structure. A major contribution of this paper is its overview of the research and development efforts that have been endeavored in the field, and the challenges that tourism researchers are, and will be, facing.

### Conclusion

Role of ICT in Tourism industry is increasing day by day. Uses of Internet, Websites and mobile apps have surely improved the role of ICT in Tourism industry. The role of ICT in Tourism industry cannot be unseen in current information driven culture. It has provided new tools and enabled new sharing channels, thus creating a new business situation; regulars are also using online to obtain information. Information is the solution element in the Tourism industry. ICT exists in approximately all aspects of Tourism and related industry. The role of ICT tools in the industry for marketing, operation, and management of customer is widely known. Marketing techniques can be more innovative through ICT tools (Shanker, 2008).

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