

Class #7
ICT in tourism business sector
(e-Business)

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Today's Topics

- Introduction to tourism business
- Advantages from ICTs uses in tourism business
- The role, impact, uses of ICT in tourism business
- Case study

1. Introduction to tourism business

Business

- A business entity is an organization that uses economic resources or inputs to provide goods or services to customers in exchange for money or other goods and services.

Ref: <https://www.accountingverse.com/accounting-basics/types-of-businesses.html>

3 Types of Business

- 1. Service Business;**
This business provides intangible products.
- 2. Merchandising Business;**
This business buys products at wholesale price and sells the same at retail price.
- 3. Manufacturing Business;**
This business buys products (using them as materials in making a new product).

Forms of Business Organization

- 1. Sole Proprietorship;**
(owned by only one person)
- 2. Partnership;**
(owned by two or more persons who contribute resources into the entity)
- 3. Corporation;**
(separate legal personality from its owners)

Sole Proprietorship



Company Limited



Corporation



Tourism business

- The activity or practice of touring, especially for pleasure.
- The business or industry of providing information, accommodations, transportation, and other services to tourists.
- The promotion of tourist travel, especially for commercial purposes.

Ref: <https://www.dictionary.com/browse/tourism>

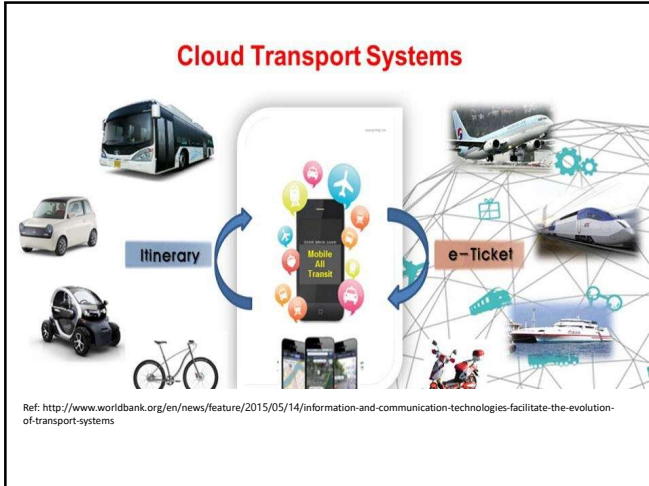
Type of Tourism business

- Transportation service
- Tour Operators/Travel agencies
- Accommodation
- Souvenir
- Restaurant
- Hospitality & Attractions

Transportation service

- This sector involves transporting tourists to, from and around the tourist destination.





Tour agencies/Travel Operators

- Travel agencies are the 1-stop-shop for everything involved with visiting a place, including transportation, accommodations and attractions.
- A guided tour service or professional tourist guide company that specializes in providing informative and entertaining tours through an area's local attractions.



Accommodation

- A room or place where someone lives or sleeps



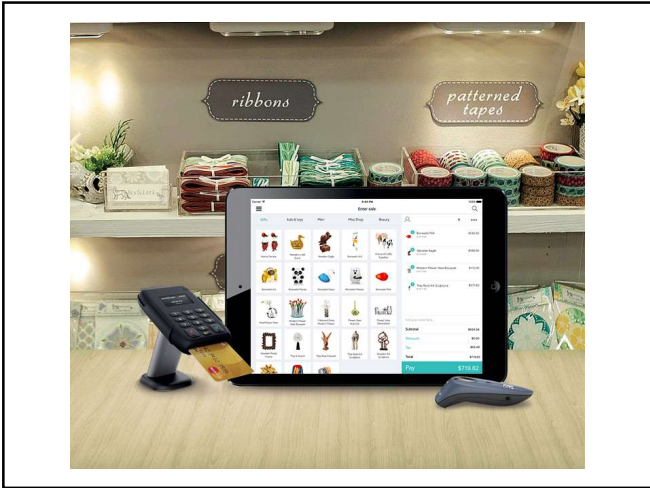


Souvenir

- A thing that is kept as a reminder of a person, place, or event.



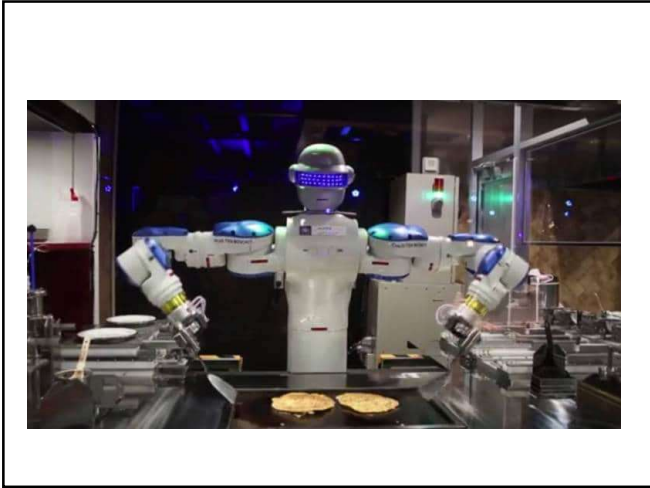
Ref: <https://en.oxforddictionaries.com/definition/souvenir>



Restaurant & Hospitality

- A hospitality business pertains to any food or beverage establishment that tourists may frequent.





2. Advantages from ICTs uses in tourism business

Advantages from ICTs uses in tourism business

- Open new pathways for relationships between the members of the distribution channels
- Easy access, up-to-date in real time
- Quick response
- Identification of consumer needs
- Make tourists more knowledgeable for planning their traveling
- Provide the large range of information in short time
- Enabling promotion and distribution tourist products direct to the consumers
- Etc.

Ref: Małgorzata Januszewska, Daria Elżbieta Jaremen, Elżbieta Nawrocka, 2015. The effects of the use of ICT by tourism enterprises, Service Management 2/2015, Vol. 16, ISSN: 1898-0511.

3. The role, impact, uses of ICT in tourism business

ICT usage patterns

1. **The traditional computer-based technologies:-**
using computer at home or at work.
2. **Digital communication technologies:-**
allow people and organization to communicate and share information digitally.
3. **Global marketing technologies:-**
allow business to promote and sale products in the e-marketplace

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Usages of ICT in Tourism business

- “Three main waves of technological developments established ITs in tourism enterprises, namely Computer Reservations Systems (CRSs) in the 1970s, Global Distribution Systems (GDSs) in the 1980s and the Internet in the 1990s” (Buhalis, 1998: 409–423)
- Nowadays we have WWW (1.0-4.0) and Social network.

Group Discussion: New technology

- Internet promotion
- Electronic ticketing.
- Computerized reservations

1.E-Destinations

2.E-Airlines

3.E-Hospitality

4.E-Travel agencies

5.E-Tour Operators

Advantages from ICTs usage in the analyzed hotels and travel agencies

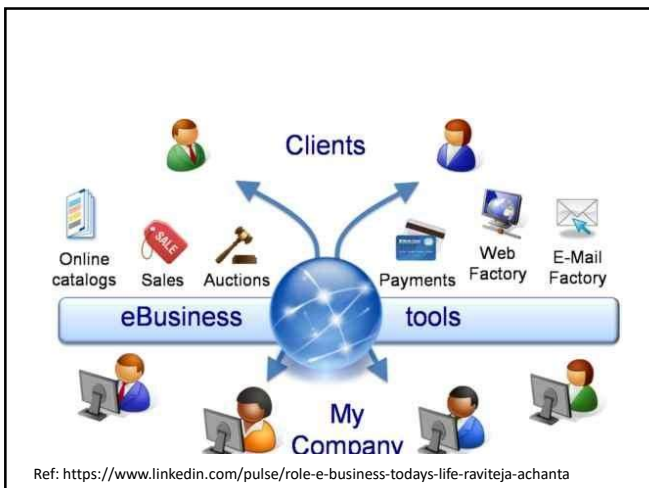
Specification	Assessment in the scale from 1 to 10, where 10 refers to very high and 1 very low			
	hotels	ranking	travel agencies	ranking
service quality improvement	8.2	1	6.2	8
Faster service	8.2	1	9.2	1
Increase in customer number	7.7	2	8.3	4
Higher customer satisfaction	7.6	3	7.5	5
Company image improvement	7.0	4	8.7	3
Business operating costs reduction	6.9	5	6.3	7
Higher income	6.7	6	9.1	2
New markets	5.9	7	7.0	6

Source: authors' compilation.

ICTs is easy and direct access to information

Ref: Małgorzata Januszewska, Daria Elżbieta Jaremen, Elżbieta Nawrocka, 2015. The effects of the use of ICT by tourism enterprises, Service Management 2/2015, Vol. 16, ISSN: 1898-0511. http://www.wzieu.pl/zn/883/SM-16_ZN-883_Januszewska_etAl.pdf

Group#28 E-business



e-Business Patterns

- e-Products
- e-Marketing
- e-Commerce
- e-Customer

4. Case study

Group#29

An Example of using ICT in Tourism
business sectors



Reference

- <https://www.tourismtattler.com/articles/business-and-finance/beginners-guide-to-starting-a-tourism-business/6681>
- <https://www.accountingverse.com/accounting-basics/types-of-businesses.html>
- Buhalis, D. (1998). Strategic use of information technologies in the tourism industry. *Tourism Management*, 19 (3): 409–423.

Q & A
