



Research Proposal: Changes in Tourism Industry caused by Internet



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1. Area of Study

Information and communication technologies and tourism are most dynamic drivers of the economy. Travel and tourism can be referred to as an information business as information is the most important quality parameters to support actions for the tourism area as a service industry. In other areas, the generation, gathering, processing, and communication of information plays important part in daily business operation for the tourism industry (Khare & Khare, 2010; Sanayei, Shaemi, & Kazemi, 2011). It is obvious that the tourism industry is hybrid industry and tourism services are dominated by information. The internet as an information technology is a platform for organizations within the industry to bring information about their products to the consumers in cost-minimizing and effective way. It can be said that the internet is possible instrument to change structures and procedures within the tourism industry (Kromidha & Muca, 2011; Taga, Gaspari, & Vukaj, 2011) The Yourism industry is steering into a promising future with growth and change as keywords of today's development. It has been noted that the online travel sales increase from 200% to 2007 and it is consistently increasing to more than \$30 billion. The platform of internet has been proved as the cost-minimizing and time-effective way for tourism industry all across the globe (Chen, Chen, Chen, & Chia-Chen., 2011; Braun, 2002).

2. Aims and Objectives of Proposed Study

The aim of proposed study is to evaluate changes that information technology brings to the tourism industry. Objectives for the proposed study are as follows:

- To review the literature on the growing trend of IT in particular the internet and its influence on the tourism industry.
- 2. To evaluate the key benefits of the internet brings to the tourism industry



- 3. To assess the key challenges of internet has on the tourism industry structure
- 4. To explore the ways of enhancing competitive advantage of the tourism industry through the use of internet

3. Literature Review

a. Identification Level of Internet in Tourism Industry

Information technologies implemented in tourism since the early adoption of Computer Reservation System (CRS) in airlines and in the transformation to Global Distribution Systems in 1980s. Taga, Gaspari, and Vukaj (2011), Hills and Cairncross (2011), and Kromidha and Muca (2011) illustrate that the hotel property management systems along with hotel CRS systems appeared shortly bringing switch organizations into the market while improving interconnectivity. It is obvious that it is the development of the internet, which revolutionary changes emerges to the structure of the industry by providing tourism principals, airlines, and hoteliers. Such development travel intermediaries, which connected suppliers and consumers, cause threats of being replaced (Sahut & Hikkerova, 2009).

Mostly travel agents feel the pressure of such threat and the discussion of disintermediation and re-intermediation lasted for approximately ten years. The implications of information technology and internet on the tourism distribution system have been highlighted in different articles including Chen, Chen, Chen, and Chia-Chen (2011), Cristiana (2008), Mamaghani (2009), Kromidha and Muca (2011), and Khare and Khare (2010). The recent development in tourism industry are observed at the destination level and the employment of internet, intranet, and extranet have successfully integrated this function in proporting their destination, providing tourists with in-trip and pre-trip information, and



helping tourist organizations to promote their products (Kromidha & Muca, 2011; Taga, Gaspari, & Vukaj, 2011). Bazini and Elmazi (2009), Sanayei, Shaemi, and Kazemi (2011), and Bazini and Elmazi (2009) provide that the expansion of internal management with the destination management organizations within tourism industry into destination networking and promotion systems is observed...