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Information Communication Technologies (ICT) and Tourism

Arusha, Tanzania

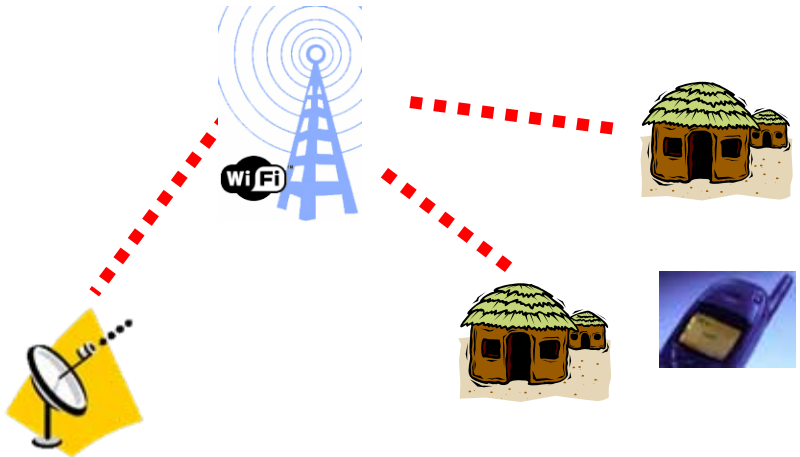
February 2006

Objectives

- Importance of ICT to sustainable tourism
- ICT options and how they are changing
- Importance of ICT across all aspects of program
- Ways ICT can hurt a program – or not provide expected outcomes
- Insights regarding integrating ICT into program design

ICT Today

- Cell phone applications (SMS)
- Digital cameras
- Internet
- Wireless (WiFi and WiMAN)
- VOIP
- GPS & GIS
- Convergence (data, voice, media)
- Digital radio
- Applications *on demand*



ICT and Tourism

- e-tourism is *the* leading B2C application - 40% of all B2C e-commerce[1]
- 50% of German tourists use Internet to get information on destinations.[2]
- "Internet will account for 25% of travel purchases within the next five years." [3]
- "…Predicted to be the next revolution in travel technology. … Waiting for the customer to come to you is no longer enough." [4]
- Brand: 80 percent of on-line customers prefer buying from companies they already know. [5]

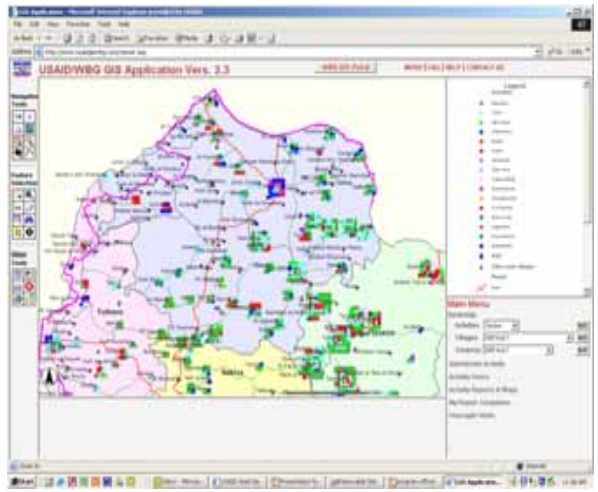
[1] www.content-village.org and UNCTAD report (see references), p. 149
[2] ITA
[3] World Tourism Organization Business Council
[4] Josef G. Margreiter, President, IFITT
[5] Attributed to Yahoo, March 2005, http://www.tti.org/Admin/FileLib/4 per 2005

ICT Touches All Aspects of Tourism

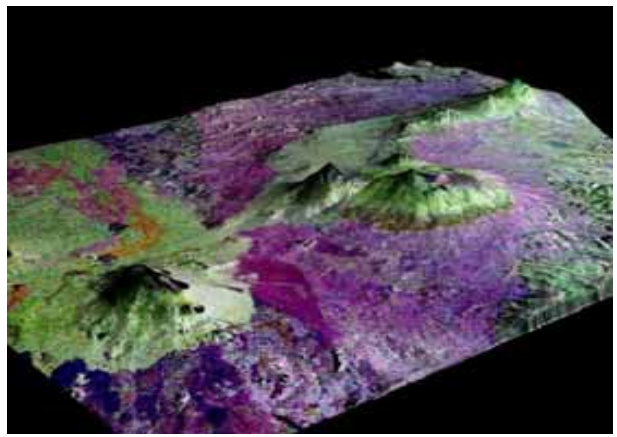
I. Selecting & developing tourism site	Geospatial Information Technologies
II. Marketing	Inbound (Market Research) Outbound (advertising, promotions, etc.)
III. Customer Relationship Management	Home – Destination - Home Turn prospects into customers Book - travel, lodging, tours, more Trip Management: pre, during, post
IV. Operations	Buying, managing services and supplies Managing value chain
V. Managing & monitoring tourism site	GIS & GPS

Tourism Site Selection, Management, Monitoring

Geospatial Information Technologies help delineate:



- **Boundaries of the proposed tourism attractions**
- **Location of surrounding communities**
- **Who has rights to which pieces of land**
- **Proximity of roads and lodging to proposed sites**
- **Areas in need of protection**
- **Location of utilities – water, power**
- **How land use is changing over time**



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I. Selecting, designing, developing destination
II. Marketing
III. Customer Relationship Management
IV. Operations
V. Managing, monitoring site and destination

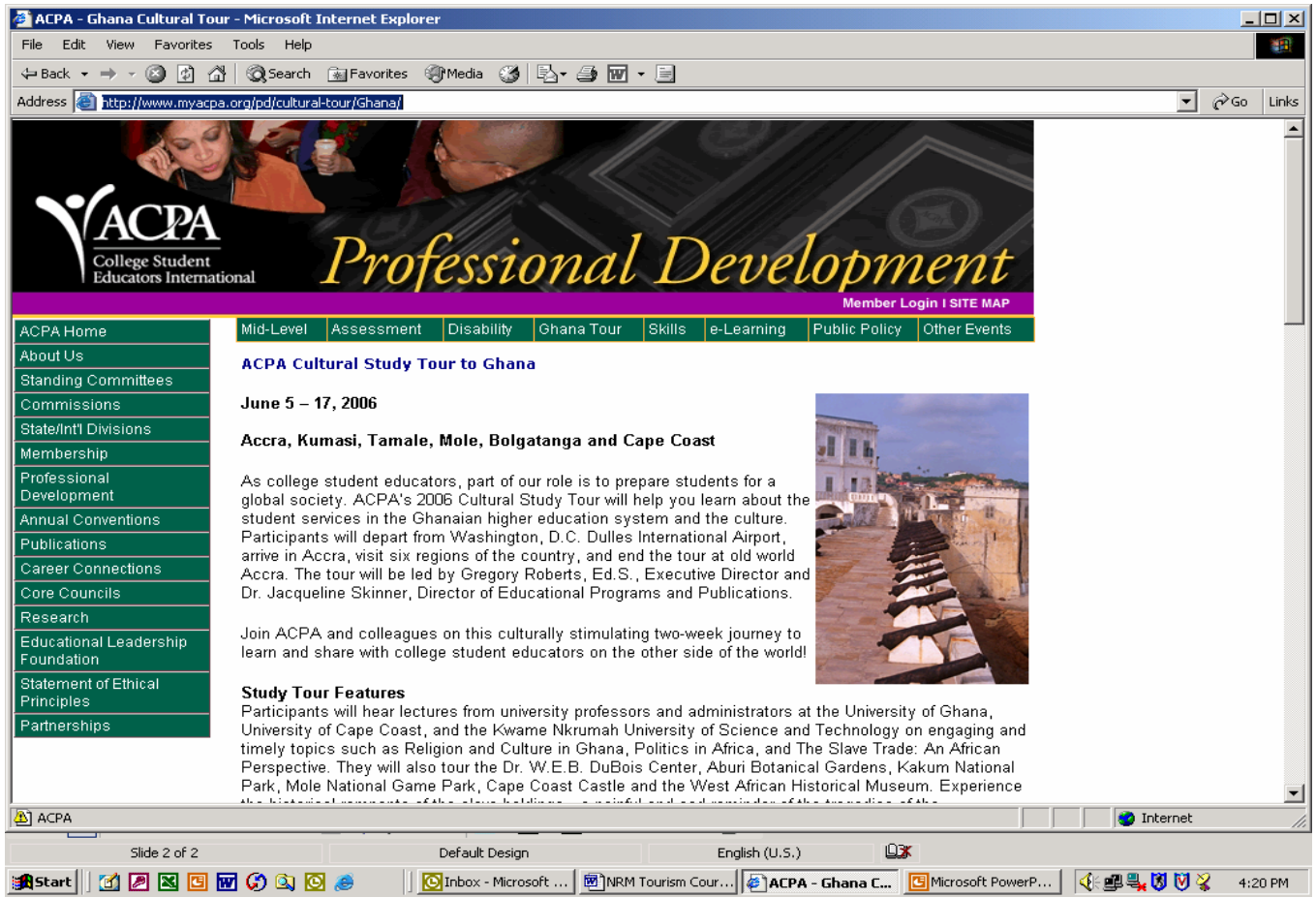
Site Management & Monitoring

Marketing: All Marketing Channels use ICT in Some Ways

- **ICT is *essential* for marketing any tourism site: both inbound (market research) and outbound marketing (advertising)**
- **The *marketing plan* must drive use of ICT to:**
  - **Get customer's attention (inform & build trust)**
  - **Motivate them to buy**
  - **4 P's: Product, Price, Place, Promotion**
- **ICT tools allow for new marketing techniques:**
  - **Push to partners/prospects (email & SMS)**
  - **Web: hot-links**
  - **One-on-one web customization: photo & video tours, etc.**

Example E-Channels: B2C

Site for tours for college educators (cultural tour of Ghana)



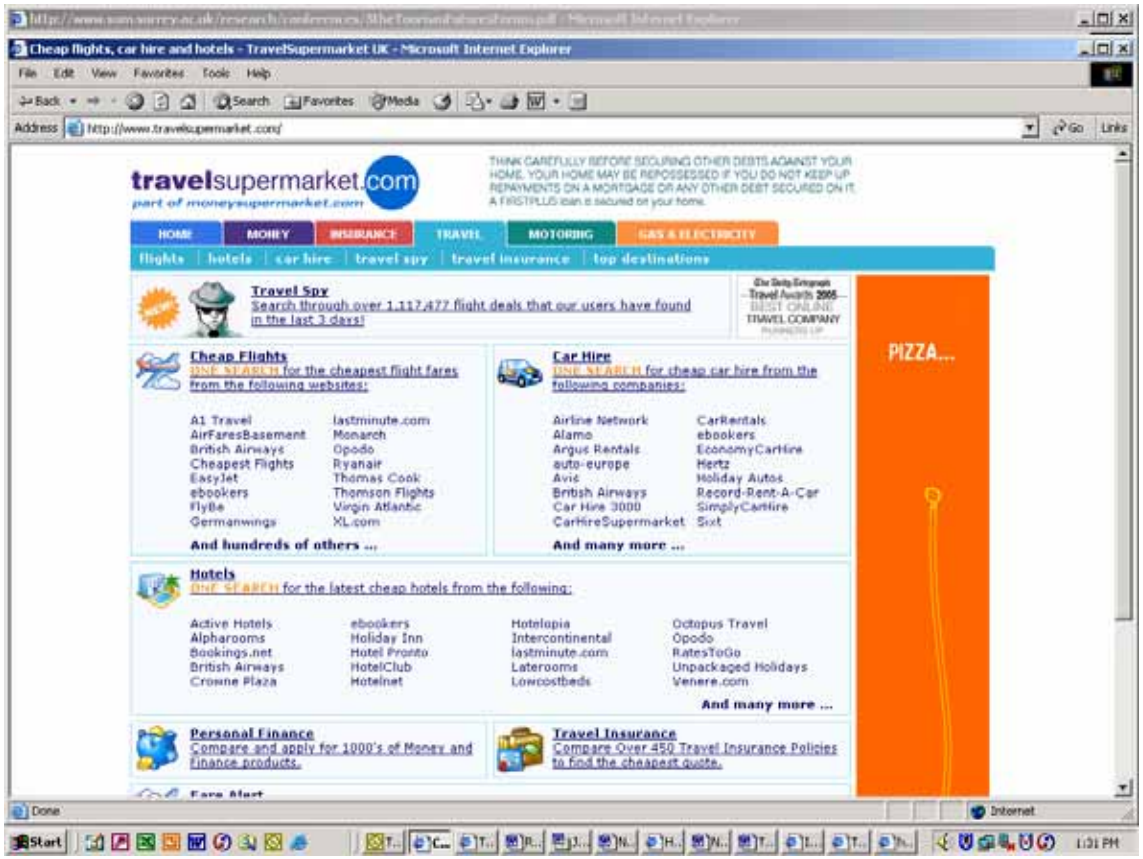
www.acpa.org

Swiss full service travel site

- *Customizable for return users*
- *3 languages*
- *One Click buy option for reservations*
- *Easy e-newsletter sign up*
- *Unobtrusive ads for revenue*
- *Easily found – 6,650 links*

www.tiscover.ch

Full Service, Mass Market – Another Market Segment



- British meta-site for tourists
- Links to narrower ones, e.g., hotel chains
- Part of supermarket.com family of websites
- Room for link to your destination's niche?

www.travelsupermarket.com

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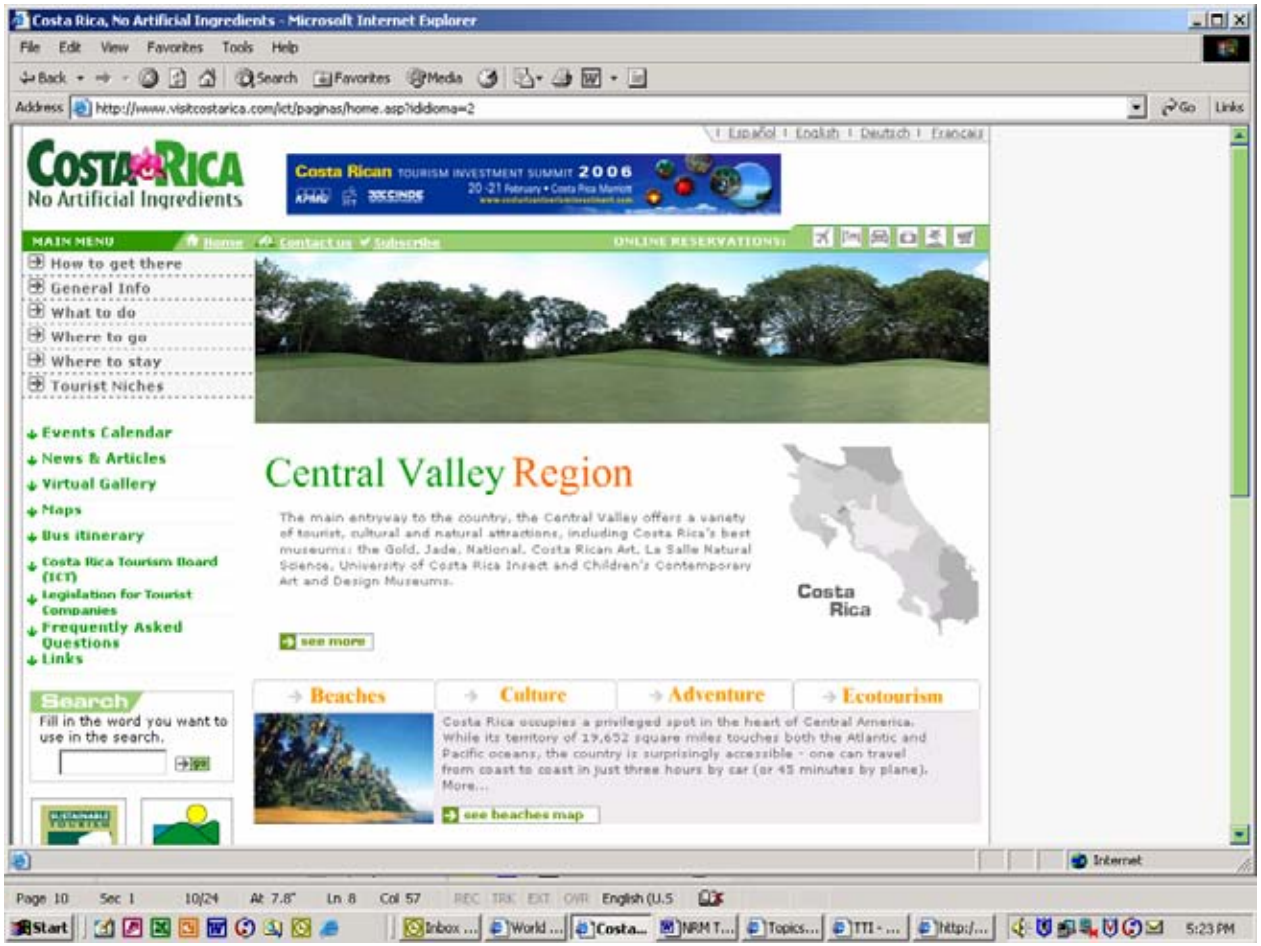
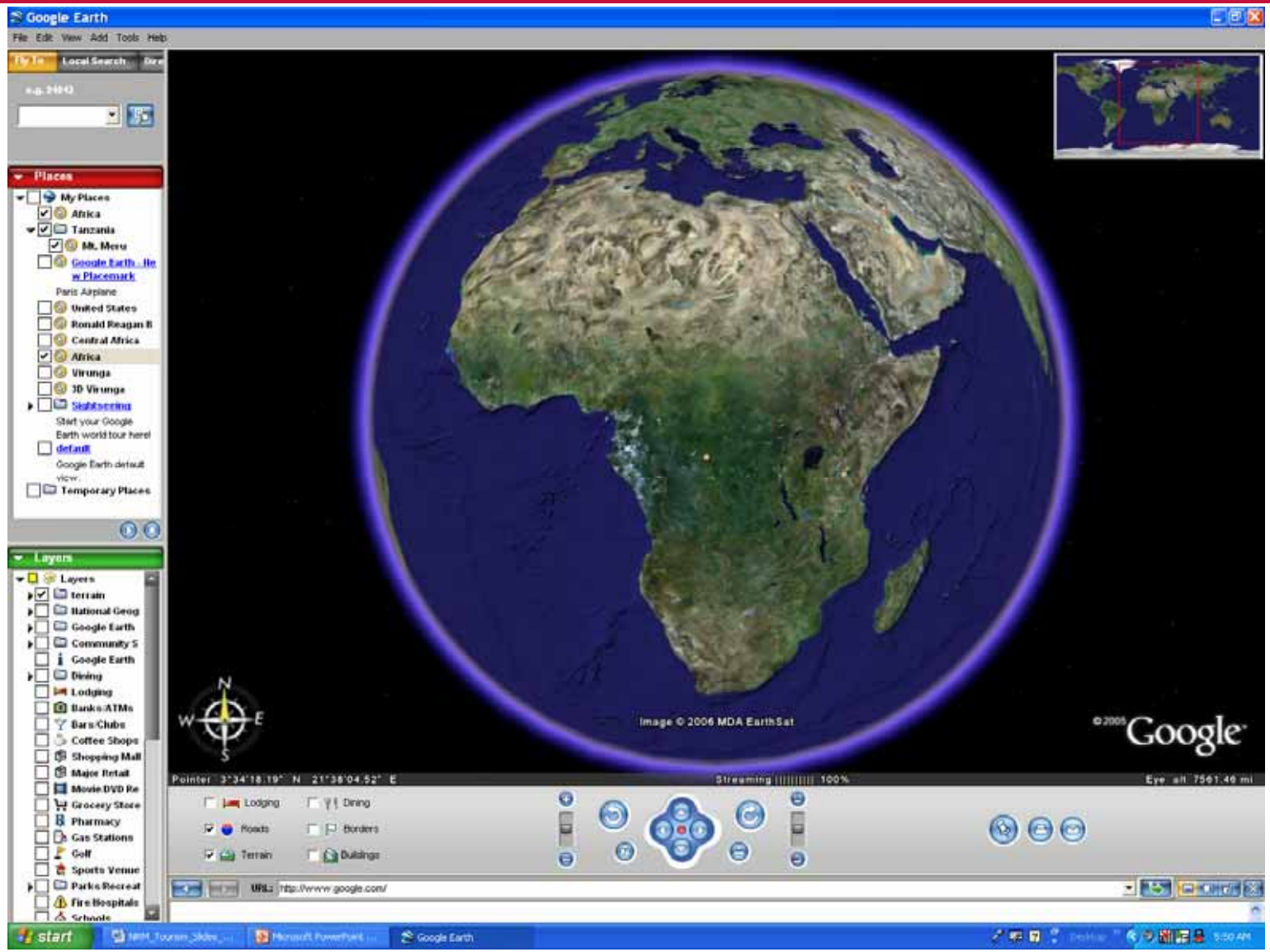
Sites that Leverage Well-Known Brands & Niche Channels

Costa Rica's Sustainable Tourism brand "No Artificial Ingredients"



- Great use of virtual tour video
- Interactive map to choose sub-regions
- Easy to use
- Keeps all traveler's needs in mind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Bars/Clubs
Coffee Shops
Shopping Mall
Major Retail
Movie/DVD Re
Grocery Store
Pharmacy
Gas Stations
Golf
Sports Venue
Parks/Recreat
Fire/Hospitals
Schools
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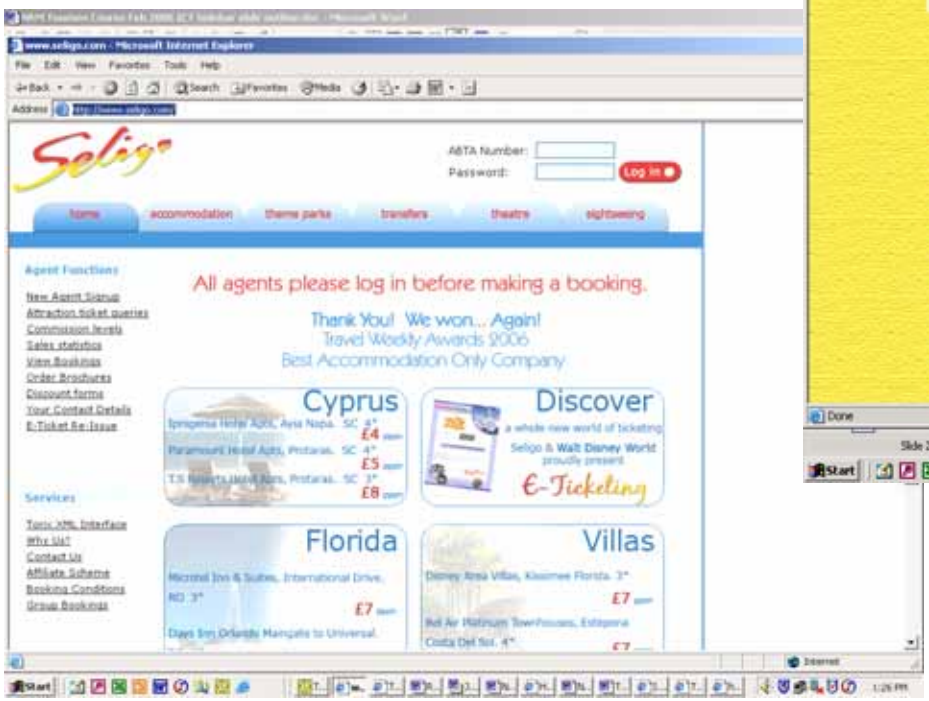
B2B Sites
(Travel Agents Only)



A site that could be improved…

- Only 3 obscure sites link to this one
- No branding; no contact info
- Difficult to navigate

www.earthfoot.com

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Many ways to use ICT poorly for Marketing…

- Focus only on web-site
- Poorly designed sites shatter trust, credibility
- Overlooking importance of links, affiliations, search engines
- Not using tools to monitor, evaluate, such as http://www.destinationwebwatch.org
- Not targeting distribution channels: B2C, B2B?
- Using ICT poorly still can be expensive!

Many "sustainable tourism" locations in emerging markets get low marks on web-based marketing

Customer Relationship Management

- Select: Turning prospects into (repeat) customers
- Book: travel, lodging, tours (interactive trip planners)
- Trip Management: Pre, During, Post (end to end)
- B2B or B2C or both?

Some ICT Tools:

- Outsource reservations, more
- Live Chat to answer questions immediately
- SMS for real-time logistics updates
- On-line customer reviews; feedback via email surveys

Customer Relationship Management

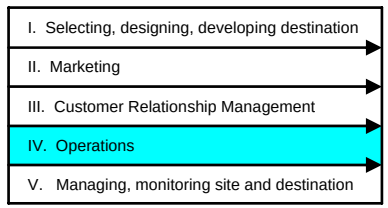
Worldhotel-Link.com: Outsourced hotel reservation services

- Manages reservation system professionally
- Advises on how to describe & photograph tourism sites
- Monitors performance – including how fast and professionally hotels respond to email inquiries

Tourism Site Operations & ICT

- Critical for good management, survival!
- Applications for:
  - Reservation & guest management
  - Financial management (e-banking, budget vs. actual)
  - Sales and catering, cleaning
  - Property management, maintenance
  - As the tourism business grows: HR, procurement

- PDA's, cell phones (e.g., for cleaning, maintenance crew management)



Access to ICT in Rural Areas

- First line and back up energy sources
  - Ways to size, place better
- Further: maintenance difficult & rugged conditions
- Ways to compensate:
  - Solar powered rechargers for PDA's, laptops
  - Shared access (via wireless)
  - Off-line/on-line designs
  - Outsource web, reservations, more
  - Backups and offline options

Turn to our energy team in EGAT/I&E!

Tips on Program Design

- **Integrate ICT throughout design and budget**
  - **Make it explicit in tender**
  - **It will probably cost more than you think**
  - ***e-tourism* advisor: not just IT skills…**

- **Indicators: Is my investment in IT worth it?**
  - **Tourism without IT in at least sales and marketing is doomed**
  - **Track source of bookings (via surveys), referrals, building into CRM application and how partnerships/alliances managed**

Pitfalls to Avoid

- Technology ***push:*** *remember* reason for using IT: having thriving sustainable tourism destination
- Focusing only on tourist destination website
- Using only IT talent, not experienced with e-business/e-tourism
- Not taking advantage of new ICT-enabled ways to market, sell, manage

In Summary…

- ICT essential to use well throughout your tourism activity – from site selection to construction to marketing to operations to monitoring
- Nevertheless, ICT should not be pushing your approach – set your approach – target market, business plan – then design ICT elements
- Many ways to do it wrong so make sure to have pros to help at least as advisors
- Technology is cheaper yet changing fast:
  Beware of the e-jungle out there!

EGAT/I&E/ICT team can provide suggestions on your program design and for sources of help, when you are ready