

DIGITAL PLATFORMS AND THE PROSPECT OF TOURISM

DEEPA.E,

¹Assistant professor, Economics Department, ZGC ,Kerala, india,

deepae37@gmail.com

Abstract

The tourism industry is vital to the growth of the majority of developing economies, with the potential to create millions of jobs and promote entrepreneurship and innovation. Tourism is one of the fastest growing and most important economic sectors in the world providing benefits to both host communities and destination areas. When properly planned and managed, sustainable tourism can contribute to improved livelihoods, inclusion, cultural heritage and natural resource protection, and promote international understanding. The Voice of Travelers, produced in collaboration with Trip Advisor explains how peer reviews and other forms of user-generated content facilitated by digital platforms, have become the most important sources of travel information globally—more important than tourism boards and traditional outlets. The study focused on the following objectives. To value the digital technology that support the youth to reach destinations. To recognize the use of digital banking among youth. Digital technologies and platforms can help to leapfrog conventional destination management challenges and boost their competitiveness. However, many developing destinations have limited knowledge on how to take advantage of digital platforms and mitigate risks. To fully utilize tourism digital platforms, partnerships are key, especially ones that bring businesses to the table with governments and international organizations. Digital platforms offer global access to consumers and allow service providers to enhance the development of the tourism sector and its competitive standards. Many low-income economies can potentially benefit from this digital transformation and others are at risk of being left behind if they fail to embrace this moment

Keywords: Digital banking, Technology, Tourism , Destinations

1.Introduction

Digital innovation is transforming the way we live, work and run businesses it has global impact on economies, sectors and industries. The commencement of the Digital India programme in 2014 led the country into the League of Nations that is revamping their economies and governance with the power of technology. Since then, Digital India has affected almost all aspects of our lives, ranging from work, travel, communication to shopping, education and healthcare. India is going to be digital and travel and tourism are no exceptions to it. India has been ranked 51st out of 63 countries in the 2017 IMD World Digital Competitiveness ranking. Technology today plays a vital role in shaping the travel industry. With the increase in internet penetration and availability of smart phones India's Travel sector has expanded in the recent years. Among the service sectors in India, the tourism and hospitality industry has emerged as one of the major drivers of growth. The rich cultural and historical inheritance variety in flora and fauna and places of natural beauty spread across the country has enriched Tourism in India. Key advancements in the travel space move around five themes, namely Artificial Intelligence AI , Big Data, mobile applications, social media and Virtual Augmented Reality VR AR . These advancements could enrich travel experiences through direct and flexible interactions with customers. This paper attempts to explore a broad view on the economic contribution of travel in India, trends, challenges and consequences of digital travel, the role of new technologies and automation in streamlining the business processes across the value chain thereby canvassing picture of digital travel revolution unfolding.

1.1 Rationale of the study

Mobile payment allows Travel & Tourism providers to remain in contact with travelers throughout their journey, thereby giving the companies the opportunity to build customer engagement and ultimately drive higher levels of business growth. In this context, this paper explores the landscape of digital technology and mobile payment in Travel & Tourism and identifies.

Primary & Secondary source was used for the study

Secondary data-it includes kerala tourism statistics, books ,journals

Statistical method-percentage and bar digram used for the study

The data of the study is based on primary method through quantitative analysis. Questionnaire was prepared and distributed to social media users between 16 to 29 years old young tourist called by WTO. Secondary data is collected from various international references. The research aim at how young tourist receives information from social media and digital

technology applications and it also aimed at digital transactions made by the respondents. The research was based on random sampling method and followed a snow ball technique to collect data. The data was collected from 60 respondents who have account in face book, instagram, blog, twitter etc.'

1.2 Objectives of the study

1. To estimate the Internet Users Worldwide Who Have Used Their Mobile Phone to Pay for an Item/Service, by Region/Country
2. To value the digital technology that support the youth to reach destinations.
3. To recognize the use of digital banking among youth
4. To know the features of digital transaction using mobile payments
5. To find out the promotional activities attracted the respondents

1.3. Analysis and Interpretation of the data

1. To estimate the Internet Users Worldwide Who Have Used Their Mobile Phone to Pay for an Item/Service, by Region/Country

Table No: 1. **Market overview**

	2015(% of Respondent) n=51,075	2017(% of Respondent) n=89,029
China	29	46
Asia pacific	25	34
Latin america	20	25
Middle east& africa	20	24
North merica	17	23
Europe	14	20
World wide	20	22

Secondary source: world travel and tourism council,2019

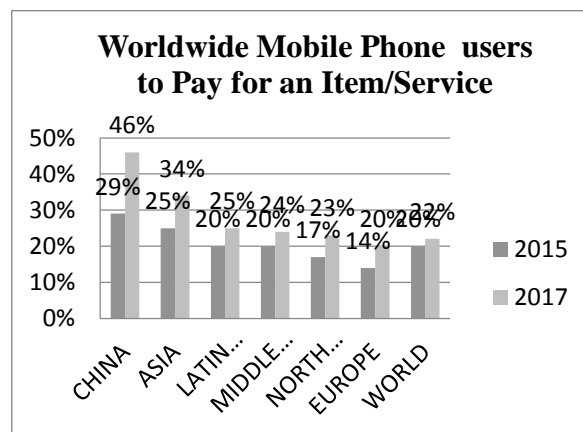


Fig.1. Name of the figure

Asia is an extremely important source market. In 2018, China continued to rank as the number one country in outbound travel expenditure. South Asia and South-East Asia are the fastest-growing regions globally with forecast annual growth of outbound travel expenditure for the ten years to 2028 of 5.8% and 5.1% respectively. Asian countries are relatively behind on the acceptance of card-based payment mechanisms. The average credit card access rate for the U.S., U.K., Canada and Australia was 68.5% in 2017, far above the average credit card access rate of the listed Asian countries. As such, Asian countries, in comparison with other regions, possess more potential for fast and pervasive mobile penetration.

- 2. To value the digital technology that support the youth to reach destinations.

Table No: 2

	Respondents (%)
Trip adviser	5
Blog	13
Social media	12
Mobile apps	25
others	5

Table 3: Frequency Analysis of Respondent’s Perception

Statement	Highly Important	Important	Moderately important	Slightly important	Not important
Brand Name reliability	34	12	8	4	2
Ease in handling	22	23	8	4	3
Safe dealings	36	15	6	2	1
Time Saving	38	10	6	4	2
Digital payment mode	11	35	8	4	2
Service charges of Using digital payment	4	34	12	6	4

Table 4: Frequency Analysis of Respondents satisfaction

Statement	Highly Important	Important	Moderately important	Slightly important	Not important
Mobile apps benefit persons buying products.	38	14	3	3	2
Mobile apps take care of worth in buying products.	42	8	3	5	2
Mobile apps is good than old method of buying commodities.	52	8	0	0	0
Online wallets give digital banking services and Payment options	34	18	5	2	1
Mobile apps interaction is useful.	54	6	0	0	0

3. To recognize the use of digital banking among youth

a) Travellers' Mobile Payment Behavior

Mobile payment channels use for payment in your most recent travel are following

Table No.5 – Mobile Payment Platforms Used in Travel

Major leading apps and platforms	Respondents (%)
Credit/debit card	20
Google wallet	13
Net banking	10
Paytm	6
Yono by sbi	5
Mobikwik	4
Others	2

Table No.6– Use of Mobile Payments for Travel Services

Items	Respondents	Percent
Shopping	16	28
Paid accommodation	8	13
Food, beverage, and restaurants	10	17
Tourist attraction	8	13
Ticket for fair	6	10
Rental car	4	7
Telecommunication services	3	5
Commercial guided tour	3	5
Other transportation	2	2

Shopping and dining are the two most common types of travel services paid by mobile payment, followed by accommodation, tourist attraction and flight. Nearly (28%) who used mobile payment during an overseas trip used it to pay for shopping, and 17% used mobile payment for food, beverage and restaurants.

Table.No: 7 – Appealing features of mobile payments

	Respondents	Percent
No need to bring cash / credit cards / physical wallet	15	34
Faster checkout	15	25
No need to exchange foreign currencies	15	20
Better security	6	8
Saving costs	5	7
Digital receipts	2	3
Allowing mobile order	2	3

Convenience, speed and security are the drivers for the adoption of mobile payments. For travelers using mobile payment overseas, particularly, the top reasons are convenience ,quicker checkout(25%) ,no need to exchange foreign currency (20%), security (43%), no need to bring a wallet while travelling (34%), and access to coupons/rewards/ discounts (22%). However, when respondents were asked to share their worst experience with mobile payment during overseas travel, 29% complained that mobile payment was not accepted by some merchants and a further 29% noted the lack of or poor Wi-Fi leading to mobile payment failure or slowdown.

With india moving towards a “cashless society” and mobile payment options becoming omnipresent, travellers expect merchants in international destinations to provide a similar level of payment ease. Travellers’ with lower level of English proficiency were generally less satisfied with their mobile payment experience overseas. Some respondents to the “Monitor program” survey found it difficult to communicate in the local language when paying through mobile payment, which often led to confusion and frustration.

Table No: 8
Promotion activities will most likely drive you to try mobile payment for your next trip overseas

Items	Respondents	Percent
Discounts on purchase	20	33
Priority check	11	18
Customized coupons based on purchase history	10	17
Lucky draw access after a appropriate transaction	10	17
Additional reward points in your current loyalty programme	3	5
Sign-up bonus	3	5
Referral reward friends / family if you sign up	3	5

Offering discounts on purchase, and customized coupons/deals are incentives which are likely to attract kerala travellers to try mobile payment when travelling.

Conclusions

The mobile payments market in Travel & Tourism is growing. More and more travellers are using mobile devices to pay for travel-related services and an increasing number of service providers are implementing mobile payment options. This growth is being driven by the convenience, ease, speed and simplicity favoured by both travellers and service providers. For service providers, the additional value of mobile payment lies in low processing fees, the ability to engage travellers throughout the travel experience, and the capability to track business performance. Still, both travellers and service providers have concerns which could hinder universal mobile payment adoption. Notably, travellers worry about payment security and prefer a larger merchant coverage. Meanwhile, service providers attribute the limited merchant coverage to the lack of established regulations and global mobile-pay solutions. If properly initiated and implemented, Travel & Tourism could be at the front line of adopting mobile payment and pioneer a country’s policies and regulations in this area that then permeate through to an entire economy. It was only education level of the respondents where signification difference is perceived by the respondents. It indicates that adoption of digital payment is influenced by the education level of the customer.

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