

Chapter 5

Opportunities and Challenges of ICT-Based Marketing in the Accommodation Sector: A Study of Gurugram (Haryana), India

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ABSTRACT

Digitalization has forced the accommodation sector to use information and communication technology (ICT) to excel in their business performance. Hence, it is of paramount importance to scan the pros and cons associated with use of ICT marketing in the accommodation sector. This chapter considers this fact and focuses on opportunities and challenges associated with the use of ICT-based marketing in the accommodation sector of Gurugram (Haryana) region of India. The phenomena of ICT marketing is exhaustively assessed and highlighted through different components such as introduction, ICT as emerging concept, application of ICT tools in the marketing accommodation sector, opportunities associated with using ICT-based marketing, challenges faced during applying ICT marketing in the accommodation sector, followed by a conclusion. This study has been considered as a modification and addition to the existing body of knowledge in the accommodation sector. Moreover, the tourism and accommodation marketers also apprehend practical implications to augment their services for survival in a competitive business environment.

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INTRODUCTION

Information and Communication Technology (ICT) has changed the global businesses environment by a wide range of tools, methodologies and functions, facilitating the strategic management and supporting firms to achieve a long term competitive advantage (Nikoli & Lazakidoi, 2019). In the contemporary world, ICT has become a crucial infrastructure including computer, maps, multimedia, internet, mobile that provides lot of opportunities to enrich customer experience and add to firms' profit maximization also. Modern day tourists use this emerging technology to plan travel holidays, book hotel rooms, booking of air tickets, cruise and ground transportation and similarly help companies to effectively handle various business operation such as marketing (Buhalis, 2003; Verma & Shukla, 2019; Conyette, 2015).

The accommodation segment of tourism sector deals with providing goods or services to enable pleasure, leisure and business activities away from the home environment to visitors. The Indian accommodation industry is growing with high pace comparative to past decades. It is contributing highly in foreign exchange earnings and strengthening India economically. The input to foreign exchange of Indian accommodation sector has been enormous and foreign direct investment (FDI) inflow in Indian hotel and tourism industry was also reached to thousands of US dollars during last couple of years (Indian Brand Equity Foundation, 2021).

Therefore, number of foreign players also shown their very strong attendance in the country's accommodation industry space like Starwood, Accor, Marriott, Cabana Hotels, Premier Trav el Inn (PTI), Mandarin Oriental, Hamptonc Inns, Cabana Hotels, Banana Tree, Amanda, Satinwoods is some of foreign accommodation firms. The Indian accommodation companies such as ITC, Asia Hotels, East India Hotels (EIH), Bharat Hotels, Leela venture and Indian Hotels Company (IHCL) etc. have also not lagged behind. Operating in a highly competitive market, accommodation players can only succeed if it is continuously providing the quality services and is concerned about the customer satisfaction and ways to improve the satisfaction level. The infrastructure particularly technology adoption is the key to sustaining the growth in accommodation sector of India.

The application of information & communication technology (ICT) based marketing in accommodation industry in India will increase substantially over the next decade as India is evolving as the one of the favourite tourist spot on the globe. With the increasing demand of India as a destination, number of hotels is also increasing. The main marketing tool of the Indian accommodation industry is going to be through ICT based marketing in both graded and non-graded properties. In present era, travelling is no more than enjoying luxury. This became possible only by dynamic technological developments in area of marketing through the use of information & communication technology (Buhalis, 2003). This has brought about many novelties in ICT based marketing of the hotel products. Financial and other support were extended by different State Governments and Ministry of Tourism, India. The 'Digital India' campaign of the Government of India is another crucial move towards growth and progress of accommodation in the country. In these situations, the researcher felt the relevance to study the effectiveness of ICT based marketing in accommodation business and its impact on the service quality. To meet out the present challenges and to be ready for the emerging challenges regarding service performance before the accommodation industry, the ICT based marketing practices should be fair enough. Thus, this research problem has been chosen keeping in mind the well-versed significance of the accommodation industry so that the forthcoming researches may at least test the service performance in accommodation industry. The current chapter thus based on presenting opportunities and challenges in application of

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