


Chapter 10

Digital Transformation and Its Impact on Tourism Business in India

Kuldeep Singh


Amity University, Gurugram, India

Sanjeev Kumar

 <https://orcid.org/0000-0002-7375-7341>

Lovely Professional University, India

Mohammad Badruddoza Talukder

 <https://orcid.org/0009-0008-1662-9221>

International University of Business Agriculture and Technology, Bangladesh

ABSTRACT

Digital transformation is a new era in India's tourism industry, improving customers' satisfaction and efficiency and introducing new ways of business. AI, IoT, and big data have allowed effective streamlining of travel services through individualistic targeted, booking, and other functional and decision-making services, making travel services more efficient and customer-friendly. SMM has also become very important for niche marketing while emerging technologies such as OTA and cloud kitchens in the travel scenario are also new-age tools. However, some issues, for instance, include the digital divide and issues related to information technology security. The emerging need for contactless solutions and experiences has helped the industry recover after the pandemic hit the world. With the increase in technology adoption in India, the tourism sector will significantly benefit by expanding its technology application and overcoming these challenges to achieve sustainable development.

DOI: 10.4018/979-8-3693-9636-0.ch010

1. INTRODUCTION

It has become evident that digitalization is integral to today's management strategies and affects global industries, including tourism. This trend has especially caught a lot of ground in India; many tourism-related firms have incorporated digital technology. Not all organizations have likely shifted towards 100% digitization of the business. Still, in today's day and age, no industry has adopted or implemented digital tools and technologies to improve processes and customer satisfaction and acquire new sales (Gupta et al., 2022)

Digital transformation is, therefore, not only about acquiring new technology solutions but is a total change in the ability of organizations to pursue their goals. Improved integration of these smart technologies like AI, IoT, and extensive data analysis helps the companies to optimize their functioning process, develop individual interactive customer relations, and make better strategic decisions to improve total organizational performance (Truant et al., 2021; Cenamor et al., 2017). This transformation is not a fad but a need for enterprises willing to gain a competitive edge and sustainable success in the modern world of digital economy (Porter & Heppelmann, 2015).

India is among the world's most significant and fastest-growing economies, where the digitalization trend has been overgrown in different sectors (Barykin et al., 2021). Whether it is manufacturing, service industry, banking, hoteling, or tourism, sectors are waking up to the fact that they cannot afford to stay out of the digitalization process if they wish to remain profitable and relevant. This is even more apparent as more SMEs embrace digital tools since the trend of using the Internet in buying and selling activities extends to the larger market. For instance, the demand for Computer Numeric Control (CNC) machines that increased by \$ 1.9 billion is an example of the broader trend of digitalization and automation of the Indian economy (Businesswire, 2020). The tourism sub-sector digital transformation makes a lot of difference. Digitization has changed how companies work within the tourism sector, providing a better customer experience by adopting personalization services and effectively using automation systems. AI and IoT technologies have been fused to improve smart tourism destinations and help tourists enjoy more imaginative tourist experiences. Social media and digital marketing have also elicited other significant ways of communicating with travelers and enhancing marketing and sales advancement (Kumar et al., 2023).

However, indulging in digitalized tourism in India comes with its issues, thus, a digital divide, especially in rural areas, acts as a thorny issue in terms of economic growth. also, with an increase in the use of online platforms in the commerce industry, complications related to cybersecurity have increased, leaving companies to implement appropriate security measures to ensure customers' data privacy (Dhiraj

14 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/digital-transformation-and-its-impact-on-tourism-business-in-india/359716

Related Content

Defining and Measuring the Perceived Quality of a Virtual Community

Leila Othmani, Neji Bouslama and Jouda Sfaxi (2022). *Social Customer Relationship Management (Social-CRM) in the Era of Web 4.0* (pp. 153-168).

www.irma-international.org/chapter/defining-and-measuring-the-perceived-quality-of-a-virtual-community/306321

Harnessing the Power of Data Analytics to Drive Brand Engagement, Affinity, Evangelism, and Loyalty in the Modern Marketplace

Ankur Kumar, Abhinav Sharma, Priya Bhatnagar, Sanjay Dhanka and Yograj Bist (2025). *Demystifying Emotion AI, Robotics AI, and Sentiment Analysis in Customer Relationship Management* (pp. 61-88).

www.irma-international.org/chapter/harnessing-the-power-of-data-analytics-to-drive-brand-engagement-affinity-evangelism-and-loyalty-in-the-modern-marketplace/379984

Testing and Competitive Intelligence

(2020). *Localizing Global Marketing Strategies: Emerging Research and Opportunities* (pp. 80-93).

www.irma-international.org/chapter/testing-and-competitive-intelligence/242484

Blockchain for Student Experience

Abdul-Mumin Khalid and Mohammed Majeed (2024). *The Rise of Blockchain Applications in Customer Experience* (pp. 199-215).

www.irma-international.org/chapter/blockchain-for-student-experience/333919

An Evaluation of Toronto's Destination Image Through Tourist Generated Content on Twitter

Hillary Clarke and Ahmed Hassanien (2020). *International Journal of Customer Relationship Marketing and Management* (pp. 1-16).

www.irma-international.org/article/an-evaluation-of-torontos-destination-image-through-tourist-generated-content-on-twitter/248458