Travel and tourism

This assignment will include analyse of impacts that the technology has brought to the travel environment and retail operational practices. There are many advantages and disadvantages of the technology. The assignment will contain the information and examples of impacts as well as explanation how the impacts developed the retail environment. The technology has big impacts on the travel agencies. There are many positives and negatives that the technology has brought to the whole industry. The impact of technologies on travel agencies is so profound, that in fact it should be viewed as a key factor for their success.

The internet has changed the retail environment completely. It has provided opportunities for the major travel suppliers to target customers direct, thereby decreased the traditional distribution channel through the travel agent. These days almost everyone has the access to the internet what may be good as well as bad. According to National statistics the Internet access in UK households has risen from 9% in 1998 to 43% by 2003. The travel agencies can book the holidays and components quicker and easier what helps the company as customers don't have to wait long and are more satisfied.

Travel agents can easily find the holiday that matches the customers' expectations. As many people are working they don't have time to go to the agency so booking online is good for them as they can access it any time from their computers and smart phones. The customers can go on the travel agents website where they can find lots of information on products and services that the company provides. Some of the organisations provide

mobile apps that are even quicker to use. The people can download them and book flights or other components in a few minutes.

Nowadays people instead of traditional tickets can use e-tickets on their smart phones. Travel agents don't have to spend additional time on printing the tickets what cost them money as well. It is also easier to update the information about the company's products online. They can easily put the offers and late deals on the website. Before the travel agents had access to the internet they had to spend lots of money on the brochures which they had to print. Printed brochures were hard to update and it costs a lot to change the prices and offers as they had to print the brochures again.

These days the organisations can easily put online brochures on the websites. It is easy to update a online brochure and it is for free however they may pay some money for putting the brochure together. Travel agents don't have to spend lots of money on staff trainings. They had to spend a lot on the coaches and the place where the training took place. These days the employees can easily go on the websites where they can find online trainings provided by tour operators. It is good for the company as it's quicker and cheaper to train the staff than it used to be.

Online trainings save the time as the staff can do the training even in one day and they can focus on their targets. The online training may also be more successful and may helps the staff to communicate with customer well. This may lead to increases in company sales so they can earn more. Booking online is related to lacks in face-to-face interface. It may be bad for the customers however the companies can gain a lot. They organisations can

save money as they don't have to open that many shops and employ that many people as they used to.

Nowadays the people are confident with booking thing by themselves, the companies don't need many employees as most of the people prefer to book online rather than go to the travel agency. It leads to unemployment as many travel agents lost their jobs because of it. Running the website is cheaper than maintenance the shops. The organisations don't have to spend money on renting expensive space in the prime locations to attract more customers. They also don't have to spend money on decoration the space, facilities, bills and printing the displays.

Technology may have bad impacts on the company image as the customers can't ' see' how travel agents are running the organisation as many of them are providing only online service. The people want to see how the company looks like. They want also to see the company's employees. If the staff look professional and are well-behaved the customers know that the company is worth to work with. Mainly first impression has an effect on whether a customer will deal with particular company or not so the only way that online companies can show themselves are their websites.

The companies can make their websites attractive to encourage the customers. The technology may also be bad for the elderly customers as they often don't cope with the internet well or don't cope at all. The reduction of number of retail travel agents make it difficult for elderly people to book the holidays. If the travel agent located in small town will be forced to close the business people will have to travel to the nearest travel agent what is inconvenient for them. As many people decide to book the holidays

online retail travel agents are forced to close their businesses as they can't afford to run the shop.

It is cheaper to run only the website and they can use saved money to improve the technology such as better computers and reservation systems. They have more time as they don't have to deal with customers they can focus on the products they are providing. Travel agents have more time to choose the products that in their opinions will be the best and popular. However technology can lead to unemployment as many owners of independent travel agents may become bankrupts. Some of organisations have also to reduce number of employees as it was mentioned above. Technology made that opening the new business can be easy and cheaper than it used to be.

The UK retail travel market became highly competitive, with over 6000 retail travel agents that have ABTA membership and over 1000 others who belong to competing organizations with their own bonding structure. For many years the travel retails were seen as an important ingredient, adding value to the distribution process. Before independent travel agents made up almost 90% of sales, until the leading operators decided that their future strategies would be best served by owning and controlling all of the components of the distribution channel such as hotels, airlines and travel agents.

The outcome was that most of the independent travel sales were merged by vertically integrated companies which increasingly took control over supply and distribution. As it is easier now to open new businesses there is more and more competition. The travel agents want to reach for more and want to be better and better less successful organisations can't compete. New travel

companies are using technologies to tailor or dynamically package travel products. As people are more and more demanding the companies have to ensure that they will meet all the needs and expectations.

To do that they are making tailor made packages which are more suitable to individual customers. According to Thomson (TUI)'s managing director, Peter Rothwell, the traditional package holiday will continue to decline and dynamic packaging will be a major growth area in the company. As many people are using the internet the companies have opportunity to promote themselves. Travel agents can easily put their adverts on popular websites what cost them less than printing adverts or putting them in the newspapers. It is also easier to update the adverts. These days the internet is the most popular way to find the information about the companies.

Each of the travel agents has to use the competitive advantage. It will ensure that they will be chosen by the potential customer. They have to provide attractive adverts with late deals or discounts to encourage more customers. It can accord to TTR weekly's article that says about Asian's travel retail environment. The article says that ' technology's impact on the Asian travel industry claiming it has constantly forced travel agencies to reinvent themselves to gain a competitive edge. Since air travel began, technology has provided the solid foundation on which travel agents build and develop their businesses.

It is central to how they operate and communicate; and with today's increasingly tech savvy travellers, it is the number one priority that helps them gain a competitive advantage. " stated Abacus International president and CEO Robert Bailey. " Globally, the travel industry is spending billions of

dollars on technology, and Asia accounts for about a third of this. ' Overall we can say that the technology is good for the travel retail environment as it brings many positive improvements that save time and money. Technology will impacts on the travel agents always as people invent more and newer things.

It also helps to reach to a wider group of customers. They may sell more products that will suit all types of customers thus they may earn more. The saved money they can invest in the business to make it better and better. References: * http://www. statistics. gov. uk/hub/index. html * http://www. tuitravelplc. com/ * TTR Weekly. (31 May 2011). Technology and the travel agent available at: http://www. ttrweekly. com/site/2011/05/technology-and-the-travel-agent/ (Accessed on 9 February 2013) * Notes from the lessons * Dale, G (2010) Travel + Tourism Level 3 Book 1. Harlow; Pearson Education Limited