

Technology in business travel



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Without any doubt advances in information and communication technology have got an enormous impact on business travel and tourism. There are some advantages as well as threats of ICT in this sector that will be discussed in this essay. Davidson and Cope (2003) say that travel is one of the most popular selling products on the internet with an opportunity to see and compare prices. According to Mintel report (2000) business travellers use the Internet to book their flights, get information on hotels and venues, car rentals.

The use of the internet for travel planning is increasing rapidly although personal contact is still important. The internet makes it easier to plan and make bookings. There has been a significant change as in the past travel agents have had access to computer reservation systems and nowadays everybody with the access to the Internet. Technology is used to keep business travellers up-to-date with mobile or PDA alerts, it makes travel smoother and more efficient by online check-ins and possibility to print boarding passes before arrival at the airport.

According to that research the majority of business travellers went on business or meeting trip within the UK (71%), followed by conference and meeting abroad. The least popular type of business travel appears to be incentive travel with only 19%. Technology affects different sectors of business travel and tourism one of which is individual business travel. Technology is used to help track employees.

SafetyNet technology tool allows corporate customers to warn and protect those in risk areas and TMC FCm Travel Solutions has introduced the first

mobile phone alert system in the UK which improves security for business travellers (Intel 2006). In 2007 Ryanair will enable travellers to use mobile phones during the flight, useful particularly for travellers on business purposes. It is easier and cost-effective for executives and their secretary or PA to make travel arrangements over the internet and it is easier for the suppliers such airlines or hotels to reach customers in a direct way using the Internet for a relatively low cost.

The Trainline has predicted the end of tickets by 2010 with e-tickets downloaded onto mobiles instead. That will make it cheaper rather than producing paper ticket. Intel (2006) argues that online booking is old news and innovations are frequently being launched in business travel. US hotel chain Embassy Suites has launched self-service touchscreen registration kiosks (with options for US airlines check-in) which is useful especially for business travellers. Inkpen (1998) describes it as users need to select the check-in menu and choose their rooms.

Then electronically encoded key is issued together with printed instructions for the guest saving time and going through old tiring procedure of asking and answering questions. Another example is Starwood's "aloft" brand offering guests one-stop food and beverage areas, "grab & go" catering as well as "plug & play" rooms featuring various electronic gadgets. Davidson and Cope (2003) say that because business travellers usually can not choose date of their travel or destination they need flexibility in order to make it possible to book the flight, cancel and change.

Furthermore website usually does not provide advice on, for instance visa requirements what is possible when booking with travel agents. There is also no negotiating with an online booking site and risk with control of bookings to make sure that it has been made according to company travel policy. According to Mintel (2000) some companies came up with a solution, as American Express for example, created its own online booking system called AXI Travel, allowing business travellers to arrange trip in conformity with company policy with savings of up to 20%.

Same source says that part of travel policy of some companies is flying with low-cost airlines. The largest online travel agency in Europe and the first in the UK offering interactive booking services ebookers.com negotiated fares from 115 airlines and 14,000 hotels around the world allowing significant savings leading to rapid increase of business travel market over the Internet. Business travel agencies developed Intranets with travel itineraries and GDS companies, such as Corporate World give travellers a chance to book online with company's selected suppliers following its travel policy.

Because of some skills limitations in usage the Internet only 11% of companies did book air travel that way in 1999. However according to a survey carried out by Mintel in September 2006 92% of respondents said that they were comfortable booking their trip via the Internet and 47% of companies book direct. That shows a significant increase of 36% within seven years. Booking through the travel agency was on the last position. The survey has been based on 685 adult Internet users aged 18+ who had taken a business trip in the past 12 months.

According to Davidson and Cope (2003) some conference centres are equipped with high-performance simultaneous interpreting systems, sound reinforcement systems, stylish lighting system or projection facilities. E-mail and the Internet are helpful tools when organising meetings as well as to market these events enabling organisers to get in direct touch with delegates through e-mail. The World Wide Web is the ideal channel for promotion of destinations.

Organisers have got an opportunity to set up website for the event and place information about the programme, venue or links to other sources of information, such as local weather or visa requirements. Website enables to register for the event and allows organisers to keep delegates up to date. Creation of the Internet-based registration systems, for instance www.seeuthere.com or www.event411.com allows meeting organisers to manage delegate registration in easy and convenient way as well as draft participation fees, registration spreadsheet.

Some websites such as www.businessmeetings.com offer search engines to find a venue in any country in the world with comprehensive information, allowing checking availability and rates. Technology enables shorter planning lead time, allowing signing the contract within one day. Collis (2000: 68) says that " videoconferencing is less about saving money on travel and more about global teamworking. It enables people to be brought in to meetings who might not normally attended if they had to travel".

In 1994 survey carried out by Industry Direct Research (IDR) revealed that 73% of respondents claimed that videoconferencing was the most suitable

technology to replace face-to-face meetings (Haver1994). Mintel's (2006) research shows that internet conferencing threatens the need for travel as using telephone or Internet conference facilities cut travel costs. In the US customers spent 27.3 trillion minutes in telephone conference worldwide in 2005, twice as much as in 2002. Business travellers have larger demands on technology because they are increasingly dependent on the Internet.

MCG (1999) states that " video-conferencing replaces some small conferences of few people in the short term, but it does not replace any longer-term meetings" meaning that it is no threat to meetings and conferences sector. However Mintel (2005) estimates that videoconferencing could replace travel by 20% before 2007 saving up to \$3000 per year. Free videoconferencing was introduced in 2005 by Skype- a provider of free internet calls with 53 million users. There is a security issue in using videoconferencing to protect it from " hackers".

For that reason there was implemented encryption as well as embedded security. Disadvantage of videoconferencing is difficulty in measurement of how many people take part as not all of them register. However the participation is higher than in traditional conference. It is pleasure for delegates to attend the event and afterwards enjoy social programme (Davidson and Cope 2003). Davidson and Rogers (2006) predict that the RF tags (radio frequency) and RFID (radio frequency identification) will have an enormous effect on venues in meeting industry as it will be much quicker than used nowadays barcode scanners.

In the future scanners at the entrances to venues will authenticate whether the person is allowed to access certain rooms. When using internet cafes delegates will not have to enter their names in order to log in to the computer as they will be identified from their badges. It will also enable to track VIP guests and let staff to prepare to help them. Same source says that venues make the following new technology improvements from these most common to the least respectively: website enhancements, wireless technologies, new A/V equipment, online booking and planning system, online registration, teleconferencing and virtual shows.