

# Role of ict in the hospitality industry



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ICT has beyond doubts made huge contribution to the development of hospitality and tourism services. Due to the advancement in technology, the fierce competition and also due to the complexity of the hospitality and tourism markets, organizations from all over the world now depend almost on the use of ICT to plan, manage and market their services. There was a time when organizations would depend on using effective BPOs also known as call-centres to reach out to the consumers, but now the use of the internet has changed the whole scenario.

Organizations have now ntegrated their system with ICT tools such as GDS, CRS, PMS, DMS etc to facilitate in the overall management and marketing of services especially in the hospitality and tourism industry. For a country like Singapore, where hospitality and tourism is one of the major industries, the use of ICT tools to support and facilitate the industry can be explained and Justified with many examples but before that we need to understand the function of these ICT tools.

Let us first explain in brief some of these tools and their functions. 1. 1

GDS/CRS: For a technical definition, Global Distribution System (GDS) also known as Computer Reservation System (CRS) is an electronic distribution infrastructure; worldwide computerized reservation network used as a single point of access for reserving airline seats, hotel rooms, rental cars and other travel related items by travel agents, online reservation sites, hotel & travel organizations, car companies, rail companies etc (Business Dictionary, 2009).

It is a system for logistical functions (information transfer). It stores current information about all available service providers and have the necessary infrastructure to transfer such data. The Global Distribution system (GDS) was first introduced by the airline industry during 1960's in order to keep track of flight schedules, price and availability, and then later they began installing their propriety internal reservation systems in travel agencies.

Before this, travel agents spent huge amount of time manually entering reservations. The airlines realized that by automating the reservation process for travel agents, they could make the travel agents more productive and also use them in the airline's sales force. Now GDSs have become the backbone of internet travel distribution system. (Das, 2002)

Some of the major GDS systems are Amadeus, Galileo International, SABRE, Worldspan, Abacus and Fantasia etc. 1. Functionality of CRSs Using these global CRSs, travel agencies make reservations directly from their terminal with service providers (airlines & hotels) without having to go through contract negotiations. The basic functions of CRSs include product presentations, reservation, fair quote & ticketing and additional services. These functions can be explained using the diagram below. (Source: [www.electronicmarkets.org/issues/volume-6/.../v6n2\\_schulzO.pdf](http://www.electronicmarkets.org/issues/volume-6/.../v6n2_schulzO.pdf)) Product The most important part of information for a CRS is the presentation of products and services offered by providers.

Each service providers will have their own specific features and contents depending on the nature of their service. It may be flight reservations as well as hotel bookings and other travel related services. (Schulz, 1996)

Reservation: The main function of reservation systems and for developing

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them is the reservation of offered services in the travel industry. A Passenger Name Record (PNR) or a Guest Name Record (GNR) is created for each passenger, which contains all the information required of the passenger/guest.

This information is then transferred to the internal inventory system of the service providers who thus have the latest information about availability at any point of time. This system is also used to store customer related information such as services provided to certain customer, type of payment, service information etc. (Schulz, 1996) Fare Quote & Ticketing: Fare Quote and Ticketing is basically the different kinds/types of fares or rentals offered to the passenger/guest depending on the nature of the service.