

Print This Page**'Net driving travel, hospitality growth in small towns too'**

Deepening growth of Internet penetration is fuelling growth of the travel and hospitality sector not only in big cities but also from smaller towns in India and only those firms which utilise technology will emerge as leaders in future, according to a report.

As per the 'India Travel & Hospitality Technology Landscape 2016' by Ficci and RezNext, large demand for supply from budget hotels has led to the rise of hotel aggregators, with the sudden spike in business attracting investments, "some as large as USD 100 million".

"The rampant internet penetration has transformed the way travel and hotels operate. Interestingly, mobile boom in bookings is not just restricted to the elite lot in metros.

There is evidence to the contrary that a large share of e-commerce transaction are from tier II and III cities," the report said.

The report, which was released today, further said: technology automation gives hoteliers across categories and size the infrastructure to scale up operations and a competitive edge in the market.

"In future everything will get automated but the challenge was the cost of implementation of technology, especially for the small scale travel companies and hoteliers.

Hence, there was a need to look for economical and innovative solutions," FICCI Tourism Committee Chairperson Jyotsna Suri said.

On the overall performance of the travel and hospitality sector, the report said it is "on a boom" attracting FDI.

"With the number of foreign tourists steadily growing, the industry has seen a lot of traction, even with FDI.

Travel and hospitality has become one among the top 15 sectors to attract high FDI. Between April 2000 and September 2015, this sector has attracted around USD 8.48 billion of FDI," the report said.