Chapter 14
Virtual Tourism: Functions, Profit Modes and Practices in China

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ABSTRACT

Although the research on virtual tourism made great progress in China, there is still a gap compared with international research on virtual tourism. With the promotion of virtual reality technology and the development of tourism industries, virtual tourism will effectively meet the needs of tourists. This study focuses on functions and profit models of virtual tourism in China, and also discusses on the application of virtual tourism in China.

INTRODUCTION

As the rapid development of information and Internet technology, the industries of tourism, hotel and entertainment are constantly introducing the content of experience economy (Cooper, 2003), and the virtual tourism focusing on the attractions comes into being. The content of travel channel of Travelocity, Expedia, Yahoo Online and other websites becomes much richer. A vast virtual travel market based on e-commerce and online travel purchase is promoting the industries of tourism and hospitality in the US with an increase of economic scale from 180 billion US dollars in 2002 to 64 billion US dollars in 2007 (Law, Cheung, 2005). Currently, more and more websites of travel have been established so as to develop rapidly virtual tourism (Frew, 2000; Lu, 2009).

China Internet Network Information Center (CNNIC) pointed out, in the 23rd China Internet Development Report, that in the end of 2008, China’s netizens had reached 298 million, and the coverage had reached 22.6% beyond the global average; the growth of Internet users was 88 million more than that in 2007 with an annual growth rate of 41.9%. The network permeates into the life,
work and leisure of people through a variety of ways. 69.3% of Internet users think Internet saves the time that people spend on visit in person, 59.1% of Internet users would be monotonous without the Internet, 82.5% of Internet users believe that Internet strengthens the ties with friends, 27.6% of Internet users believe that online transactions are safe. In this context, the virtual technology, which is a good media between tourism activities and tourist, quickly joins the tourism field, and has a huge impact on tourism industries.

Yang, Chen (2010) claimed that virtual tourism of China is divided into two phases: the initial period from 1999 to 2004, and the period of rapid development from 2005 to present. From 1999 to 2004, the virtual reality technology was combined with the tourism industries, and virtual tourism emerged. Considering imperfect virtual reality technology in China, the development of virtual tourism is not in-depth studied, scholars mainly focus on basic theories, construction of virtual travel system, tourism planning. From 2005 to now is the rapid development period of virtual tourism in China. With the promotion of Virtual Reality (VR) technology, more and more tourism enterprises, government departments and universities begin to play the advantages of virtual technology to promote the development of tourism.

Although the research on virtual tourism made great progress in China, there is still a gap compared with the international research on virtual tourism as well as the research on other tourism products (Za, 2005). Moreover, virtual tourism is a new subject relatively, the study of domestic scholars focuses on the application and implementation of virtual tourism from a rather narrow perspective and scope, while international scholars have paid a wide attention on virtual tourism from 1990s on (Xue, 2005). In addition, the study on virtual tourism has the same problems as the other study on tourism, such as uniform definition of concept, lack of systematic theoretical system, less innovation, few case studies combined with practice, and so on. With the promotion of virtual reality technology and the development of tourism industries, related research is necessary to explore theory and practice so that virtual tourism effectively meets the needs of tourists.

This study focuses on the function and profit models of virtual tourism, and also discusses on the application of virtual tourism in China.

RESEARCH REVIEW

Review of International Studies

The current international research on virtual tourism mainly focuses on three areas: definition and extension of virtual tourism levels, key factors of virtual tourism and relationship between variables, and interaction between impact variables of virtual tourism.

Definition and Extension of Virtual Tourism Levels

Law, Bai (2006) claimed that people concerned about not only the access to information from travel websites, but also the construction of travel websites because it impacts the experience of virtual tourism, and the levels of virtual tourism were defined from cognitive, functional, emotional perspectives based on different degree of involvement. First, from the perspective of information search and recommendations, Kim B. D., Kim S.O. (2001), Barwise, Hammond, Elberse (2002) claimed that virtual tourism was linear and text-based, and it was a process of online browse and provision of travel information. Second, from the perspective of network reservation and functional service, Oppenheim, Shelby (1999), Lewis, Kaluber (2002) and Maeda et al. (2004) proposed that virtual tourism and web design should try to improve the format of image display instead of text so as to increase the service quality of online travel. Third, from the spiritual experience perspective of virtual tourism, Siegal (1997), Senecal, Nantal