# Virtual Reality in Tourism: Vision or Future?

### **Bachelorarbeit**

zur Erlangung des akademischen Grades "Bachelor of Science (B. Sc.)" im Studiengang Wirtschaftswissenschaft der Wirtschaftswissenschaftlichen Fakultät der Leibniz Universität Hannover

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Hannover, den 19.07.2018

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## 1. Introduction

"One of the important technological developments expected to greatly impact the tourism industry today is Virtual Reality (VR)."

(Tussyadiah et al. 2018)

As this quotation shows, the technology of Virtual Reality (VR) offers far-reaching opportunities for the tourism industry. This concept is already widely known, especially in the gaming sector. For many people, travelling evokes memories of the most beautiful time of the year and is thus linked to many emotions and motivations. As a result, decision making is often not easy and the staff at the travel agency provides support. However, the decision is mostly based on the statements of an unknown person for the travellers, on a few catalogue pictures and text modules. Here, VR has a great right to exist in tourism: it can support customers at their decision-making process. Among other things, VR glasses are partly used in travel agencies. By using such glasses, the customer can dive into the world of VR independently and can usually navigate through the 360° videos. This results in many comparative possibilities which also bring advantages such as the possibility of an up-sell to the tour operator. Altogether there are further reasons and application possibilities for the use of VR in tourism which are discussed in this work. Up to now, the implementation of this technology has been far from universal. This is why it is interesting to investigate the reasons for using VR, the areas of applications, customer reactions, feasibility and future prospects.

Concerning the aforementioned possibilities of VR in Tourism the following research questions will be examined:

- *i)* Does the use of VR help to eliminate product uncertainties and information asymmetries?
- *Does the use of VR lead to an added value in the tourism industry in the future or is it more of a vision?*

First of all, this thesis presents principles about the tourism economy, including general information and motivations for travelling. Moving on, general aspects of VR are presented, as well as the Usage of VR in Tourism. Furthermore, the Technology Acceptance Model by Fred Davis is presented. Afterwards a literature review by Webster and Watson is conducted to identify relevant literature concerning this topic. This leads to the following part of this paper, the qualitative interviews. These interviews were conducted to supplement the results of the available literature and to seek new information. A presentation and discussion of the results will help to answer the research questions. This thesis ends with limitations and a conclusion to sum up the important information.

certainly make sense to research to what extent the use of VR really increases sales. In addition, representative studies on the use of VR in travel agencies should be carried out, involving both, customers and employees. It would also be interesting to investigate whether the cost-benefit calculation would be positive for the travel agencies' equipment with all the technological assets.

### 7. Conclusion

This work was aiming to find out whether the use of VR technologies can help to eliminate product uncertainties and information asymmetries. In addition, this thesis dealt with the question whether the use of VR technology in tourism is promising for the future, or whether it is merely a vision. In order to answer these questions, the existing literature was first examined and with the help of a literature analysis according to Webster and Watson identified and collected. Thus, a theoretical basis was created, which was used for an interview guide to conduct the interviews with the experts. Positive and negative aspects should be queried. Following the interviews, these were evaluated and discussed by means of a qualitative content analysation based on Mayring.

With regard to the first question, it becomes clear that all experts had the opinion that product uncertainties can be eliminated, as the customer has the opportunity to explore all the aspects in question himself and also gain insight views into almost everything. Accordingly, the customer knows what he is buying. Regarding the reduction of information asymmetries, further research is needed, in order to identify between whom exactly the information asymmetries exist. But in the case, that the asymmetries exist between the travel agent and the customer, VR seems to be a good method to reduce those information asymmetries.

Looking to the future, the experts were certain that VR would continue to be used in tourism, but in a different form than now already. As technology becomes cheaper and cheaper for VR, it can be assumed that a broader number of private households will have VR glasses at home. Accordingly, the process of travel search could then also be supported in households by means of VR. It could also be used on holiday travel booking platforms. In addition, there are many other areas of application such as heritage preservation, management or education, for example. However, Augmented Reality will also increasingly be used in tourism to what extent this technology can displace VR must be investigated elsewhere. But most likely there will be other areas of applications for this than for VR.

Summarizing, VR definitely has its right to be in tourism, in what form and to what extent this will be exactly will become apparent in the future. Looking to the future, it seems a good idea to continue processing more and more content so that it can then be used by private households.