Destination Marketing in Indian Tourism Industry
* Rahul Verma

Abstract

Most tourism activities take place at destinations. Not surprisingly then, destinations have emerged as 'the fundamental unit of analysis in tourism'. Travellers are now spoilt for choice of destinations, which must compete for attention in markets cluttered with

the messages of substitute products as well as rival places. Destination marketers are concerned with the selling of places, a field of study that has only recently attracted significant research attention.

For a number of years in the past, the emphasis has been on marketing India as a cultural destination with rich and diverse religious history and many pilgrimage attractions. In the present scenario, there is a need to diversify the tourism product and lay more emphasis on projecting India as a modern country for a comfortable holiday with a choice of beaches, historical attractions.

INTRODUCTION

Most tourism activities take place at destinations. Not surprisingly then, destinations have emerged as 'the fundamental unit of analysis in tourism' (WTO, 2002), and form a pillar in any modelling of the tourism system, as shown, for example, in Leiper's (1979) outline of the geographic elements of tourism in Figure 1.1. Travellers are now spoilt for choice of destinations, which must compete for attention in markets cluttered with the messages of substitute products as well as rival places.

Destination marketers are concerned with the selling of places, a field of study that has only recently attracted significant research attention. Given the prominent place of destinations in the tourism system it is surprising there have been relatively few texts to date that have focused on the operations of destination marketing organizations (DMO). While tourism has been around, in an organized form at least, since the late 19th century, texts concerned with destination planning, marketing and management have only emerged in earnest since the 1990s. Notable contributions are highlighted in Table 1.1. My previous text, Destination Marketing Organizations, was published in 2004 (see Pike, 2004b).

(INSERT FIGURE 1 HERE)

* Assistant Professor, Bhai Parmanand Institute of Business Studies
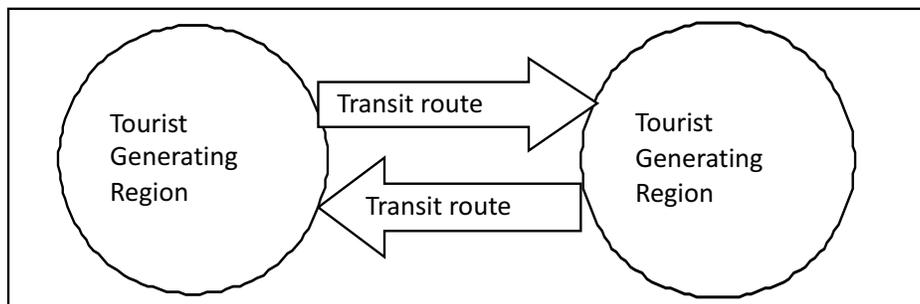
LITERATURE REVIEW

Destination Image

Image was formed from two major sources, which were stimulus factors and personal factors. Stimulus factors consisted of external stimuli (information sources), physical objects, and previous experiences. Personal factors included social (age, education, marital status, and others) and psychological characteristics of the perceiver (values, motivations, and personality) (Baloglu & McCleary, 1999). Beerli and Martín (2004) proposed a model of the formation of destination image. Tourists formed the destination image from information sources and personal factors.

Motivation

Push and pull factors are a well-proven approach in analyzing tourists' motivations (Hanqin & Lam, 1999; Josiam, Kinley, & Kim, 2005; Yoon & Uysal, 2005). According to Dann (1981), push factors were internal drives or the desire for travel such as the need for escape, the need for novelty, or the need for self-esteem. Pull factors were the attractiveness of travel destinations which motivated tourists to visit such as beaches, shopping centers, or friendliness of locals. The study of Yurtseven (2006) indicated that perceptions of tourist destination's service quality by tourists were not homogeneous.

Therefore the provided services should be designed according to type of tourists. Tourists could be grouped by their motivation factors. Hanqin and Lam (1999) found five push factor groupings which were named as knowledge, prestige, and enhancement of human relationship, relaxation and novelty. Six pull factor grouping were hi-tech image, expenditure, accessibility, service attitude and quality, sightseeing variety, and cultural links group.

Rittichainuwat, Qu, and Brown (2001) found six groupings of tourists who visited Thailand which were special interests, cultural attractions, deals on tour promotion and currency exchange, good value of food/shopping/things to do, Buddhism, and natural attractions.

Josiam and Frazier (2008) also showed that genealogy or the practice of tracing a family's history was one of the reasons that motivated people to travel to visit friends and relatives or to seek and document lineage, cultural background, and history.

LEARNING OBJECTIVES

- To evaluate the performance of existing tourist facilities in the country.
- To assess the number of outbound tourists to various countries.
- To undertake market segmentation analysis.
- To estimate the average duration of stay of foreign tourists in India.
- To obtain demographic, economic and social profiles of foreign tourists visiting India and the motivational factors responsible for attracting them to India.

TABLE 1

America (USA, Canada, Haiti, Trinidad & Tobago)	7%
European (England, Spain, German, Ukraine, Lithuania, Bulgaria, Romania)	12%
Northeast Asia (China, Japan, South Korea, Mongolia)	21%
Middle East (Iran, Iraq)	16%
South Asia (Sri Lanka, Afghanistan, Nepal)	17%
Africa (Nigeria, Yemen, Uganda, Chad)	9%
ASEAN (Thailand, Indonesia, Vietnam, Malaysia, Singapore)	18%
Total	100%
Asia countries 17% and Middle East 16%	

DATA ANLYSIS AND DISCUSSION

Sources of data
Secondary: Annual report of Malaysia
Tourism Ministry 2006 – 2008
Annual report of India Tourism Ministry 2006 – 2008
Annual report of World Travel and Tourism Council
"Incredible India" report 2006 - Tourism Ministry of India

An estimated 100 foreign tourists come to India from various country covered in the survey during March 2010. The major countries accounted for 39% of foreign tourist are East Asia, out of America 7%, European 12%, and South (TABLE 1 HERE)

Gender

Nearly 62% of foreign tourists who visited India were males. The ratio varied from country to country.

Male	62
Female	38
Total	100

Age

The tourists were classified into seven-age groups viz., up to seventeen, eighteen to twenty four, twenty five to twenty nine, thirty to thirty four, thirty five to thirty nine, forty to forty four and forty five to forty nine. Nearly 60% of the tourists belonged to the age-group eighteen to thirty, the next highest group was thirty to thirty five (14%).

17 years or younger	1%
18-24 years	30%
25-29 years	31%
30-34 years	14%
35-39 years	13%
40-44 years	9%
45-49 years	2%
More than 50 years	0%
Total	100%

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17 years or younger	1%
18-24 years	30%
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30-34 years	14%
35-39 years	13%
40-44 years	9%
45-49 years	2%
More than 50 years	0%
Total	100%

Education

The tourists were also classified on the basis of educational levels. The survey reveals that nearly 67% of the foreign nationals visiting India were graduates and postgraduates at higher education or university; only 3% tourist at lower vocational education

Lower (incl. lower vocational education)	3%
Secondary education (general)	10%
Secondary vocational education	20%
Higher education or university	67%
Total	100%

The survey shows that 67% tourists visited for leisure, recreation & holiday, 15% for business, study purpose and 11% for religion and pilgrimage, 2% visited to meet friends and relatives in India, remaining 5% visited India for other purposes.

What was the main purpose of your holiday to India?

Round trip	11%
Festivals	13%
Eco-tourism	6%
Nature holiday	12%
Beach holiday	5%
Cultural holiday	20%
Spiritual holiday	11%
Family visit	2%
Spa / wellness	
Active holiday	
Honeymoon	
Study / placement / work	15%
Other:	5%
Total	100%

TRAVEL PATERN

The analysis of travel pattern shows that 30% of tourists traveled alone, 20% traveled with two persons, 22% traveled in a group of 3 persons, 16% in a group of four persons, 12 % in a group of five persons and more.

1 person	30%
2 persons	20%
3 persons	22%
4 persons	16%
5 persons or more	12%
Total	100%

EXPENDITURE PATTERN

The analysis of tourist expenditure shows that 23% tourists spent around 1000 USD, 19% tourists spent around 750 USD, 14% spent around 500 USD and only 8% tourist spent above 2250 USD.

What were the travel and lodging expenses of this trip toIndia per person?

Around USD 500	16%
Around USD 750	19%
Around USD1.000	23%
Around USD 1.250	14%
Around USD 1.500	8%
Around USD 1.750	7%
Around USD 2.000	5%
USD 2.250 or more	8%
Total	100%

From data survey we find that 37% of tourists spent 20 USD per day in India – excluding travel and lodging expenses and 18% of tourist spent 30 USD per day, 15% of tourists spent 40 USD, 18% of tourists spent around 50 USD and 12% of tourists spent more than 60 USD

Spend per person per day in India, excluding traveland lodging expenses

Around USD 20	37%
Around USD 30	18%
Around USD 40	15%
Around USD 50	18%
USD 60 or more	12%
Total	100%

TRANSPORT USED MOST IN INDIA

The major mode of travel within India used by foreign tourists shows that almost one-third used Rail, remaining one-third used Road and 10% used air transportation.

What means of transport did you use most in India?

Car (for rent)	4%
Airplane	8%
Train	31%
Rickshaw	21%
Taxi	10%
Bus (public transport)	9%
Motorcycle (rent)	1%
Bus (excursion)	9%
Bike	3%
Other:	4%
Total	100%

NUMBER OF DAYS STAYED

There are 68% tourists have more than one week to four weeks stayed in India, only 3% of tourists stayed one week or less. Around 30% tourists stayed more than one month to two months in India.

How long do you have holiday in India?

7 days or less	3%
8 - 14 days	18%
15 - 21 days	28%
22 - 30 days	22%
1 - 2 months	19%
2 months or more	10%
Total	100%

While 33% of the tourists visited India for the first time, for 27% it was the second visit, 19% third visit and 2% of them had visited India more than five times on earlier occasions.

How many times did you visit India before?

Not yet	33%
Once	27%
Twice	19%
Three times	11%
Four times	8%
Five Times	2%
Total	100%

VALUATION OF STAY IN INDIA

The tourists were asked to evaluate their overall satisfaction level as Most satisfying, Satisfying, Average evaluated their overall visit to India as Most Satisfying, Average and only 14% rated it as Disappointing and most and most disappointing

What is your valuation of your stay in India?

Most satisfying	15%
Satisfying	28%
Average	31%
Dissatisfying	12%
Most dissatisfying	2%
DK/NA	12%
Total	100%

MAIN PURPOSE OF NEXT VISIT TO INDIA

The survey shows that 56% tourists visited for leisure, recreation & holiday, 10% for business, study purpose and 12% for religion and pilgrimage, 7% visited to meet friends and relatives in India, remaining 11% visited India for other purposes

What would be the main purpose of your next visit to India?

Round trip	12%
Festivals	8%
Eco-tourism	4%
Nature holiday	12%
Beach holiday	7%
Cultural holiday	13%
Spiritual holiday	12%
Family visit	7%
Spa / wellness	
Active holiday	4%
Honeymoon	
Diving holiday	
Study / placement / work	10%
Other:	11%
Total	100%

WOMAN TRAVEL PATTERN

In 38% of woman tourists to India, only 18.42% one person comes to India, more than 80% of them come to India with group of two, three, four, five persons.

We find that tourists feel not safe, harassment. The inflow of the foreign tourists could be ensured only when they are provided safe and secure environment.

Female travel pattern

1 person	18.42%
2 persons	13.15%
3 persons	21.07%
4 persons	23.68%
5 persons	23.68%
Total	100.00%

Main purpose of next visit to India - tourists under 30 years old

Round Trip	19.35%
Festivals	11.29%
Eco-Tourism	6.45%
Nature holiday	17.75%
Beach holiday	9.67%
Cultural holiday	16.12%
Spiritual holiday	4.85%
Study/ placement/work	9.67%
Other	4.85%
Total	100.00%

Short Term Measures

Finding: One
i. A vast majority of respondents (63%) had reported over charging, by taxi drivers, lack of manners, ill-informed tourist guides and tour operators, misbehavior with ladies, cheating, etc in many tourist destinations like Agra, Delhi..etc.

Suggestions
i. The police should be given adequate powers and additional staff to enforce discipline and change the mind set of different players in the tourism sector. State governments may examine the feasibility of constituting a special tourist police force to position at different tourist centers/ tourists spots, monuments.
ii. A code of conduct should be framed and publicized for tourist guides, taxi drivers, tour operators, travel agents etc. Concerned associations should be partnered with this proposed activity.

Finding: Two
About 90% tourists remarked that there were inordinate delays at immigration counters. These delays were attributable to lack of space and inadequate computerization, coupled with heavy rush during morning hours (midnight to 3-4 A.M.)

Suggestion
i. The authorities concerned at international airports must ensure availability of more space so as to enable the Ministry of Home Affairs (MOHA) to locate additional counters and deploy more immigration officers. ii. The paper work involved in immigration should be reduced in line with international practice i.e.; all outgoing passengers as well as incoming nationals (Indian citizens) should not have to fill in an elaborate form, and incoming foreigners should also be required to fill in only simple forms that are amenable to easy and fast processing for generation of essential input for concerned authorities like Home Affairs, DOT, Civil Aviation etc.

Medium / Long term Measures **Finding: Three**
ii. A comprehensive study should be commissioned by the Ministry of Transport in collaboration with Department of Tourism to ascertain the status of approach roads and prepare a time bound action plan to rectify the defects to make them motorable and travel friendly in major tourist destinations.

Finding: Four
i) The affluent countries of Western Europe, North America, Japan and Australia are very far from India. Several foreign nationals (about 30%) cited that high cost of international travel stood in the way of attracting a larger number of tourists from these countries. The only way to reduce per

capita cost of international travel is through group tours and charter flights.

Suggestion

i) Recent steps taken by the government of India by 1) Abolition of the inland air travel tax, 2) scrapping the basic fare and foreign travel tax of Rs. 500, 3) The reduction in excise duty on aviation turbine fuel to 8% from 16% etc will go a long way in bringing down the cost of travel. Similarly the state governments should relook at exorbitant luxury taxes, sales tax etc. This will substantially reduce package tour cost thus increasing the flow of tourists. Overseas and domestic tour operators should be encouraged to organize package tours with a focus on specific tourism products like medical tourism, spiritual tourism, eco tourism etc.

ii) Efforts must be made to draw ethnic groups other than Indians from Southeast Asian countries to places in India with Buddhist relics and scenic and cultural attractions. Steps initiated recently should be intensified and spread throughout the region. Opening of new air connectivity under the Open Skies Policy and the SAARC agreements should facilitate such flights.

Finding: Five

I) The awareness of unique tourism products like Health tourism facilities is very poor. **Suggestion** i) Developing suitable persons/ agencies to bring out directories / brochures on unique tourism products, like Health tourism, and distribute to Indian missions abroad, tour operators, travel agents etc. in the target source markets.

Finding: Six

Entry fees to monuments and heritage sites are higher for foreigners than collected from the Indian Nationals

Suggestion

i) Uniform fares for foreign and Indian nationals should be charged so that wide spread feeling of discrimination is reduced.

Finding: Seven

i) India has not succeeded in attracting family groups to visit India together in large numbers as is evident from the very low percentage of children, housewives and females amongst the tourists (38% woman). There is a great need for attracting tourists to visit India for the pure pleasure she offers. Historical sites, palaces and architectural monuments, hills, beaches and forests, wildlife, religious and folk festivals, music and dances film and theatre, handicrafts of India must be all great attractions to foreigners.

Suggestion

i) Group tourism should be encouraged by devising suitable strategies and promotional measures to attract younger generations, housewives etc. About 58% of the tourists were repeat visitors.

Finding: Eight

i) More than 30 % of the tourists visit India on their own motivation or at the influence of others who had visited India earlier.

Suggestion

i) It is important that the tourists leave India with a good impression in their minds so that they would, in turn, influence others to visit India. Factors, which irritate the tourists, like cumbersome immigration and customs procedures, unethical traders, difficulties in air or rail bookings for travel within India, unsanitary conditions at places of stay and travel must therefore be given high priority for improvement.

The Marketing Strategy should take into account the following factors: The Asian tourism mart is growing at a rapid rate. This makes the case for stiff competition among different nations to attract maximum tourists; Technical assistance is required to draw comprehensive master plans and also to review and improve the existing plans; The competitive tourism trade warrants a constant and consistent marketing of new and exclusive destinations, which includes upgrading the existing ones;

For a number of years in the past, the emphasis has been on marketing India as a cultural destination with rich and diverse religious history and many pilgrimage attractions. In the present scenario, there is a need to diversify the tourism product and lay more emphasis on projecting India as a modern country for a comfortable holiday with a choice of beaches, historical attractions

Case Studies:

Case Study 1: Adventure Tourism Market Development in NE India

Situation

The Tourism Department, Government of Assam in NE India, recognizing the value of tourism as an economic development tool, wanted support in developing adventure tourism responsibly and sustainably. With tourism to India growing at 13.5% per year, state policymakers saw the opportunity to draw more visitors to Assam, but were concerned about preserving important cultural and natural resources. They chose an adventure tourism development route, defined according to a consumer-based understanding of "adventure," which called for the development of products and itineraries that would include:
- Nature and wildlife exploration
- Cultural interactions and learning — which may include regionally unique spiritual and religious experiences, and exposure to defining cultural aspects such as the production
- of tea in Assam
- Rural experiences
- Active, physical sports whether strenuous or easy — including but not limited to cycling, trekking and hiking, kayaking and other river exploration, hang-gliding, and horseback riding

Challenge

This beautiful NE Indian state, bounded by Himalayan foothills and cut through by the powerful currents of the Brahmaputra River, has little existing tourism infrastructure and low market awareness. The state's tourism department leaders requested not only recommendations for product development, but also wanted to ensure that new products would reach an audience of tour operators and travelers to begin operating trips in the region. In addition, the state's leaders were very concerned that any new market development initiatives encourage sustainable, responsible tourism.

Solution

Assam's tourism officials selected Xola as its partner in this important initiative because of its specialization in adventure tourism, the linkages to industry its approach brings, and its overriding emphasis on sustainable tourism development for the benefit of communities and the environment. Xola completed a Feature Adventure Destination analysis for Assam using the Adventure Tourism Development Index approach developed by the Adventure Travel Trade Association (ATTA), The George Washington University (GW), and Xola Consulting, Inc.

Specifically, the goal of the project was two-fold:
- To support Assam in developing its adventure tourism market by providing specific market development guidance; and
- To provide access to markets and media through the consulting partners (ATTA, GW).

Results
As a result of this study:
- A responsible tourism development philosophy for the state was recommended
- Seven adventure tourism zones or "Hotspots" were defined
- A structure for organizing specific activities relative to product development, human resources development, infrastructure improvement, marketing, and impact monitoring was created
- Highlights of the research showcasing Assam's unique assets will be revealed to more than 450 international adventure tour operators & adventure and mainstream travel media in a special report released through the Adventure Travel Trade Association (www.adventuretravel.biz), the largest trade
- Organization for adventure tourism companies.

Case study 2 from heaven to hell: Alanya, Turkey

It is customary at tourism conferences for local officials to welcome delegates to their destination, and to extol the local tourism strengths. Therefore it was a surprise at the opening session of the International Tourism Conference held in Alanya, Turkey, during November 2006, to hear the rector of the host university share his views on the local tourism industry's problems. Clearly passionate about Alanya, he nevertheless lamented that his destination had gone 'from heaven to hell'

Alanya is a tourism resort area situated in the Antalya region on the Mediterranean coast of Turkey. The destination is nestled between coastline and mountains, and enjoys an almost sub-tropical climate suited to an all-year destination.

Following the rector's speech I became more observant of the local tourism scene, which was all but closed for the winter _ _ _ hotels were shut, the streets, tourist bazaar and sea promenade appeared almost deserted for most of the day. This was a destination with a lot to offer off-season visitors, but was clearly at the mercy of travel intermediaries selling all-inclusive summer sun and sand packages:

• In terms of economy, productivity is decreasing not increasing. The competition of the foreign tour monopolists is kept on by decreasing the price and marketing all-inclusive packets, which causes the best hotels to be marketed at very low prices. Only about 25% of this income stays in Alanya and 75% of it goes out of the city.

The social and economic impacts were everywhere the often desperate pleas of shopkeepers in the bazaar for cash flow, the many people out of work, lines of empty taxis, and the ubiquitous colored wristbands that identified the all-inclusive tourist. As I waited with a German tourist for one more paying passenger to join a one-hour boat tour, the captain confided to the two of us: 'Alanya is now shit tourism.' He despised the lower class of visitor that was now attracted to the all-inclusive packages at that time of year. A similar unsolicited comment from a café owner later in the day left me wondering for how long the naturally friendly and hospitable nature of these warm hosts would last.

Alanya is a naturally beautiful destination, with much to offer visitors from around the world. However, a number of important strategic decisions need to be made, including how to reposition away from an all-inclusive summer sun and sea commodity resort at the mercy of overseas intermediaries

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