IMPACT OF MARKETING ON DEVELOPMENT OF TOURISM SECTOR

Pawan Kumar¹ & Dinesh Kumar²

¹,²Faculty, Dept. of Hotel Management, BPSMV, Khanpur Kalan

Received: May 03, 2018
Accepted: June 09, 2018

ABSTRACT

In present era where national growth and development is more important various sector like primary, secondary and tertiary sector contribute a lot. In our country tertiary sector develop very rapidly as compare to other sectors in which tourism industry develop both national and international levels. It is one of the largest and the most diverse industries in the world. Tourism industry has wide dimensions in various economic, social and cultural aspect that generate foreign exchange to the economy of any country. After the integration of the economies there is need to put more efforts for the development of tourism sector for this country need more marketing efforts to create attention of the world to look our rich cultural heritage. If a country has potential and facilities of tourism but does not consider the marketing techniques and strategies in current scenario undoubtedly won’t be successful. Marketing of tourism and hospitality product require better tools and strategies in the changing environment. Marketing strategies with timely and quick response is preferred by the marketers which has led to evolution of advertising and e media makes marketing tools very effective and customer for the long time period.

Keywords: marketing, services, tourism.

Introduction

The aim of development of tourism sector is overall growth, profit maximization and market leadership. Currently tourism industry is featured by cut throat competition, new opportunities and new challenges etc. marketing of tourism products require effective strategies and technique in the fast and rapidly changing environment. there are various definitions of tourism. Theobald (1994) suggested that etymologically, the word “tour” is derived from the Latin ‘tornare’ and the Greek ‘tornos,’ meaning ‘a lathe or circle; the movement around a central point or axis.’ This meaning changed in modern English to represent ‘one’s turn.’ India is a developing country and there is need to develop marketing that boost the tourism sector that ultimately contribute in the growth of the country by monetary and non monetary ways but for this require some extra efforts by the both central and state governments to enhance tourism at their own level. In recent study we find that tourism upsurge in Gujarat state due to recent promotional events and campaign and nominate celebrity as a ambassador like in Gujarat Amitabh Bacchan in Haryana Dharmender and Hema malini etc. These factors are essential or play a important role in introduced new or faded away product and create interest both at national and international level. various marketing tools like E media, different websites ,social networking sites like facebook, twitter or mobile marketing as a modern marketing tools.

Literature Review

Balaguer and Cantavella (2002), in a study investigated the role of tourism in Spain long-term economic growth. Their results show that economic growth in Spain, at least in the last three decades, has led to stable development of international tourism.

Toh- et al, (2001), to investigate the relationship between the development of tourism and its status, introduced a new trade theory. The basic premise of this theory is that according to the balance of travel, less developed countries are generally closer to the primary or introductory stage (A net exporter of tourists) and the developed countries are closer to the final or decline stage (net importer of tourists).

Using input- output analysis, SabaghiKermani and Amirian(2000) examined the economic impact of tourism in Iran. Their results show that the activities of hotel and restaurant, food, clothing and leather industries, crafts and domestic transportation industry accepted the most impact and allocated the largest share of manufacturing, income and employment caused by expenses of foreign tourists. Also, government revenue and imports with the development of tourism in Iran are increased. Of course, the restaurants and garment and leather for the needs of foreign tourists, more than other sectors are dependent on imports. In addition, the results show that in Iran tourism development will also improve income distribution. Kharazmi (2005) examined the causal relationship between tourism and business in Iran during the years 1959- 2001. After investigating the entry of tourists to Iran over these years, he selected seven of the ten applicant countries,
namely Germany, France, England, India, Japan, Pakistan and Turkey and used their annual data in the estimation of the models. The results of this survey show that a one-way causal relationship is established between trade and tourism (from trade to tourism). Given this result, it has been suggested that in estimating the predicted patterns of demand for tourism, commerce is considered as an important factor. Yousefpour (2000), in a study entitled “The role of tourism in economic development in Iran and the ways to expand it”, statistically compares tourism revenues between Iran and world. It shows that Iran’s share of this income is only one percent. This suggests that construction and development of tourism in the country has been of a very little attention. Moreover, the tourism income balance in Iran shows that the deficit is large and the tourism revenues do not cover even half of its cost.

Objective of the study

1. To identify the role of marketing in tourism sector.
2. To identify the strategies to develop the Indian tourism.
3. To find out the impact of tourism in India

DEVELOPMENT OF TOURISM IN INDIA

Currently tourism is the largest service industry in India, with a contribution of 6.23% to the national GDP and providing 8.78% of the total employment. India witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated about US$100 billion in 2008 and that is expected to increase to US$275.5 billion by 2018 at a 9.4% annual growth rate. The Ministry of Tourism is the nodal agency for the development and promotion of tourism in India and maintains the "Incredible India" campaign.

Tourist Attractions in India: India is a country known for its lavish treatment to all visitors, no matter where they come from. Its visitor-friendly traditions, varied life styles and cultural heritage and colourful fairs and festivals held abiding attractions for the tourists. The other attractions include beautiful beaches, forests and wild life and landscapes for eco-tourism; snow, river and mountain peaks for adventure tourism; technological parks and science museums for science tourism; centres of pilgrimage for spiritual tourism; heritage, trains and hotels for heritage tourism. Yoga, ayurveda and natural health resorts and hill stations also attract tourists.

The Indian handicrafts particularly, jewellery, carpets, leather goods, ivory and brass work are the main shopping items of foreign tourists. It is estimated through survey that nearly forty per cent of the tourist expenditure on shopping is spent on such items. Despite the economic slowdown, medical tourism in India is the fastest growing segment of tourism industry, according to the market research report “Booming Medical Tourism in India”. The report adds that India offers a great potential in the medical tourism industry. Factors such as low cost, scale and range of treatments provided in the country add to its attractiveness as a medical tourism destination.

Future Prospects: According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC) and its strategic partner Oxford Economics in March 2009:

- The demand for travel and tourism in India is expected to grow by 8.2 per cent between 2010 and 2019 and will place India at the third position in the world.
- India’s travel and tourism sector is expected to be the second largest employer in the world, employing 40,037,000 by 2019.
- Capital investment in India’s travel and tourism sector is expected to grow at 8.8 per cent between 2010 and 2019.
- The report forecasts India to get capital investment worth US$ 94.5 billion in the travel and tourism sector in 2019.
- India is projected to become the fifth fastest growing business travel destination from 2010-2019 with an estimated real growth rate of 7.6 per cent
Marketing and its role in tourism

To survive in the tourism sector, their competition it is essential for the country should know their potential and target customers and be aware their needs and convert their products according to the target needs and demands. It's an art that how they convince their potential customers and convert them into real customers. Design their product, services like hotels, foods and other facilities according to their desire.

It is most likely that the success of any type of organizations that work in the private sector depends on effective marketing and delivering fun service in the trip by plane, having rooms in chain guest houses or conducting leisure groups and specific travelers. In marketing, tourism organizations in their marketing process pay special attention to the specific cultural groups, and they emphasize on the attractiveness of the products they offer.

The competition in tourism sector at both national and international level growing as more and more destinations seek to attract tourists and more companies and organizations become involved in the highly skilled business of destination planning, transportation, accommodation and catering for the tourists. In India itself the estimated foreign exchange receipts of India from tourism increased from US$ 11.39 billion in 2009 to US$ 14.19 billion in 2010. In 2010 India crossed the 5.58 million arrivals mark of foreign tourists and the domestic tourist flow in the country in 2009 was estimated to be 650 million.

As above figures gives you an idea of the growing market as well as the role being played by tourism industry in the economies of the nations specially for developing nations like India. India has still more potential to attract foreign tourists as well as encourage domestic tourism. But this potential can be converted into a reality through vigorous marketing of the tourism products and services.

Internet in tourism

Internet play an important role in attracting the worldwide customers for their products and services by just single click and today it become a major tool for the development of tourism sector of a country. It become popular and large access due to lower cost and higher profitability. Maximum number of countries widely use the internet to trade and travel and large number of population are familiar with the internet uses. With the use of IT, people in tourism sector have a good tool for transferring their data and also gain some benefit from marketing.

Strategies for Success

Identify customer needs

Customers choose hotels and other hospitality services for a variety of reasons. From location to facilities and perks, companies have to be sure that they’re providing what buyers are looking for. The role of marketers is to identify what factors make customers choose a particular hospitality service, and this requires extensive research. By speaking to current and former guests, monitoring customer reviews on websites, reviewing industry data and more, marketing professionals learn what makes a hospitality service stand out, as well as how it can be improved.

Create Awareness

If potential customers don’t know about a service, they can’t purchase it. That’s where brand awareness comes in. Marketers make sure information on hotels, resorts and restaurants is easy to find and up-to-date. They can do this by buying ad space on relevant travel sites, creating an engaging website and collaborating with other, noncompeting hospitality services in the same market.
Promotion
Another smart strategy for attracting customers is to run promotions during certain times of the year, usually when business is slower. Introducing incentives and offering incentives are just some of the ways that marketing professionals achieve this. Have you purchased a Groupon for a spa weekend? That’s promotion at work.

Customer relationship management
To ensure high levels of repeat business, good customer relationships are vital. Not only do repeat customers usually promote a service through word-of-mouth and social media, but they also create a stable revenue base. One way to build relationships is through customer loyalty programs, which reward customers who regularly use a particular hospitality service.

IMPACT OF TOURISM IN INDIA

- **1. Source of Income and Employment:** Tourism in India has emerged as an instrument of income and employment generation, poverty alleviation and sustainable human development. It contributes 6.23% to the national GDP and 8.78% of the total employment in India. Almost 20 million people are now working in the India's tourism industry.

- **3. Enhance of Foreign Exchange Earnings:** Tourism is an important source of foreign exchange earnings in India. This has favourable impact on the balance of payment of the country. The tourism industry in India generated about US$100 billion in 2008 and that is expected to increase to US$275.5 billion by 2018 at a 9.4% annual growth rate.

- **4. Preservation of National Heritage and Environment:** Tourism helps preserve several places which are of historical importance by declaring them as heritage sites. For instance, the Taj Mahal, the Qutab Minar, Ajanta and Ellora temples, etc, would have been decayed and destroyed had it not been for the efforts taken by Tourism Department to preserve them. Likewise, tourism also helps in conserving the natural habitats of many endangered species.

- **5. Developing Infrastructure:** Tourism tends to encourage the development of multiple-use infrastructure that benefits the host community, including various means of transports, health care facilities, and sports centers, in addition to the hotels and high-end restaurants that cater to foreign visitors. The development of infrastructure has in turn induced the development of other directly productive activities.

- **6. Promoting Peace and Stability:** Honey and Gilpin (2009) suggests that the tourism industry can also help promote peace and stability in developing country like India by providing jobs, generating income, diversifying the economy, protecting the environment, and promoting cross-cultural awareness. However, key challenges like adoption of regulatory frameworks, mechanisms to reduce crime and corruption, etc, must be addressed if peace-enhancing benefits from this industry are to be realized.
CONCLUSION

Over the last two decades Indian Tourism industry is growing very rapidly as compare to other industries in service sector and it has potential for generating employment and earning large amount of foreign exchange and to increase country’s overall economic and social development. But its not a peak point or performance, much more remains to be done. Tourism in India should be developed in such a way that it accommodates and entertains visitors in a way that minimize the chances of environment destruction and sustains & supports the native cultures in the locations it is operating in. Basically tourism is a service industry it would be necessary that from all the parts whether its central or state level governments or private and voluntary organizations become active partners in the endeavour to attain sustainable growth in tourism. For this promotion of tourism’s sector products and services is essential at national and international level to gather the attraction of world towards the rich cultural and social heritage of our country.

REFERENCES

3. Application or Innovation in Engineering & Management (IJAIEM), Volume 2, Issue 12, December 2013