

Chapter 4 : Problem Definition

The fundamental problem is the exceptionally poor business performance from tourist destinations due to lack of strategic planning and implementation of marketing. Prior marketing and tourism research indicates that business applications are not uniformly delivering anticipated business improvements and that the problem may stem from factors such as lack of customer orientation, management practices and issues around people, process and technology.

Further more, the available market research does not identify the potential markets and their characteristics in relation to tourism products of the destinations. No specific definition of market segments in terms of geographical units, and socio-economic and psychological profiles is available. The demand profiles and travel habits of potential visitors has not received attention, hence it has become difficult to assess the perceptions and satisfaction levels of visitors.

There is no source available to understand the reading and viewing habits of potential customers (tourist) so as to select the appropriate publicity and advertising media and it also becomes difficult to monitor the effectiveness and cost efficiency of publicity and promotional efforts.

The objectives of this research are to: a) Determine if the concept of product mix is applicable in marketing tourist destinations, and whether the segmentation of tourists is worked out by the Government of India and the State Governments and does the existing product line satisfies those segments. b) Determine whether application of Strategic marketing for destinations would help in strengthening their competitiveness. c) Understand the importance of branding and examine the various measures and media vehicles used in campaigns vis-à-vis the available spectrum. d) Case Study – Andhra Pradesh. e) Contribute to the current marketing and tourism literature on Strategic Marketing of tourist destination

Chapter 5 : Statement of Hypothesis

1. Developing management strategies for destinations is a complex processes, partly because of the characteristics of the destination product. Destinations cannot be marketed as enterprises, due to the dynamics of interests and benefits sought by stakeholders. All destinations are considered as products. The tourism products that is being sold to the consumer is an experience which consists of activities performed by several independent service firms. In addition most destinations are amalgams of independent small and medium sized enterprises, which already have their own marketing strategies. The responsibility of management and in particular, that of marketing management of the destination product has traditionally been transferred from individual companies to a destination Management
2. Traditionally marketing concentrates on increasing visitation and treats tourism like any other commodity. This approach fails to recognize the unique needs and limitations of each destinations as well as their particular geographical , environmental and socio-cultural characteristics. In contrast, planning literature concentrates more on the impacts of tourism and on limiting tourism development, often ignoring the market dynamics and the requirements of entrepreneurs at the destination and the place of origin. Companies and governments in tourism have applied only part of the marketing mix to tourism, i.e promotion, with little attention being paid to the other components of marketing. However, if tourism is to survive by generating satisfaction among interacting tourists and hosts, it must adopt societal marketing strategies. This involves carefully monitoring tourist satisfaction levels and using these as part of the criteria for success, rather than increasing numbers of tourists; continually monitoring host reactions to tourists, for host-tourist interaction is an important component of the tourist experience; and being aware that infrastructure

development of tourism resort areas has implications for the types of tourist that will be attracted.

3. Tourists perceive the destination as a brand comprising of a collection of suppliers and services. Before visiting they develop an image about destinations as well as a set of expectations based on previous experience , word of mouth, press reports, advertising, and common beliefs. During their holiday, they “consume” destinations as a comprehensive experience, without often realizing that each element of the product are produced and managed by individual players. Most service providers are small and medium sized tourism enterprises which have a wide range of strengths and weakness whilst are also characterized by their independent nature. Tourists overall experience is composed of numerous small encounters with a variety of tourism principals, such as taxi drivers, hoteliers, waiters as well as with elements of the local attractions such as museums, theaters, beaches, theme parks etc. Their overall impression develops their image of a destination after their visitation. As a consequence there is much overlapping between strategic marketing of the destination as a whole and each individual supplier at the region. Hence, the competitiveness of each player is often interrelated and almost indistinguishable from one another.
4. Strategies should enhance the long term prosperity of local people. Delight visitors by maximizing their satisfaction. At the same time maximise profitability of local enterprises and maximize multiplier effects. All efforts should optimise tourism impacts by ensuring a sustainable balance between economic benefits and socio-cultural and environmental costs.
5. Understanding destination types and characteristics is of paramount importance for its marketing. Each destination can only match certain types of demand and hence tourism marketers need to appreciate travel motivation in order to develop appropriate offerings and brand destinations for the right target markets. In addition, destinations should be aware not only of the needs and wants of the

active demand but also of the potential markets they can attract. It can then develop a product portfolio, which will enable the optimization of benefits and adapt their marketing mix to their target markets.

6. Classifying travel behavior and segmentation becomes increasingly more difficult as modern travelers combine pleasure with business, in order to take time and cost advantage. There are therefore endless variations between the two principle classifications of travel activities, i.e business and leisure trips. However, leisure trips may include elements, characteristics and motivations of business travel and vice versa. Incentive travelling, extended conference stays and business meetings during leisure travel makes the distinction between the two categories increasingly blurred.

India is yet to be marketed to its full potential as a tourist destination. We have to explore some possible ways of marketing India. The first step in any marketing exercise is to identify the customer and his or her needs and inclinations. Tourism is a leisure occupation for those who can afford it.