CHAPTER - 7

Findings, Suggestions and Conclusion

This Chapter highlights the main findings of the study in a summarised form and put forward the important suggestions required for further improvement based on the major findings. At the end the investigator draws concluding remarks in the light of these findings.

Summary of Findings

From the analyses and interpretations made in the previous chapters of this study, the investigator has identified the following major findings.

1. Kerala is exuberantly resourceful with nature, manmade and heritage based tourism potentials to design and develop varied handsome tour packages for attracting almost all types of tourists to the State.

2. The tourist arrivals in the state show an increasing trend since 1996 with an average growth rate of 6% per year, which include 12.04% in foreign tourist arrivals and 5.04% in domestic tourists as well.

3. The foreign tourist arrivals show a maximum growth rate in 2003, i.e. 26.68% over the previous year 2002, and the domestic tourist arrivals show an increase of 14.28% in 2008.

4. Foreign exchange earnings from tourism in the State show a rapid growth since 2002 and it shows an average growth rate of 30.75 percent per annum.

5. Travel agents, tour operators and other tourism organisation contribute 19.79% to the total inflows of tourist in the State through tour packages. Among them 11 out of 100 is contributed by KTDC offered tour packages alone. This indicates that KTDC has significant role in attracting tourists to the State through tour packages.

6. KTDC is mainly involved in running hotels, motels and resorts, wayside amenities and Ayurveda and Yoga centres; marketing tour packages and conducted tours; and maintaining a high tech reservation system to attract more tourists to the state.
7. KTDC has systematically organised working structure, which shows the hierarchy of positions and their relationship in terms of authority and responsibility, to carry out the tourism promotional efforts and marketing operations.

8. The working structure and overall operations analysis identified that KTDC does not have a Public Relations Department/Officer in its organisational structure which is very important for a commercial organisation like KTDC in order to support the marketing operations and functions.

9. In the absence of the Public Relations Department/Officer, Guest relations assistants at the various accommodation units and the marketing department of the Corporation have been looking after this functions and operations.

10. The product mix of the Corporation for tour packages consists of Beach packages, backwater tours, Hill Station tours, Vegetation and Wildlife packages, Cultural and heritage packages, Ayurvedic Rejuvenation packages, Houseboat Cruises, Pilgrim tours, and other integrated and tailor-made tour packages, MICE (Meetings, Incentives, Conferences and Exhibitions) packages, family packages, honeymoon packages etc.

11. The product perspective analysis shows that KTDC has given only little space for adventure, sports, pilgrim and wildlife tour packages compared to other packages such as beach, backwater and Ayurveda.

12. The Corporation has been adopted different well planned strategies in different contexts and times for marketing its different tour packages in the State.

13. The ‘quality growth model’ is the overall strategy of KTDC for marketing its varied tour packages.

14. The other strategies which KTDC has been adopted for marketing different tour packages in different seasons and contexts are:
   - Customer/ Product oriented strategies: These include undifferentiated (diversification) strategy and differentiated (specialisation) strategy.
   - Competitor/ price oriented strategies: These consist of high pricing, differential pricing, and demand oriented pricing.
• Trade/distribution oriented strategies include both bypassing (direct marketing) strategy and cooperative and collaborative (use of intermediaries) strategy.

• Communication oriented/Promotional strategies consist of regional, state national and international level strategies.

15. The undifferentiated or diversification strategy is adopted by considering the common interests and attitude of all segments (domestic and foreign) of tourist markets for the entire range of tour packages of the Corporation and by considering the seasonal factors as well.

16. The differentiation strategy is adopted with the specific intention to attract those foreign tourists who have interested in beach tours, backwater packages and Ayurvedic Rejuvenation packages especially during the monsoon season.

17. KTDC generally practices high price strategy for its tour packages as it has special focus on quality matters. This policy very often staves off the common people in attracting to the Corporation.

18. KTDC also practices differential pricing (charging different tariff for domestic and foreign tourists) and demand oriented pricing (higher prices during peak seasons and lower rates during off-season).

19. The Corporation has been focusing on both the distribution strategies, i.e. bypassing (direct marketing) strategy and cooperation (through the intermediaries) strategy simultaneously, since it has been maintaining a high tech reservation system, well informative and user friendly website, tourist reception centres and a wide area coverage network of intermediaries at national and international levels.

20. The Central Reservation Cell, Tourism Reception Centres, KTDC Hotels and Resorts, Marketing Executives and agents, the District Tourism Promotional Councils (DTPCs), travel agencies and tour operators are the major distribution channels of the Organisation.

21. The major promotional strategy adopted by KTDC for marketing tourism products and tour packages in the country is the promotion of the slogan ‘Official Host to God’s Own Country’. Under this slogan the Corporation has
been undertaken several positively-aggressive promotional campaigns such as Visit Kerala 2009, Grand Kerala Shopping festival 2009 etc.

22. Beyond the traditional promotional tools and techniques like brochures, booklets, advertisements in traditional electronic and print medias etc, KTDC also adopts the innovative techniques and strategies such as conducting road shows, grand tourism fairs, festivals and exhibitions, participation in national and international exhibitions and tourism marts, website advertisements, database marketing techniques, CD ROMs, production of advertising films etc. at regional/ state, national and international levels.

23. As an innovative technique KTDC has adopted mobile technology marketing through SMSs and MMs for local level promotion of tour packages. The SMSs and MMSs are enough capable to disseminate information about the existing and newly added packages and products of KTDC through the small pictures and texts.

24. ‘Word of mouth’ is the most effective technique for the promotion of tour packages because 35.9% of the tourist came to know about KTDC’s tour packages through their friends and relatives.

25. It is found from the survey that most of the Domestic tourists (29%) come from the home land Kerala, 17% from Karnataka, 15% from Maharashtra, 13% from Tamil Nadu, 7% from Gujarat, and 19% from other states of the Country.

26. The foreign tourists mainly come from England, Switzerland, Canada, America, France, Croatia, Germany etc.

27. The results of the satisfaction survey show that more than 77% of KTDC’s Customers are belonging to higher income groups; this indicates that pricing strategy of the Corporation is not favourable for tourists from lower income group.

28. It is found from the results of statistical analysis of tourists overall satisfaction that 82.34 percent of the total tourists were satisfied, among them 22.16 percentage were highly satisfied, with the tour packages offered by KTDC.

29. The numbers of tourists who were dissatisfied is 12 (3.59%) and the tourists who have no opinion (neither satisfied or dissatisfied) about the tour packages is 43 (14.07%)
30. The most important attributes which yield maximum satisfaction to both domestic and foreign tourists are attractiveness of locations and all the attributes under the accommodation dimension.

31. The most dissatisfying attribute for both domestic and foreign tourists is purchasing time allowed under the dimension Shopping Arrangements.

32. It is found from the Factor analysis with Principal Component Method that the 4 factors i.e. Facilities and Comfort, Communication, Transportation & Pricing and Attractions are the major quality and satisfaction determinants of the tour packages of KTDC in Kerala.

33. Multiple regression analysis shows that about 94% of the variation of tourist’ overall satisfaction was explained by the four factors identified through the factor analysis such as Facilities & Comfort, Communication, Transportation & Price and Attraction.

34. It is found from the study that there is a significant difference between the satisfaction level of domestic and foreign tourists. The satisfaction levels show that 91% (9% have no opinion) of foreign tourists and 78.63% of domestic tourists were satisfied with the tour packages offered by KTDC. But in case of domestic tourists 16.24% were at break even and 5.13% were dissatisfied.

35. The mean score of the 12 dimensions shows their relative position in terms of tourist satisfaction that Accommodation dimension is first, Attraction second and Safety and Security third. Majority of tourists have no opinion and some were dissatisfied with the ‘Shopping arrangements’ dimension and thus it has been placed in 12th position.
Suggestions

The study has been made the following suggestions for the further improvement of the marketing strategies, tourists’ satisfaction and quality of its tour packages.

1. The Corporation has to develop a comprehensive master plan which must be based on a long term basis and should be based on carefully carved out facts as regarding the visitor motivations, their needs, requirements, satisfaction levels and forecast in terms of numbers etc. and it must take into account all the market forces and must be developed in a way so that it is cohesion with the overall developmental plans and strategies.

2. The product perspective analysis shows that KTDC has given much focus on nature based and Ayurveda packages and has given less importance for the packages such as pilgrims, sports, adventure, wildlife, regional culture and arts, folklore and architecture etc. Therefore, being the government agency to promote tourism in the State, the Corporation should develop and market tour packages to attract pilgrims, adventure and sports lovers and those who are interested in regional culture and heritage packages as well.

3. It is clear from the survey data that more than 77% of customers of the Corporation are belonging to higher income groups. This means that KTDC is mainly concerned about the needs and expectations of upper class tourist but less concerned about the lower income groups. Hence, in order to attract the common people to the organisation, it should have to be given special focus in developing and marketing budget packages by considering needs and expectations of the lower income group tourists also.

4. The high and differential pricing strategies often hesitates the common people to approach KTDC and thus stave off them from its products and services. Therefore, in order to attract them to the Corporation, KTDC should practice reasonable and affordable pricing policies and cost leadership strategies for its products and services.

5. In order to get maximum markets coverage, KTDC should expand the distribution networks by establishing new links and good relationships with tour operator, marketing agents and other intermediaries and by appointing
new marketing executives and personal selling groups in both national and international markets.

6. In order to provide special care and attention for attracting tourists to the organisation, KTDC should establish more tourist reception and information centres, accommodation units and helpline centres across the globe.

7. The Corporation should follow the societal marketing principles in formulating strategies for marketing tourism products in the State. Because the strategies often adopted by the Organisation are not in tune with principles of societal marketing.

8. In order to establish a good relationship with tourists and the local community and ensure the participation of local people in tourism related activities, the Corporation should modify the organisation structure by adding a public relations department or by creating a public relation officer’s position.

9. Implementing a professional public relations campaign can have several benefits: it will build brand, improve the image, increase credibility and will provide a greater return on investment than advertising alone. Public relation is to build a brand and advertising is to maintain the position.

10. Internet and IT enabled services should be used at length for marketing tour packages and other tourism products in the state. This will be helpful and more effective to share a wide range of information with the prospective customers at minimum time and to substantiate online reservations.

11. Proper interlinks should be maintained between marketing strategies, vision and mission statements, and established objectives of the organisation in order to incorporate the marketing functions and operations as per the overall objectives and goals of the Corporation.

12. KTDC should use ‘word of mouth marketing’ strategy effectively. This can be done by sending monthly newsletter to the customers who enjoyed beauty of Kerala and subscribed opt-in email. Design the newsletter with photos and small description of latest photos of major events, cultural festivals etc. There is a possibility that people who visited Kerala tourism destination may refer it to their friends or relatives about Kerala Tourism.
13. KTDC should realise the importance of front-line sales force. The front-line employees can be the most valuable sales team. This is because they establish the first contact with the customer.

14. The Corporation should be unique with exotic experiences and tour packages. Because a tourist must be able to differentiate the firm from the competition and it must strive to be creative and set itself apart from others.

15. Before going for the development, modification or diversification of any tour packages, the Corporation must have a thorough knowledge of the prevailing market conditions and as much they must emphatically be able to answer questions like: who are the customers; their country, region or state of origin; their social class, educational background and life style; amount of disposable income available with them for travel; most appropriate time of their visit; their age-group, gender and marital status; their motivations, likes and dislikes; their package preferences etc.

16. Proper care should be taken to get tourists feedback about the execution of the tour package or service, because it will be helpful to ascertain the satisfaction levels of tourists and thus to make required modifications and improvements in the future.

17. Even at the community level, branding is critical for success of tourism marketing, because it is much more than just a logo or caption, it is the image and the value. So KTDC should undertake intensive efforts for a strong brand positioning at national and international levels.

18. There should be frequency in advertising and publicity. Because the frequency is more important than variety in placing advertising. People viewing the advertisement should develop Top of Mind Awareness (TOMA).

19. Distribute publicity materials regarding the tour packages at airports, railway stations, hotels and motels, other tourist places etc.

20. Provide high quality tour packages and other services by providing the required facilities and promote only quality health packages in Ayurveda.

21. In order to make the packages more attractive, KTDC should organise cultural and entertainment programmes with the participation of tourists especially foreigners.
22. Since Kerala consists of a large variety of resources and attractive destinations, KTDC should be expanded the length and breadth of its product mix by adding more attractive and variety tour packages in order to attract all class and category of tourists.

23. Adopt a strong customer orientation which includes regular research and assessment of their needs, wants and attitudes.

24. Allocate sufficient resources and time for marketing and regularly update a marketing plan for tour packages and other tourism products.

25. It is intelligible from the tourist satisfaction survey that a large number of tourists were either dissatisfied or have no opinion about the transport facilities provided. Hence, the Corporation should give special care and attention to improve the quality of the transport facilities to be provided. It is also suggested that KTDC should set up own transportation system with hi-tech facilities, since the number of tourists are increasing day by day, and thus will be capable to provide high quality transport services.

26. The survey also shows that majority of the tourists were dissatisfied with the shopping arrangements dimension of the tour packages. Therefore, appropriate measures and arrangements should be taken to minimise the inconveniences and difficulties and make shopping an exotic experience in future trips.

27. Tourism has taken initiative to markets beyond the metros to foster skilled manpower. The rapidly growing tourism sector in Kerala is faced with an acute shortage of talent. Hence, KTDC should be focused at developing talent by grooming entry-level candidates and enhancing skills of existing professionals in the Organisation which will help to improve the quality of different tourism products and packages.

28. It has been suggested that in order to attract more and more foreign tourists, advertisement in foreign journals, magazines and newspapers should be given in foreign languages. Besides, translation of tourist’s literature in foreign language through different agencies in another positive steps in this direction.

29. Since Kerala tourism had partnered with Indian Airlines and arranged Kerala cuisine and celebrated “Festival of Kerala”. It would be advisable to distribute
tourism marketing brochures and digital contents in major Airlines in Europe and India.

30. A quality control program which focuses on improving both the technical quality (the standards associated with what the tourist receives) and the functional quality (the standards associated with how the tourist receives the service) should be carried on from time to time.

31. Communication should be speedy and widespread. Good communication is vital in tourism because it can retain existing customers, attract new customer, increase brand awareness, built business, reduce their perceived risk and gain the trust of their customers through proper communication networks and promotional campaigns.

32. For many destinations and packages tourists and local peoples’ attitude and behaviour often fall into the category of tourist experiences or products, since tourist may be attracted by the culture and hospitality of the resident population. Hence, the importance of fostering local residents’ sensitivity and awareness is to be stressed by organising tourism awareness programmes and campaigns, because inappropriate behaviour of such people can reduce the quality of products or packages.
Conclusion

In the globalised scenario, since tourism is widely recognised as one of the most vibrant, growing and economically useful activities in the world, competitions among the global players of tourism related service industries are unavoidable. Competition is increasing day by day since more and more countries seek to attract tourists and more companies and organisations become involved in the highly skilled business of transporting, accommodating, sightseeing of attractions and catering for tourists. In order to get a big market share different travel companies and tourism organisations were adopted various innovative as well as competitive tourism marketing methods. The concept of tour package is one among such innovative marketing methods adopted by several organisations across the globe. At present it has become a major contributing factor to the growth of tourism in India as well as worldwide. The increasing growth of tourist inflows in Kerala is also greatly influenced by the tour packages conducted by Kerala Tourism Development Corporation and other different tourism organisations in the state. It can be intelligible from the survey results of this study that tourism organisations in Kerala contribute 19.79 percent of the total inflow of tourist in the State by way of tour packages. Among them 11 out of 100 is contributed by KTDC alone.

Kerala, the ‘God’s Own Country’, is exuberantly resourceful with beaches, backwaters, rivers, hill stations, vegetations, wildlife, holy places, historical monuments, architecture, arts and culture, folk-lore, festivals, Kalaripayattu (the martial art), Kettuvalums (houseboats) cruise, Ayurveda, yoga and meditations, Kerala cuisine etc., These abounding resources made the state as one of the most attractive destinations in Asia and capable to develop and market varied attractive tour packages in order to approximate more and more tourists to the state. Kerala Tourism Development Corporation (KTDC), the government agency to promote tourism in the State, has been engaged in conducting many attractive tour packages, readymade as well as tailor made, along with other tourism promotional activities such as construction of hotels, motels, resorts and wayside amenities; developing and marketing conducted tours; maintaining hi-tech central reservation cell; and
conducting fairs, festivals exhibitions etc to promote tourism in the so called state ‘God’s Own Country’.

Even though KTDC does not have a public relations department or public relation officer it has a very systematic organisational structure to undertake tourism promotional efforts and marketing functions in the State. The organisation structure analysis shows that marketing department is capable enough to formulate and implement the marketing strategies for varied tour packages in accordance with vision, mission and strategic objectives of the organisation. The marketing mix and the marketing strategies analysis reveal that KTDC has been adopted ‘quality growth model’ as the overall marketing strategy for tour packages. The other strategies have been adopted by the Corporation include differentiation and diversification (undifferentiated) strategies, high price and differential pricing strategies, bypassing (direct marketing) and co-operation (use of intermediaries) strategies, and promotional strategies at regional, national and international levels.

The Corporation has been adopted undifferentiated (diversification) strategy for its varied packages since it is developing and marketing such packages by considering the common interests, taste and expectations of every tourist/ market segment. Similarly, the differentiated strategy is adopted to allure a particular segment of tourist especially foreigners who have specially interested in beach and backwater tours and Ayurveda packages. Although it has often adopted differential or demand oriented pricing strategy, KTDC generally practices high price strategy since it is more concerned in maintaining the quality of tour packages and tourism products. This strategy often staves off the common people from the Corporation and thus attracts only upper class tourists. It is evident from the satisfaction survey result that 77.8% of the tourists approaching KTDC for its packages are from higher income groups.

KTDC has a strong base for undertaking direct marketing efforts and a world-wide distribution network of intermediaries for tour packages and other products. Hence, it has given equal prominence to both bypassing (direct marketing) and cooperation strategies for distribution. The promotional tools and techniques include conducting road shows, fairs, exhibitions and grand festivals at regional and national levels;
advertisements in print and electronic medias, own websites and other internet
sources; participation in national and international fairs and exhibitions; traditional
promotional tools such as brochures, booklets, pamphlets etc; data base marketing
techniques; and CD ROMs, production of tourism films, video clips, use of mobile
technology through SMSs, MMSs etc. Although KTDC has undertaken several
positively aggressive promotional efforts and strategies at national and international
levels, the survey result shows that Word of mouth’ is the most effective technique
because 35.9% of the tourist came to know about KTDC’s tour packages through
friends and relatives. The marketing agents and intermediaries (29.3%) and
KTDC’s own website (18%) also play a crucial role in disseminating information
about KTDC’s tour packages among the tourists.

The result of the tourist satisfaction survey shows that 82.34 % were satisfied,
3.59% were dissatisfied and 14.07% have no opinion with the quality of packages
offered by the Corporation. Although the Mann-Whitney test of statistical analysis
shows a significant difference between the satisfaction levels of foreign and
domestic tourists, the mean scores of the attributes and dimensions show that both
the tourists were almost satisfied with the packages. They were neither satisfied nor
dissatisfied with only one dimension, i.e. shopping arrangements. The factor
analysis with principal component method and multiple regression analysis
extracted four major factors which explain about 94% of total variation of tourists
overall satisfaction and thus determine the quality of tour packages. Such factors
include Facilities and comfort (factor 1), Communication (factor 2), Transportation
and price (factor 3), and Attractions (factor 4).

However, it can be concluded from the overall analyses and evaluations that KTDC
has adopted different well structured marketing strategies and techniques for tour
packages in Kerala along with the ‘Quality Growth Model’ as the overall strategy.
The Corporation has a scientific organisational structure with a red-blooded
marketing department in order to carry out marketing functions and promotional
efforts. But the organisation structure does not consists a public relations
department or public relations officer which is very import for a commercial
organisation like KTDC for the effective marketing of tour packages and other
tourism services or products. It is evident from the results of the satisfaction survey that the tour packages offered by the organisation possess much better quality; hence almost all the tourists were satisfied with the quality of packages. Similarly it can be interpreted from the differences in satisfaction levels of domestic and foreign tourists that KTDC has offered low quality packages for Indian tourists as compare to the packages offered to foreign tourists. The result of statistical analyses also shows four major factors that are very important in determining the overall satisfaction of tourist and the quality of tour packages. Therefore, this study suggested that the Corporation should be given special focus on these factors to improve the quality of its varied tour packages and should give special care for improving the shopping arrangements dimension (variable), since majority of the tourists were dissatisfied or have no opinion on this dimension. It is also suggested that KTDC should follow societal marketing principles in formulating and implementing different marketing policies and strategies, especially pricing and promotional strategies, for tour packages.

Hence, to sum up, it can be rightly said from the previous discussions, empirical analyses and critical evaluations that KTDC has very clear and well planned strategies for marketing its varied tour packages in the state of Kerala. The scientifically organised structure of the Corporation, with a very good marketing department consisting of a dedicated team of employees, is very supportive in formulating and implementing timely policies and strategies to carry out marketing operations for tour packages and other tourist’s products and services. This helped the Organisation to contribute much to the tourists’ inflows in the state by means of tour packages and conducted tours. Although there exists significant difference between the satisfaction levels of domestic and international tourists, almost both the category of tourists were satisfied with the tour packages offered by KTDC. From this, it is clear that the quality of the tour packages offered by the Corporation is possessing higher standards as they demanded and it is also clear that ‘quality growth model’ is the overall marketing strategy of Kerala Tourism Development Corporation. Therefore, since the study could not find any supporting evidences for any of the three hypotheses formulated in the initial phase of study, they were not accepted.
Directions for Future Researches

The present study is provided a general picture of the performance and resource potential (with regard to the attraction dimension) of Kerala Tourism Industry, and the working structure and overall operations of Kerala Tourism Development Corporation. It critically analysed and evaluated the marketing strategies adopted by KTDC for its varied tour packages offered in Kerala and the satisfaction levels of both domestic and foreign tourists with the tour packages in State offered by the Corporation.

However, the study did not analyse and evaluate the effectiveness of the each strategies adopted by the Organisation for marketing its varied tour packages in the State, the marketing strategies adopted for other tourism products and services, tourists loyalty intentions, and the attitude and perception of tourists towards the tour packages offered by KTDC. The study also did not mention the relationship between tourists’ satisfaction and loyalty intention to revisit any of the destinations in Kerala with KTDC’s tour packages, because repeat visitation is an important issue for tourism marketers and researchers. Therefore, future researches should investigate the effectiveness of the marketing strategies adopted by KTDC for varied tour packages, the strategies adopted by the Organisation for marketing other tourism products and services, tourists’ loyalty intentions with the Corporation, attitude and perception of tourists towards the tour packages offered by KTDC in Kerala, and the relationship between tourists’ satisfaction and loyalty intention to revisit any of the destinations in Kerala with KTDC’s tour packages. Further studies could be applied similar research method to other tourism organisations and travel agencies who are organising and marketing tour packages in Kerala or in other states of India so that a competitive analysis in different organisations can be explored.