Chapter 7

Findings, Conclusions and Recommendations

Cochin International Airport Limited is the first of its kind in the history of civil aviation in India, where Government of Kerala, NRIs, travelling public, financial institutions, and airport service providers have come together in a joint venture. There are over 10,000 shareholders from thirty countries. This project was envisaged to overcome the operational shortcomings of the then existing Naval airport.

The Cochin airport is equipped with all the operational and technical requirements suitable even for the heaviest aircraft that is being operated in the world namely Boeing -747 Jumbo Jet. An extent of 1300 acres of land has been acquired for the construction of the airport, from 2600 landowners and rehabilitating 822 families. The airport has completed nine years of commercial operation and has already earned the distinction of being the fourth busiest airports in the country. Other three airports ahead of Cochin are Mumbai, Delhi and Chennai. Cochin is strategically located, in the international air map and easily accessible from the three National Highways passing through Kerala. The airport is also quite close to the Cochin Harbour and the Railway Station. Further, being centrally located, provides access to important tourist and pilgrim centres located throughout the length and breadth of the state.
This chapter has been divided into three sections. Section A contains the summary of the findings of the study, section B contains the conclusions of the study and section C contains the recommendations made by the researcher.

SECTION A
SUMMARY OF CHAPTERS

The first chapter deals with the introductory remarks regarding Cochin Airport and its importance, the problem explained briefly, purpose of the study, objectives of the study, the hypothesis set, and the methodology adopted for data collection and survey design of the study. The second chapter describes working of CIAL. It includes the structure of CIAL, passenger traffic, administrative setup, financing pattern etc. An account of development of tourism, tourism growth, tourism agencies and tourism products in Kerala is given in the third chapter. The next two chapters four and five comprise the analysis of primary data, collected through a field survey. The focus of these chapters is to understand the tourism potential of Kerala and to analyse the economic impact of CIAL. The results are interpreted in chapter six. In this chapter, an attempt is being made to verify the degree of significance of each findings based on the survey data. The chi-square test has been employed to test the significance of each aspect analysed. The major findings of the study, conclusions drawn and the suggestions are presented in the seventh chapter.

To study the impact of CIAL in the development of tourism in Kerala, a survey was conducted covering two hundred tourists and twenty tour operators. The number twenty was arrived at on the basis of the records available in the CIAL. Another criterion adopted was the popularity
index of the tour operators among domestic and international tourists. A structured questionnaire was prepared and fifty domestic tourists and one hundred and fifty international tourists were interviewed. The survey was conducted during the period August 2006 and November 2006, the same period during which the tour operators were also surveyed.

7.1 FINDINGS OF THE STUDY

7.1.1 Tourism being a consumer oriented industry is dependent on awareness, goodwill and hospitality. Therefore, aggressive marketing of one’s product and cherishing these values are imperative. Publicity is an important aspect of tourist awareness. A survey on the source of information revealed that majority of the foreign tourists got information about Kerala through internet, whereas in the case of domestic tourists, friends and relatives staying in Kerala formed an important source of information. Analysis of marketing strategies for tourists in Kerala based on sex, age, occupation, and purpose of trips revealed that the number of male tourists exceeded females in both inbound and outbound passengers. While age wise classification reveals majority of foreign tourists were between 35-45 years, whereas in the case of domestic tourists it was below 55 years. Occupation wise most of the international tourists turned out to be professionals, while the domestic tourists included retired bank employees, students and research scholars. It has been revealing that this sharp increase in number of air travellers is chiefly due to the entry of low cost airlines that have made air travel more accessible than ever before to people from different sections of the society.

7.1.2 Tour operators are an integral part of tourism industry. They are actively involved in both international and domestic circuits and are
chiefly responsible for marketing tourism products as well as conduct of organised tours. The advent of CIAL has brought a spurt in the number of tour operators both within and outside the state. The resurgence in the activity of tour operators is evident from the fact that there has been 80 percent increase in the number of tour operators since the establishment of CIAL. Further, it is observed that 45.33 percent of foreign tourists and 40 percent of domestic tourists depended on such agencies. This clearly shows that there is a quantitative increase in travel agents after the coming up of CIAL.

7.1.3 Tourism Industry is a composite of service providers such as travel agents, tour operators, immigration and customs services. All these organizations have been contributing enormously to boost the tourism industry. 70 percent viewed that the coordination between the airport authority and private tour operators were warm and good, which is a positive sign, as they are vital for the successful promotion of tourism and the industry as a whole. Further, it is observed that the different measures made use of by the tour operators to reach out to tourists include visual media, brochures, fairs and direct contact through foreign agencies. Apart from these the tour operators also introduced products like tour packages for target groups based on income, age, occupation etc. Of all the tourism products of Kerala, Houseboat remains the much sought after, evolving as a brand product of Kerala, contributing huge foreign exchange and employment to the state. The hill stations, beaches, and ayurveda rejuvenation packages continue to host Kerala as a tourist’s hotspot.

7.1.4 One of the strongest catalysts for tourism development in Kerala is the operation of various international airlines to Kerala. Good travel connectivity is the basic need of any growing destination. It is a blessing
for Kerala that Cochin International Airport operates and handles a good number of international airlines connecting Kerala to the Western and Eastern source markets. A survey on the passenger preference of the airport revealed that majority of both foreign and domestic tourists used Jet Airways, Air Deccan, King Fisher and Air Sahara. It was also found that most of the passengers opted for economy class as their preference of travel.

7.1.5 Tourism industry in Kerala has been showing a steady growth since its inception. However, the recent spurt in this sector can be attributed to the advent of CIAL as an important point in the airlines route for entry, exit and transit of passengers. Since its establishment, there has been an eight-fold increase in the arrival of international and domestic tourists. Further, it is observed that 78.7 percent of international tourists and 50.84 percent of domestic tourists visited Kerala for sight seeing. It is also interesting to find that 46 percent of foreign tourists and 60 percent of domestic tourists visited on Kerala one, two or more occasions and that 31.3 percent of international tourists and 52 percent of domestic tourists made use of CIAL twice or more. This shows that Indian Aviation Industry is experiencing massive growth as is evident from the sharp rise in the number of air travellers to Kerala. All these are indicative of the growing impact of CIAL.

7.1.6 The impact of CIAL on tourism is more evident with the mushrooming of hotels and apartments in and around Kochi. The stiff competition in this sector has helped to keep the tariff reasonable and made the sojourn comfortable to the customers. Different types of accommodation are provided in the hotels including five star, home stays and budget hotels. However, the most preferred one is five star accommodations. This boom in hotel industry in and around Cochin is a consequence of the ever-growing influence of CIAL as an international airport.
7.1.7 CIAL is a landmark in the history of civil aviation in India for being constructed and operated outside the ambit of the Government of India. As Government resources for development of tourism infrastructure became limited, the sector slowly opened up for private participation. CIAL is one such endeavour managed jointly by public and private sector and a role model of how privatisation can usher in excellent infrastructure and professionalism in civil aviation sector, a lifeline for booming tourism industry.

7.1.8 The arrival of tourists both domestic and foreign is an economic asset for the state of Kerala. Apart from the amenities and infrastructure, factors like hospitality, hygiene, human relations etc, go a long way in determining the success of the industry. On the attitude of the local people, both international as well as domestic tourists expressed Kerala as a lovable place, as people are very friendly. However, on the availability of communication facilities 34 percent of foreign tourists and 54 percent of domestic tourists felt that all modes of communication are inevitable for the development of tourism and are satisfied with their availability. Both the foreign and domestic tourists enjoyed the well-mannered hotel staff, the attitude of taxi drivers and the services of tourist guides. Overall the tourists as well as the tour operators have expressed a good opinion about the facilities available at CIAL and also the human relations of the people directly involved with the conduct of tourism industry as well as the local inhabitants making Kerala a tourist destination.

7.2 CONCLUSIONS

In this section, an attempt is being made to conclude whether the hypothesis developed earlier has been proved or not.
7.2.1 The first hypothesis of this study is to find out whether the establishment of CIAL has had a major impact on tourism in Kerala. It was found that all aspects of tourism have received a fillip after the establishment of this airport. Originally, tourists arrivals used to be restricted to certain peak seasons, the months October to March used to be the only period when tourists came to Kerala. Moreover, the interest of the tourists was restricted to sight seeing and visiting places of tourist attraction. But after the coming up of CIAL and thanks to its connectivity, tourists are coming to Kerala all through the year. Apart from sight seeing they come during the monsoon to enjoy monsoon tourism, to rejuvenate their health, they indulge in health tourism etc. In short, this hypothesis is proved.

7.2.2 The second hypothesis of this study is to determine whether the coming up of the airport has led to quantitative increase in the number of tourists both domestic and international. Over the past five years from 2003 to 2007, one finds there is a large increase in the arrival of both domestic and international tourists. The numbers of tourists has doubled in both these categories. The number of domestic tourists increased from 419,568 in the year 2003 to 1,131,898 during 2007. At the same time, the number of international tourists has increased from 590,718 to 1,429,172 in the same period. From this, one can conclude that this hypothesis has also been proved. One may add here that the facilities in the airport have also improved due to the arrival of such a large number of tourists.

7.2.3 The third hypothesis of this study is that, there has been a quantum leap in the investment on tourism by all concerned with the coming of CIAL. Tourists coming to Kerala were originally restricted to only a few countries, but it was found that tourists now come from nearly 23 countries when compared to less than ten in the 80’s and 90’s. Cochin is
connected to different parts of Kerala by both rail and road. The arrival of such large number of tourists due to the coming up of the airport prompted the State Government to substantially raise the allocation for tourism in the past few years. Allocation increased from Rs.37.20 crores in 1998-1999 to 81.57 crores during 2006-2007. One can also find that, to improve tourist infrastructure the Central Government has also increased its allocation from Rs.6.69 crores in 1998-1999 to Rs.40.89 crores during 2006-2007 for tourism promotion in Kerala. All these facts points to the direction that this hypothesis is also proved.

7.3 RECOMMENDATIONS

Based on the findings and conclusions drawn from the study, the following suggestions seem feasible for strengthening tourism development in Kerala.

7.3.1 Non-availability of internet facility in both domestic and international terminals is a major constraint for passenger. With e-ticketing gaining popularity, availability of net connection would help a passenger who otherwise is denied entry into the terminal for want of paper ticket, can now get his e-ticket printed by using the net/DTP facility. This would save time for both the passenger and the staff and relieve the passenger running from pillar to post to get his ticket validated. Apart from this, net facility would help passengers to while away time when flights are abnormally delayed. To help tourists, the researcher recommends the need for internet facility within the two terminals. The airport can also levy a fee for the use of internet facility and it should be a good source of revenue to the airport.
7.3.2 Many of the tourists complained about inadequacy of guest room facility in the airport. CIAL already has three guest rooms in the international terminal for use by transit passengers. The passengers using the guest room are charged one-day rent, even if the period of occupation is for one hour. This is grave injustice to the passengers and many have expressed their displeasure. Further, when the flights are delayed beyond four to six hours, lack of dormitory facility is glaring. Therefore, it is recommended that in order to attract passengers, provision of dormitory or even more guest rooms would mitigate the passenger’s grievances, and provide them with adequate resting facility, and make their sojourn a pleasant one.

7.3.3 A common problem faced by both tour operators and tourists is the absence of an authority that would solve their grievances effectively. Even for the smallest grievances, they are now forced to approach the airport manager or officials. Moreover, the time taken for the redressal of such grievances is also inordinate. Passengers whose baggage does not come with them in the same aircraft are the most inconvenienced. Sometimes they have to wait for days together. There is no facility in the airport to update them regarding the position of delayed baggage. In these circumstances, it is recommended that the CIAL emergently sets up a separate Grievance Redressal Cell whose sole responsibility would be to address and solve the grievances of the passengers. This would also reduce the strain on the airport manager and other important officials to whom the passengers now complain. The airport manager should be entrusted the role of an “Appellate Authority” and should be approached only if this cell is not in a position to solve the grievance of the passengers.
7.3.4 One of the limitations of CIAL is the non-accessibility of Public State transport buses, connecting CIAL to various cities and towns. CIAL serves as a transit point to important pilgrim centres in Kerala like Sabarimala, Malayatoor, and Guruvayoor etc. Passengers have expressed their desire to commute to these places on public transport buses. Because of non-availability of buses, they are forced to opt for prepaid taxis, which only cater to drop out services. To help tourists, it is recommended that provision of Public State Transport Systems from airport and prepaid tourist package at the airport, would be an added boon to the passengers as well as bring in more revenue to the airport.

7.3.5 With the establishment of CIAL, flight arrivals and passenger volumes increased tremendously. As such, operating more tourists Charter flights would go a long way in promoting tourism development in the state. When Chartered flights with 10 to 20 passengers on board arrive at CIAL, they bring in more revenue in terms of landing charge, parking charge, maintenance charge etc. Tour packages with duration ranging from seven days to three weeks could be offered covering the tourist spots of the state like Thekkady, Munnar, Kumarakom, Kovalam and also to spiritual destinations like Sabarimala, Guruvayoor etc. In order to promote tourism development in Kerala this researcher recommends need for encouraging more Charter flights into Cochin. This would not only enhance the image of Cochin, but also earn revenue for the airport.

7.3.6 Cochin airport is situated in a large area of 1300 acres of land. At present, it is making use of 800 acres. Providing for further expansion of facilities, the airport may require 500 acres. In other words, even at its present highest level of functioning, the airport would not be making use of 500 acres. It is not advisable to keep such large tracts of land unused.
This is especially so because, acquisition of land was undertaken by making using of a lot of efforts by the founding fathers of this airport. Many of the projects are on the anvil. It is recommended that this land may be efficiently used for the purpose of establishing amusement parks, star hotels, shopping malls, food courts golf courses, convention centres etc. This would be a great source of revenue for the airport especially when at present these lands are not fetching it any revenue. Alternatively, the authorities could seriously think of establishing an Aviation Training Academy to meet an ever-increasing demand of competent aircraft maintenance engineers, non-qualified technicians, support engineers and cabin crews.

7.3.7 Another matter of concern is the lack of an active Tourist Information Counter at the international as well as domestic terminals. The one that is available in the domestic terminal is seldom manned. Therefore, augmentation of a proactive Tourist Information Counter catering to the various needs of the passengers like collecting and compiling of detailed up-to-date information for dissemination to tourists, publicity and tourist promotion by contributing articles such as pamphlets, guidebooks and posters, promotion of sight seeing tours and inducing tour operators/agents to start new tours where necessary is recommended.

7.3.8 Another issue faced by the passengers is the exorbitant rates for the articles sold within the airport terminal. The restaurants charge very high prices on essential food articles, even for snacks. This has left a bitter taste in the mouth of the tourists. This is because of the high rent that is levied on the restaurants, which is being transferred on to the customers. It is recommended that either the rent charged should be lowered or the canteen facilities should be entrusted to self-help groups who would provide quality food at subsidized rates.
7.3.9 The frustrating experience, which is badly affecting the morale of international tourists at the immigration counter of the airport, is a cause of concern to many passengers. Passengers on arriving at the Cochin airport have a harrowing time getting their travel documents cleared, as there is shortage of officers. The allotment of immigration personnel at the airport has not kept pace with the burgeoning passenger traffic. The increase in passenger traffic without a corresponding increase in airport personnel is a sure recipe for poor services. Passengers, who were unanimous in their appreciation of the Cochin Airport before, are now a disillusioned lot because of the inordinate delay in getting their documents cleared. The study is quite explicit on the necessity of more officers in the airport, more so during the peak hours. It is also recommended that in order to attract international tourists preference must be given to tourists and introduction of separate queue for tourists at the emigration and immigration counters.

7.3.10 Many of the foreign tourists complain that facilities for converting foreign currencies into domestic currency are inadequate at the airport. In Cochin Airport, money exchange facilities are available at check-in area. However, once a passenger clears immigration he is not allowed to get back for exchange. After security check there is no availability of exchange facility. With a lot of fanfare, the international giant Thomas Cook had opened a currency exchange unit sometime back. Unfortunately, several technical snags have led to many foreign tourists not being able to get competitive exchange rates. In the present state where the new generation banks like Standard Chartered Bank, City Bank etc are making their presence felt in the Indian economy, it is recommended that these banks may be encouraged to open quick exchange counters within the check-in area of the airport. This would facilitate liquidity among tourists.
Many of the foreign tourists are of the view that, the airport did not offer adequate facilities for stop over passengers. Those who come to Cochin for just a day or two were forced to occupy the accommodation offered by hotels. Many, who come in the morning and are intending to leave by evening had to take hotel accommodation for the safety of their luggage. It is quite embarrassing to remain in the airport the whole day. Moreover, the scope for sight seeing is limited in a one-day programme. However, in order to guard their luggage many stop over tourists had to remain in the airport itself. To help such tourists it is recommended that cloakroom facility should be established in the airport. The requirement is all the more important in the international terminal. The airport can also levy a fee for the use of these cloakroom facilities. These facilities could soon be a major source of revenue for the airport.

In the last two years of its functioning one finds that stagnation has crept into the progress of this airport. Many programmes have been initiated by the CIAL like IT park, five star hotels, three star hotels, convention centres, trade centre, cargo village, aviation academy etc. But these programmes have not yet been implemented and are mainly due to the financial problems, encountered with regard to HUDCO, the financing agent as well as the problems over public issues. If such stagnation continues, the airport may find it difficult to maintain its present high level of efficiency. It is felt that effective steps are to be taken to augment the resources of the airport. The strategic position of Cochin Airport makes it a suitable point for refuelling of passing international flights. Recently a plane from Lebanon sought permission to land in Cochin Airport for this purpose. This plane took in a fuel of 17000 litres, which turned out to be a good source of profit. Adequate publicity of an international nature regarding the vailability of aviation fuel in Cochin Airport is necessary to attract a
large number of international planes to go via Cochin. This would not only enhance the image of Cochin as an efficient refuelling point, but also earn precious foreign exchange for the airport. The CIAL would be the third airport in India, to have the facility of fuel hydrant system after the international airports at Delhi and Mumbai. Hydrant Refuelling System for this airport would match the best international standards and would be the first of its kind in Southern India. Achieving consistent customer satisfaction with sustained high level of service and maintaining our image as a dependable supplier of quality jet fuels in accordance with laid down specifications using state of art facilities at par with the best, would greatly enhance not only the prestige of Cochin Airport but also increase its financial resources.