CHAPTER 1
INTRODUCTION
1. Introduction ................................................................................................................................. 2
   1.1. Research Questions ............................................................................................................ 6
   1.2. Objectives of the Study .................................................................................................... 9
   1.3. Theoretical background .................................................................................................... 11
   1.4. Propositions ........................................................................................................................ 20
   1.5. Contribution of the study ................................................................................................... 22
   1.6. Operational definitions ..................................................................................................... 22
   1.7. Organisation of the thesis ................................................................................................... 25
Tourism products are an amalgam of resources, facilities and services (Baud-Bovy & Lawson, 1998). Tour operators bring together all these elements and sell it as a package. Individual tourists travelling on their own create their products. These tourism products can be a location or even a region. Kerala presents a variety of tourism products. Beaches, backwaters, heritages, hill stations and eco-tourism destinations are a few among them. Interestingly, most of these products are nature based. In each of the product categories, Kerala tourism offers multiple destinations – some are already developed and some in the process of development. Kovalam, Varkala, Cherai and Kappad are examples of beach destinations. Ashtamudi and Vembanad lakes are two prominent backwater destinations. Kochi and Trivandrum are two destinations where heritages are promoted. Thekkady and Munnar are two hill stations. Thenmala is one of the eco-tourism destinations in the State. Similar to these products in Kerala, there are competing products offered by other States in India and other countries like Sri Lanka and Maldives.

A company’s products and services are differentiated from those of its competitors by the brands. Same is true in the case of tourism products also. The destinations that offer tourism products strive to be unique. Kovalam as a beach destination competes with Varkala within Kerala, Goa within India and Maldives within South Asia region. Tourist destinations are like brands that are offered in the market. Brand is defined as “A name, term, sign, symbol or design, or a combination of these, that is intended to identify the goods and services of one business or group of businesses and to differentiate them from those of competitors” (Kotler, Bowen, & Makens, 1999, page 311). Tourism is a very heterogeneous industry, and visitors consume a whole package of services. The tourism industry at the destination level has many
different suppliers. Location-specific attractions and products are the raw materials that
differentiate a destination from another.

Tourists are often willing to pay a premium price for a good destination. Sustaining lead
destinations helps tourism promoters to prosper. Other associated terms like “Brand equity”
and “brand image” also can be explained in terms of destinations. Brand equity refers to the
value of a brand and is based on the extent to which the brand has high brand loyalty, name
awareness, perceived quality and strong product associations. Brand image refers to the set of
beliefs that customers hold about a particular brand. Tourist destinations are also rated by the
tourists by the perceived value and the image. A destination brand provides potential tourists
with pre-trip information that allows them to identify a destination, differentiate it from its
competitors, and build expectations about the experience that can be realized from the
destination (Murphy, Moscardo, & Benckendorff, 2007).

It can also be seen that destinations generally fall within product line or product groups that
are closely related in terms of their functions. The tourism product lines of a promoter like
Kerala would constitute its product mix. In other words, the total set of destinations marketed
by a promoter will form the product mix. Thus, the tourism strategy would mean
management of the destinations, especially those in highly competitive markets.

Patronage of tourist destination or brand is influenced by exogenous and endogenous factors
(Manente & Celotto, 2004). The negative image of a country plays a crucial role for tourists
to avoid visiting. The nuclear tests in 1998 delighted the Indian citizens, but brought the
wrath of the world community (Chaudhary, 2000). The political climate in the host country
like tourism friendly or not, security of tourists in the host country as well as the region,
terrorism acts that may result in banning the outbound and inbound tourist traffic like the
9/11 incident, or even any outbreak of war or tense situation in the region are all exogenous
factors that affect the tourist traffic (Bonham, Edmonds, & Mak, 2006). The most recent
economic recession experienced globally and the 26/11 terrorist acts at Mumbai has affected
international tourism in general and inbound tourism to India in particular (UNWTO, 2008c;
Department of Tourism, Government of Kerala, 2008). In a country like India, tourists
destined to one place could get diverted to other places. For example, the travel circuit with
Jammu-Kashmir as a link was affected due to the terrorist acts which prevailed in the State
and many tourists got diverted to the southern States of Tamil Nadu, Kerala, Karnataka and
Andhra Pradesh (Singh, 2001). Similarly, tourist traffic to Hawaii increased after the 9/11
incident when a diversion of US travels from foreign destinations to Hawaii took place
(Bonham, Edmonds, & Mak, 2006). The endogenous factors which affect a tourist destination
include maintenance and up keep of the brand, ill-effects of undesired demand for the brand,
competition from other brands and even losing the ‘selling propositions’ of the brand due to
non-tourism developments.

What could be seen here is the presence of a number of factors which affect the brand life
cycle of tourist attractions. The exogenous factors are not within the control of the promoters
of tourism. But the endogenous variables have direct relevance to a destination. Several
studies are available that deal with destination life cycles (Butler, 2004; Clancy & Peter,
Lundtrop & Wanhill, 2001; Manente & Celotto, 2004; Meyer-Arendt, 1985; Oppermann,
1995; Singh, 1998; Stansfield, 1978; Steffens, 2002; Strapp, 1988; Tooman, 1997a; Tooman,
1997b; UKCEED, 1998). The tourism products of Kerala, as stated earlier, are nature based,
and hence the factors that would affect the destination life cycle could be different. This
research work is an attempt made to study these factors with respect to selected destinations
in Kerala.
In the classification of consumer goods into durables and consumables, the durables are used and reused. Tourism products fall into this category. Still, life cycle of tourism products differ in several ways compared to consumer durables. Manufacturing sector provides limited employment options for rural areas where unskilled workers are many. Tourism is an alternative for creating jobs and income growth. Tourism industry comprises a variety of industrial categories and businesses of many sizes, and undergoes an evolutionary process of change. Tourism is recognized as a dynamic industry and while undergoing changes in itself, it changes the economic landscape with it (Tooman, 1997b).

Alex Tooman identified the following as that which distinguishes between standard product cycle model and destination life cycle (Tooman, 1997a):

- The evolutionary pattern of both the models is not inevitably, or even frequently, going to follow a biological pattern - birth, growth, decline and death.

- In a basic product life cycle, the products remain unchanged. The marketing efforts and strategies adapt for each stage. If the product were to be changed, the cycle would begin afresh.

- In the case of a tourism attraction, the product (the destination) undergoes an evolutionary process of continual change in response to the changes in demand and supply. Hence any pattern is possible.

Some form of discernible evolutionary process does occur in destinations as investment patterns change and as the approach to carrying capacity produces stresses and consequential effects on the visitation experience. The life-cycle model provides a framework for analysis (Tooman, 1997a). While exploration stages are difficult to observe, and stagnation and
decline may not be inevitable, the remaining stages, particularly involvement and
development, are consistently present.

Prof. Peter Keller differentiates tourism industry with the rest. Tourism industry is made up of predominantly small-to-medium sized enterprises (SMEs) with high labour intensity (Keller, 2004). These SMEs and the core tourism industries, like accommodation and catering, are less productive than other economic sectors due to the personalised nature of their services. The low level of productivity reduces tourism’s competitiveness and ability to sell its products.

1.1. Research Questions

There are other distinguished features as well like the stages in the life cycle. Butler’s model of life cycle of a tourism product was the most widely discussed model. Several studies show that some of the stages in the life cycle of destinations could not be identified, especially the early stages. More of this is discussed while doing the survey of literature. The attempt made here is to study the life cycle of selected tourism products in Kerala. With the slogan “God’s own country”, Kerala tourism is projected as a success story. The growth in the arrivals of tourists, especially foreign tourists, supports this claim. About 30 years back, only Kovalam was the known destination in Kerala. Today, there are a number of destinations offered, and Kerala looks at the industry as a major source of revenue that could be sustained for a long time to come. As long as there are tourists who like natural settings, and since Kerala is rich in its natural resources to woe them, one need not have any doubt on the expectations of the industry. The first research question proposed here is in this background:

Q1: What stage of the life cycle could possibly explain the present scenario of Kerala tourism?
The related questions relevant are the following – What are the major brands or destinations that are popular among tourists? How the foreign tourists are different from the domestic tourists? How the life cycle behaves with respect to selected destinations? The first research objective is derived from these questions.

The second research question is based on the fact that exogenous and endogenous factors affect the life cycle of destinations. Attractiveness of a destination can come down due to violence, political instability, natural catastrophe, adverse environmental factors or overcrowding. While the destination owner is incapable of controlling the exogenous variables, control of the endogenous variables can help the owner to maintain or increase the tourism revenue. Based on the nature of the tourism product, these endogenous factors vary from destination to destination. The second research question hence proposed is:

Q2: What are the endogenous factors that affect the life cycle of selected tourism destinations?

There are related questions that need to be addressed for setting the research objectives to study this aspect. Can there be a list of possible factors that can be used to identify the factors relevant to destinations in Kerala? Since the impact of these factors vary from destination to destination, on what basis could the destinations be selected for studying the factors?

Several studies have brought out the importance of the attitude of the residents of a tourist destination in the sustainability of tourism activities in the destination. Studies have stated that as the life cycle of a destination moves towards the end, undesirable social impact emerges. Doxey’s Irritation Index describes resident-visitor interactions and relationships in four steps (Mason & Cheyne, 2000), 1- Euphoria, 2- Apathy, 3- Irritation and 4- Antagonism. The irritation index of the residents increases through the stages 1 to 4 (1=low irritation,
4=high irritation). The Doxey Irritation Index is simple and indicates that an undesired growth in tourism traffic to a community could create attitudes antagonistic to tourism and tourists. Though there could be several endogenous factors that could be identified as influencing the life cycle of a tourist destination, the residents are major actors in the tourism development process since they are the most affected (Hwan-Suk, Choi, & Sirakya, 2005).

The third research question is proposed in this context:

Q3: Does attitude of residents of the selected tourist destinations favour tourism development in their neighbourhood?

Attitude of residents itself is an endogenous factor that influences the life cycle of a destination. Same is the case with tourist satisfaction. A high level of customer satisfaction leads to an increase in repeat patronage among existing customers and maintains long-term competitiveness of the destination (Yuksel & Yuksel, 2002). “For customer-centered companies, customer satisfaction is both a goal and a major factor in company success (Kotler, Bowen, & Makens, 1999)”.

Tourism is an industry with the tourists as customers. Tourist satisfaction is hence an important factor in the tourism growth of a destination. Tourist satisfaction indicates how well a tourist’s expectations are met. The fourth research question is proposed in this background:

Q4: Are the tourists who arrive at the destinations satisfied?

This research work is an attempt to probe into the four research questions stated above. The attitude of residents and satisfaction of tourists are treated separately because of the importance, as perceived from tourism industry sources and literature. The study area is limited to the state of Kerala. The study has the advantage that Kerala already has a system of
collecting information related to tourism. The scope of research work is limited to identified major brands.

1.2. Objectives of the Study

This study will bring out the relevance of life cycle theory with respect to Kerala tourism as a tourism product. Considering Kerala tourism as a product group, the sub product groups are the different types of tourism offered to tourists. Within these sub groups, there are brands that are marketed as destinations. Along with the life cycle analysis of Kerala tourism, the analysis will be extended to selected tourism brands in the State. The objective of the study is also to study the factors that influence the life cycle of these destinations. Accordingly, the objectives of this research are set as follows:

i. To indicate the present life cycle stage of tourism in Kerala

ii. To identify the factors influencing the life cycle of tourist destinations

iii. To assess the attitude of residents in selected tourist destinations towards tourism development, and

iv. To assess the satisfaction level of tourists in the selected destinations.

It was observed that places of religious pilgrimage exhibit a tendency to violate the Product Life Cycle pattern (Singh, 1998). Destinations like the famous Hindu pilgrimage of Banaras differ from the normal life cycle pattern. Pilgrims swell beyond capacity at the original epicentres of beliefs year after year and keep places ‘alive’ for generations to come. At the same time it is the human factor that was found responsible for the fall of popular tourist destinations. Due to these reasons, the scope of the research excludes pilgrim centres in the State.
Tourists to Kerala are from within the country as well as from outside the country. In 2007, when 515808 foreign tourist arrivals were recorded, 6642941 tourists arrived here from within the country (Department of Tourism, Government of Kerala, 2007). The focus of this research is limited to foreign tourists due to the following reasons.

- Pilgrim centres like Guruvayoor attracted a large number of domestic tourists. Guruvayoor alone attracted nearly one-fifth of the domestic tourists (Department of Tourism, Government of Kerala, 2007).

- During the course of the initial research carried out for setting the objectives, it was observed that the statistics related to domestic tourists show a sharp rise in 1995 because of adoption of the standards followed by the United Nations World Tourism Organization (UNWTO)\(^1\). This is a serious handicap for a life cycle analysis.

- Tourist statistics of all important destinations in Kerala is maintained by Department of Tourism, Government of Kerala. Since life cycle analysis of tourist destinations requires time series data as an important input, only those destinations that have long history of tourist arrivals are included in the research.

- *Tourism Vision 2025*, published by Department of Tourism, Government of Kerala, states its vision statement as this: "To make Kerala, the God’s Own Country, an upmarket high quality tourist destination through rational utilisation of resources with focus on integrated development of infrastructure sector conserving and preserving the heritage and environment and enhancing productivity, income, creating employment opportunities, alleviating poverty thereby making tourism the most

\(^1\) United Nations World Tourism Organization is a specialized agency of the United Nations and the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and a practical source of tourism know-how. There are 160 member countries and territories and more than 350 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities.
important sector for the socio-economic development and environment protection of
the State." Obviously, mass tourism is not given priority and the focus is on quality.
In terms of tourist spending, a foreign tourist spends twice that of a domestic tourist
(TCS, 2000). This aspect gives importance to foreign tourists since less number of
tourists would generate more income.

- In-bound tourism helps to improve foreign exchange earnings (Fletcher & Cooper,
  1996; Singh, 2001)

- The efforts of the Department of Tourism, Government of Kerala, focused on
  promoting Kerala Tourism to foreign tourists, as reflected in the advertising
  expenditure statistics over the years. In 2007-08, nearly 60% of the ad expense was to
  attract foreign tourists (Source: Department of Tourism, Government of Kerala).

- Foreign tourist arrivals are concentrated in the major tourist centres and during the
  season from October to March. A leading destination like Kovalam has attracted more
  foreign tourists than domestic tourists during the season (Department of Tourism,

Due to these reasons, the focus of the research is limited to foreign tourists. But wherever
possible, domestic tourists are also taken into account while considering the factors that
influence the life cycle.

1.3. Theoretical background

The main input of life cycle analysis is the time series data and the main exercise is its
conditioning. Time series data is a collection of data related to a particular aspect over a
period of time. The focus of the analysis is to see what changes take place in the
characteristics of the subject under study over a period of time. Time series analysis is one quantitative method used to determine patterns in data collected over time (Levin, 1986). Though the scope of the research is limited to the endogenous variables, the time series data available for tourist arrivals need to be corrected for assessing the stage of product life cycle. The four kinds of variation involved in time series analysis are secular trend, cyclical fluctuations, seasonal variation and irregular variation. Secular trend changes the value of variables increasing or decreasing over a period of time. Cyclical fluctuations are cyclical movements hitting peaks or falling to low, mostly in an unpredictable manner, and the time between these peaks and lows could vary from one year to several years. Seasonal variations are pattern of changes that happen within a year and tend to be repeated year after year. Irregular variations in most instances are completely unpredictable and changing in a random manner. A time series may exhibit one or more of these components.

Since the life cycle of a product also run into several years normally, application of time series analysis in the time series data of sales of a product helps to fit an appropriate curve after eliminating the seasonal variations. This estimated curve can be used to predict the future sales of the product. The cyclical and irregular variations can be measured for the period up to which the time series data on sales of the product is available. However, predicting such variations is rather cumbersome.

The Product Life Cycle was first referenced in the 1920s by economists reporting on the automobile industry and today, it is one of the best-known marketing concepts on the planet (Clancy & Peter, 2004). The term applies biology to all manner of brands, makes and models of packaged goods, cars, magazines, or indeed any product imaginable. It identifies any stage of the life cycle of the product with any of the four cycles - birth to growth, growth to maturity, maturity to decline, and ultimately to death. The Product Life Cycle concept has
four underlying assumptions – (i) Shape assumption which approximates the Product Life Cycle sales pattern to an “S” shaped curve; (ii) Stages assumption which exhibits distinct changes based on the slope of the “S” shaped curve; (iii) Causality assumption which considers different supply side market structure and conditions for each stage; and (iv) Strategy assumption which considers different marketing strategies for each stage (Steffens, 2002). The position of the brand in the Product Life Cycle is taken as a tip by the marketers to device strategies to maximize profit at that stage. Kotler defined Product Life Cycle as “an attempt to recognize distinct stages in the sales history of the product” (Kotler, 1988).

In an organization, individual business units play different roles in achieving organizational objectives (Darymple & Parsons, 2002). Some business units grow faster than others, some units will be more profitable, and not all units will generate the same cash flow. The life cycle concept helps to keep track of the ‘portfolios’ formed by the collection of these business units. Ideally, a firm would prefer to have some business units in each phase of the product life cycle. If most of the items are in the mature and declining phases, the company will have trouble reaching its growth objectives. Similarly, if all the products are in the introductory and decline phases, the firm is likely to experience serious cash flow problems. Product life cycle analysis helps to know when a product is leaving a stage and entering the next. The marketing objectives and strategies that can be generally adapted along with the characteristics of the Product Life Cycle stages are given in Table 1.1 (Kotler, Keller, Koshy, & Jha, 2007).

The Product Life Cycle is considered to be useful as a predictive tool, planning tool and as a control tool (Gandhi, 1996). Since a product has a predictive life pattern and the problems likely to be encountered in different stages of Product Life Cycle are known, the management is pre-warned of the likely changes in the product position. Though it is rather difficult to
forecast these changes with any degree of exactness, it provides a preview of the broad spectrum of product events likely to occur.

**Table 1.1: Summary of Product Life Cycle characteristics, objectives and strategies**

<table>
<thead>
<tr>
<th>Life Cycle Characteristics</th>
<th>Introduction</th>
<th>Growth</th>
<th>Maturity</th>
<th>Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>Low sales</td>
<td>Rapidly rising sales</td>
<td>Peak sales</td>
<td>Declining sales</td>
</tr>
<tr>
<td><strong>Costs</strong></td>
<td>High cost per customer</td>
<td>Average cost per customer</td>
<td>Low cost per customer</td>
<td>Low cost per customer</td>
</tr>
<tr>
<td><strong>Profits</strong></td>
<td>Negative</td>
<td>Rising profits</td>
<td>High profits</td>
<td>Declining profits</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>Innovators</td>
<td>Early adopters</td>
<td>Middle majority</td>
<td>Laggards</td>
</tr>
<tr>
<td><strong>Competitors</strong></td>
<td>Few</td>
<td>Growing number</td>
<td>Stable number beginning to decline</td>
<td>Declining number</td>
</tr>
</tbody>
</table>

**Marketing objectives**

<table>
<thead>
<tr>
<th>Life Cycle Characteristics</th>
<th>Create product awareness and trial</th>
<th>Maximize market share</th>
<th>Maximize profit while defending market share</th>
<th>Reduce expenditure and milk the brand</th>
</tr>
</thead>
</table>

**Strategies**

<table>
<thead>
<tr>
<th>Life Cycle Characteristics</th>
<th>Offer a basic product</th>
<th>Offer product extensions, service, warranty</th>
<th>Diversify brands and items models</th>
<th>Phase out the weak</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Price</strong></td>
<td>Charge cost-plus</td>
<td>Price to penetrate market</td>
<td>Price to match or best competitors</td>
<td>Cut price</td>
</tr>
<tr>
<td><strong>Distribution</strong></td>
<td>Build selective distribution</td>
<td>Build intensive distribution</td>
<td>Build more intensive distribution</td>
<td>Go selective, phase out unprofitable outlets</td>
</tr>
<tr>
<td><strong>Advertising</strong></td>
<td>Build product awareness among early adopters and dealers</td>
<td>Build awareness and interest in the mass market</td>
<td>Stress brand differences and benefits</td>
<td>Reduce to level needed to retail hardcore loyalists</td>
</tr>
<tr>
<td><strong>Sales Promotion</strong></td>
<td>Use heavy sales promotion to entice trial</td>
<td>Reduce to take advantage of heavy consumer demand</td>
<td>Increase to encourage brand switching</td>
<td>Reduce to minimal level</td>
</tr>
</tbody>
</table>

Source: (Kotler, Keller, Koshy, & Jha, 2007)
Based on the Product Life Cycle, management is better placed to plan its strategy in advance so as to exploit fully the product potential. Product modifications, promotion, pricing strategies and dealer motivation programmes can be planned much earlier. The use of Product Life Cycle as a Control tool is more relevant to a multi-product company. By monitoring the positions of the products in the Product Life Cycle, the company can draw its marketing strategy more effectively. For example, the maturity stage normally lasts longer than the two earlier stages of introduction and growth stages, but poses strong challenges to marketing management.

Most products are in the maturity stage of the life cycle, and therefore most of marketing management deals with the mature product. In the case of a product in the decline stage, carrying a weak product can be very costly to the firm. Falling reputation can shake customer confidence in the company and its other products. A decision to maintain, harvest or drop it would become a necessity. The issue of dropping a product like the properties of a hotel chain could also be a complex issue and might be impossible or impractical due to the reasons given below (Kotler, Bowen, & Makens, 1999):

- Contracts may prohibit quick closure
- The hotel may be a historic property or have sentimental attachment to the community and to management
- Closure might have a negative effect on the community
- The hotel may be owned by the chain, and a buyer may not be readily available
- Special relationships may exist between the franchisee and the franchisor
All products introduced in the market do not essentially pass through all the stages of Product Life Cycle (Gandhi, 1996). It is possible that the product dies out after passing through the 1st and 2nd stages. It will also be difficult to identify a demarcation line between the stages. The product life cycle stage of a product need not be the same in different market segments at a given point of time. The time span of a product in each stage in Product Life Cycle can also vary.

The Product Life Cycle concept can describe a product class, a product form or a brand (Kotler, Bowen, & Makens, Marketing for Hospitality and Tourism, 1999). Product classes have the longest life cycles and the product forms tend to have the standard Product Life Cycle shape. A specific brand’s life cycle changes fast due to changing competitive attacks and responses. The use of Product Life Cycle concept for forecasting product performance or for developing market strategies presents some practical problems. The issues faced by the marketing managers are: Difficulty in identifying current life style stage; Difficulty in determining when it would move to the next stage; and Difficulty in enumerating the factors that affect the movement from one stage to another.

Researchers have identified at least 17 different Product Life Cycle patterns (Clancy & Peter, 2004). Groucutt, Leadley and Forsyth also have mentioned about the identification of range of patterns of the Product Life Cycle, 17 by Tellis and Crawford, and 10 variations by Swann and Rink (Groucutt, Leadley, & Forsyth, 2004). The same authors have again created five variants of the classic life cycle model as shown in Figure 1.1. – life cycles A, B, C, D and E. Brief explanations of these five variants are also given.
Life Cycle A; This life cycle is short, but the product achieves high sales over this short period (Examples: High fashion designer clothes brands, especially women’s wear that also tends to be seasonal; Blockbuster movies which achieves large revenues but has relatively limited run because of other movies coming to the market)

Life Cycle B: This is also short, but unlike A, this does not generate high sales revenue. (Example: Products introduced into the market for which there is little or no demand)

Life Cycle C: This life cycle goes through periods of decline before being rejuvenated and achieving new growth within the market. The rejuvenation may be due to an improved product formulation or modification or new packaging (Example: Detergents)

Life Cycle D: This highlights quite rapid growth, but a short maturity stage before decline and then resurgence within the market
Life Cycle E: This life cycle has a relatively short growth rate before maturity stage is reached. (Example: A specialist product or service that has established itself within the market.)

The variations in the pattern of life cycle make it difficult for the marketer to know what pattern fits a particular brand. Ramaswamy and Namakumari discussed three levels of operation of Product Life Cycle – (a) the product level, (b) the product sub-category level and (c) the brand level (Ramaswamy & Namakumari, 2002). Life cycles of products in the product category level influenced the life cycle of the products in the product sub-category level. When the life cycle of a brand is assessed, it is essential to study the life cycle of the product category and that of the product sub-category. Usually, the product sub-category is of greater relevance than the basic product category. In other words, life cycle of a brand cannot be projected and studied independent of the product sub-category or product category to which it belongs.

Like the Product Life Cycle, most successful brands follow a similar life cycle that includes introduction, growth, maturity and decline stages. The Product Life Cycle concept can be used to analyse a product category, a product form or a brand (Kotler, Keller, Koshy, & Jha, 2007). At the start, brands are unknown, so the emphasis in the marketing mix is on promotion to acquaint customers with the brand. As sales increase during the growth phase, emphasis shifts to opening new distribution channels and retail outlets. When a brand reaches maturity, competition increases and marketing managers emphasize price and sales promotion to draw the attention to their brand. Brand life cycles vary in length from a few weeks for fashion merchandize to up to 100 years for soaps, appliances and food items (Darymple & Parsons, 2002).
Not everyone accepts the concept of Product Life Cycle. According to some, as stated by Clancy and Peter (2004), the living things have a genetically predetermined uncontrollable course of development and life expectancy, while life of products, services and, in particular, a brand, is completely in the hands of its management and competitors. Majority of new products and services do not last even for three years. But there are brands like American Express, Gillette and Coca-Cola that have crossed 100 years. It is also not uncommon that a dead brand rises again. Critiques of the concept argue that the Product Life Cycle pattern is the result of marketing strategies, rather than an inevitable course that sales must follow. According to them, “Product Life Cycle is a dependent variable which is determined by marketing actions, it is not an independent variable to which companies should adapt their marketing programs”.

In the case of tourism products, all the products are conceived and consumed by people. Though natural resources play a vital role as an attraction and resource base, they are not the only governing factors (Singh, 1998). “A destination area or a tourism product actually exists amidst a peoples’ system and so the people involved are the major players in its existence affecting the rise or fall as the case may be.” Hence the variables affecting the products are primarily people-oriented and thus testify to the system’s being a human-dominated one.

It was suggested that instead of searching for the prognostic capability of the product life cycle concept, it would be rather appropriate to use it for prophylactic needs, to safeguard the stakeholders’ interests in the product and to ensure longevity (Singh, 1998).

United Nations Environment Programme (UNEP) practises Life Cycle Assessment (LCA), which is a process for evaluating the effects that a product has on the environment over the entire period of its life thereby increasing resource-use efficiency and decreasing liabilities. It can be used to study the environmental impact of either a product or the function the product
is designed to perform. LCA is commonly referred to as a "cradle-to-grave" analysis. As LCA is a continuous process, companies can begin an LCA at any point in the product/function cycle.

1.4. Propositions

It could be seen that there are three associated propositions with respect to the objectives stated above. First is regarding the life cycle stage of Kerala tourism. The Department of Tourism, Government of Kerala, and other players in the tourism sector, have expressed their observation that foreign tourist arrivals in the State are growing at a relatively higher rate, compared to growth of tourism at national level. The first proposition is framed on this claim followed by specific associated hypothesized claims with respect to foreign tourist arrivals:

Proposition 1: Kerala tourism is growing faster

Hypothesis 1: Kerala tourism is growing faster than the national growth rate

Hypothesis 2: Kerala tourism is growing faster than in any of the States in India that has recorded more foreign tourist arrivals than Kerala

Hypothesis 3: Growth of tourism in Kerala is higher than in Goa, the known competitor of Kerala with similar tourism products

Growth in tourism is also an indication of successful marketing strategy adopted by the State, the quality of services offered to the tourists and the liking of the attractions available. Tourists come with an expectation and if their expectations are met, it can be said that they are satisfied. The second proposition is framed on the satisfaction aspect of foreign tourists:
Proposition 2: The foreign tourists are satisfied with the experience they get from the destinations.

Hypothesis 4: Majority of the foreign tourists are satisfied with the hospitality at the destinations

Hypothesis 5: Majority of the foreign tourists are satisfied with the realisation of the expectations they had when they decided to visit the destinations

Hypothesis 6: Majority of the foreign tourists are satisfied with the tourism environment at the destinations

Associated with the growth of tourism is the attitude of residents in the tourist destinations. If growth in tourism has to be achieved, the attitude of residents should be favourable. Hence the residents of tourism growing destinations support the growth of tourism. The third proposition is framed based on this attitude of residents. The proposition and the associated hypotheses are given below:

Proposition 3: Residents of growing tourism destinations favour tourism growth

Hypothesis 7: Residents with no interaction with tourists favour tourism development

Hypothesis 8: Residents with limited interaction favour tourism development

Hypothesis 9: Residents who often interact with tourists favour tourism development.

While the first proposition is general for Kerala tourism as a whole, the 2nd and 3rd propositions are centred on specific destinations. The hypotheses under these propositions are tested and conclusions are drawn. Dissatisfied tourists and hostile attitude of residents would be detrimental to tourism growth.
1.5. Contribution of the study

The potential contribution of the study could be seen as the establishment of a theoretical background on the life cycle stage of tourism in Kerala and defining a destination mix that could provide longer life to destinations.

Identification of the stage of life cycle of tourism helps the players in the tourism industry to take appropriate decisions in maximising net revenue from tourism. Understanding the characteristics of the life cycle stage would help in setting the marketing objectives and to take strategic decisions to define the marketing mix at the State level as well as at the destination levels.

The destination mix is the combination of factors influencing the life cycle of a destination and the measured values of these factors that exceed the threshold levels are critical for the growth of the destination and hence calls for immediate attention. The use of radar charts to represent the growth mix would convincingly tell the planners the areas of concern so that suitable measures could be planned to bring the growth mix under control.

1.6. Operational definitions

The following terms that appear in the document have the meaning given alongside. This is given for clarity of the usage of these terms.

Accommodation: Accommodation is used to encompass the provision of bedroom facilities on a commercial basis within the hospitality/tourism industry (Jafari, 2000, p. 2)

Brand: A brand is the name, symbol, term, design or any combination of these to differentiate products or services from those of competitors (Jafari, 2000, p. 55)
Budget Hotel: A budget hotel is a low-tariff, branded and often purpose-built accommodation product, characterised by good quality but limited facilities operated in accordance with standardized procedures (Jafari, 2000, p. 59)

Core tourism area / Tourism business district: This is the area where attractions, tourist accommodations and other tourism services are concentrated.

Cultural tourism: Cultural tourism can be defined broadly as the commercialized manifestation of the human desire to see how others live (Jafari, 2000, p. 126)

De-seasonalize: Deseasonalize means eliminating the seasonal variation in a time series data. This term is used in time series analysis. Example can be seen in (Croxton, Cowden, & Klien, 1975, p. 313)

Destination: Destination refers to the place where tourists intend to spend their time away from home. Geographically, this can be a self-contained centre, a village, or a town, or a city or an island or a country (Jafari, 2000, p. 144).

Domestic tourism: Domestic tourism involves people visiting destinations within their own country’s boundaries. Domestic tourism is being regarded as less significant to national economies than inbound tourism, for it does not generate foreign currency (Jafari, 2000, p. 158)

Ecotourism: The term ecotourism is usually attributed to Ceballos-Lascurain, who defined it as “tourism that consists in travelling to relatively undisturbed or uncontaminated natural areas with the specific objective of studying, admiring, and enjoying the scenery and its wild plants and animals, as well as any existing cultural manifestations (both past and present) found in these areas” (Jafari, 2000, p. 165).
Excursionist: Excursionist is a traveller on a brief recreational trip, typically not involving an overnight stay away from home (Jafari, 2000, p. 213).

Experience: Experience is the inner state of the individual, brought about by something which is personally encountered, undergone or lived through. Tourist experiences are such states engendered in the course of a journey, especially a sightseeing tour or a vacation (Jafari, 2000, p. 215).

Inbound tourism: The World Tourism Organization defines inbound tourism as that which involves non-residents of a country travelling to that destination (Jafari, 2000, p. 301).

International tourism: According to World Tourism Organization, international tourism refers to the form of tourism in which tourists cross a country’s border and spend at least one night there, but not more than twelve consecutive months. International tourism consists of inbound and outbound tourism (Jafari, 2000, p. 323).

Mass tourism: Mass tourism refers to the steady stream of large numbers of tourists to holiday destinations (Jafari, 2000, p. 383).

Nature: Nature is undeveloped resources including water, vegetation soil and wildlife that support and attract tourism activities (Jafari, 2000, p. 409).

Outbound tourism: Outbound tourism is defined as tourism involving residents of a country travelling to another country (Jafari, 2000, p. 420).

Sustainable tourism: Sustainable tourism is a concept of tourism management that anticipates and prevents problems that occur when carrying capacity is exceeded (Kotler, Bowen, Makens, 2003). Butler defined sustainable tourism as “tourism which is developed and maintained in an area (community or environment) in such a manner and at such a scale that
it remains viable over an indefinite period, and does not degrade or alter the environment (human and physical) in which it exists to such a degree that it prohibits the successful development and well-being of other activities and processes” (Butler, 1993)

Tourist: World Tourism Organization defines tourist as ‘a visitor whose visit is for at least one night and whose main purpose of visit may be classified under one of the following three groups: (a) leisure and holidays; (b) business and professional; (c) other tourism purposes’. Tourism may be divided into those who travel in their own country (domestic tourists) and those who travel between countries (international tourists) (Youell, 1996, p. 225).

### 1.7. Organisation of the thesis

The thesis is organised in five Chapters. This chapter is the first and has introduced the research problem, stated the objectives and has presented a background of the theoretical framework. The studies undertaken in this area are reviewed in Chapter 2. This research work starts with an exploratory research, especially to explore the variables that influence the life cycle of a destination. Hence the reviews made are utilized to list the variables / indicators that were dealt with in earlier studies. Besides, reviews are made to get an up-to-date knowledge of the research works carried out in this area and to finally establish the relevance of the present research work in terms of its contribution to the literature. The methodology followed for carrying out the research is explained in Chapter 3 on Research Methodology. A task-based approach is followed in presenting this chapter. The whole of the activities for carrying out the research is divided into tasks and the approach taken for each of the tasks is explained. Some of the tasks undertaken needed reference of earlier studies and literature. There are reviews presented in this Chapter at appropriate places to bring clarity to the approach followed. The factors influencing the life cycle of destinations are identified through factor analysis and these are presented in this Chapter since these are results of
exploratory research and since the actual research work is built on these factors. The study findings are presented in Chapter 4 on Analysis and Results. The Chapter starts with the time series analysis of tourist arrivals followed by the measurements of the factors identified in the exploratory research stage discussed in Chapter 3. Only a summary of the results of the primary surveys are given in this Chapter with the objective of giving a profile of the samples collected. Tabulation and charts brought out from the sample surveys are presented in Appendix. Finally, the findings are discussed and conclusions are drawn in the 5th Chapter on Discussion and Conclusion. The hypotheses stated in Chapter 1 are examined in this chapter. Discussion of the findings of the study is followed by the presentation of the implications of the present study. The questionnaires used in the surveys and selected tables compiled as part of this research work are given in the section on Appendices. The list of references is given under Bibliography.