1.1 Background of the Study

Tourism is a practice of touring or travelling for pleasure or recreation and the guidance or management of tourists as a business. It is the totality of the relationship and phenomenon arising from the travel and stay of strangers, provided the stay does not imply the establishment of a permanent residence and is not connected with a remunerated activity. India is probably the only country that offers various categories of tourism. These include history tourism, adventure tourism, medical tourism, spiritual tourism, beach tourism etc. Kerala is considered to be the God’s own country as far as the tourism is considered. Tourism has emerged as the few economic alternatives to develop the state economy. The state's potential for Tourism has been well accepted. As a destination, Kerala attract the independent traveller with its unique qualities like the pristine environment, the rich and vibrant culture and the high quality of life for the local inhabitants brought about by the state's investments since Independence in the fields of education, health care, institutions of democracy, social justice etc. The state is also endowed with its unique natural, cultural and social
resources. Tourism is Kerala's boom industry, strategically located at the south western tip of India. Kerala enjoys unique geographic features which have made it one of the most sought after tourist destinations. Among variety of tourism products available in Kerala, health tourism considered as the latest attraction of tourist from all over the world. Health tourism has great potential in Kerala especially when Kerala’s traditional health packages are suited to the requirements of world tourists.

Kerala is a stripe shaded state at India’s south-west corner bordered by Karnataka in the North, Tamil Nadu in the East and South and the Arabic Sea in the West. With its 38 863 km area it represents only 1,03% of India’s land. The geographical diversity is manifold and includes three forms of physiography: highlands, midlands and lowlands; various water sources which form the unique Backwaters, a network of lakes, canals and deltas drawing through Kerala forming a self-supporting eco system and connecting rural villages; forests as well as a diverse flora and fauna. Agriculture, along with the various physiographies, is of rich plurality and thereby contributes to a breathtaking landscape. Typical for the highlands are the wide reaching tea, coffee, rubber and spices plantations, whereas the cultivation of cashew, coconut, tapioca, various vegetables and banana is characteristic for the midlands. The lowlands, in Kerala defined as the coastal area, is rich in water and ideal for the cultivation of rice and coconut. Kerala’s climate is comparable steady. The temperature only varies from 27° to 32° over the seasons, in the highlands temperature might drop to 10°. The summer in Kerala is, according to theories from the end of February to the end of May and is characterized by low rainfalls, high temperature and humidity. Summer is concluded by the first monsoon season: the South-West monsoon. This time of the year, starting by the beginning of June, ending at the end of September, is filled with heavy rain falls contributing most of the annual rainfalls. The months of October and November are dominated by the North–East monsoon bringing heavy afternoon rains and thunderstorms to the state. Winter in Kerala lasts from December to February. Temperature and humidity at this time are comparably low; rainfalls are rare. Kerala’s demographic and social situation is unique among Indian states. Full of controversies, it features the highest social development in terms of health, education and demographic change despite low
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Kerala can be reached by four modes of transportation: air, train, road or sea. Three airports operate at the moment in the state – Trivandrum International Airport and Kochi International Airport are linked with airports in Asia and Middle East. Calicut airport is used for domestic aviation only. The railway system is governmentally owned. It offers a good access to Kerala and direct connections from major Kerala cities to most Indian metropolises. Air conditioned cabins at higher rates are also available. The road network is run by the Kerala State Road Transport Corporation – KSRTC. National highways connect Kerala with other Indian states. Rural roads are mainly in bad shape and cannot handle the high traffic density. The latest developments made Kerala also accessible via water. India’s first international marina has been inaugurated at Kochi. It is supposed to become a driving force for the transport and tourism sector. Of the variety of tourism products available in Kerala, health tourism can be considered as the latest attraction of tourist among from all over the world. Health tourism has great potential in Kerala especially when Kerala’s traditional health packages are suited to the requirements of world tourists.

1.2 Statement of the Problem

Tourism is the sum total of all operations which are directly related to the entry, stay and movement of foreigners inside and outside of a certain country, city or region. Tourism can be considered as the movement of people away from their normal place of residence. Health tourism is the kind of tourism in which the principle motivation of visitors’ journey is to improve or take care of his or her health. Marketing of Health Tourism is a systematic and coordinated effort extended by the natural tourist organizations and tourist enterprises at local, national and international level to maximize the satisfaction of tourists, groups and individuals especially which are related to health economic development, distributed relatively equally among different social castes, male and female, urban and rural areas. Although Kerala’s 3.18 crore inhabitants only represent 3.44% of India’s total population is the state three times as densely populated as the rest of the country, i.e. 819 persons per km. A versatile and peaceful coexistent of various religions can also be observed in the state. Hinduism, Christianity and Islam form the main religions.
related products. It reflects the diversity of the resources which must be effectively combined, human resources, variety of natural resources, capital investment and how to use the entrepreneurship skills. It involves the process of analyzing the opportunities and strategies of marketing of health tourism products. It also includes the varieties of health tourism products available and their marketing programs.

Health tourism is a term used to describe the rapidly-growing practice of traveling across international borders to obtain health care. Services typically sought by travelers include elective procedures as well as complex specialized surgeries such as joint replacement, cardiac surgery, dental surgery, and cosmetic surgeries. Besides India, there are several Asian destinations like Singapore, Malaysia and Thailand that are offering Medical care facilities and promoting health tourism. India excels among them for the following reasons:

- State of the Art health facilities
- Reputed health care professionals
- Quality nursing facilities
- No waiting time for availing the health services

India’s traditional healthcare therapies like Ayurveda and Yoga combined with allopathic treatment provide holistic wellness.

1.3 Objectives of the Study

The important objectives of this study include the following

1. To analyze the marketing opportunities for health tourism products in Kerala.

2. To develop marketing mix strategies for health tourism products in Kerala.

3. To analyze balancing of demand and capacity of health tourism products.

4. To analyze customer’s perceptions on health tourism products.

5. To give suggestions for strengthening the process of marketing of health tourism in Kerala.
1.4 Hypotheses of the Study

Major hypotheses used in this study listed below

\( H_0 : \mu_{125\text{providers}} \geq 1 \), Customers feel that the quality has been improved continuously in health tourism marketing.

\( H_1 : \mu_{125\text{providers}} \leq 1 \), customers feel that the quality has not been improved continuously in health tourism marketing.

\( H_0 : \) There is no significant difference between the customer service and customer support.

\( H_1 : \) There is a significant difference between the customer service and customer support.

\( H_0 : \) There is no significant difference between the satisfaction of health tourism products and health tourism providers.

\( H_1 : \) There is a significant difference between the satisfaction of health tourism products and health tourism providers.

\( H_0 : \) There is a positive relationship between the friendliness of providers and efficiency of the organization.

\( H_1 : \) There is no relationship between the friendliness of providers and efficiency of the organization.

\( H_0 : \) There exists a relationship between customer support and satisfaction of health tourism products.

\( H_1 : \) There is no relationship between the customer support and satisfaction of health tourism products.

\( H_0 : \) Market segmentation facilitates effective resource utilization in health tourism marketing.

\( H_1 : \) Market segmentation does not facilitate effective resource utilization in health tourism marketing.

\( H_0 : \) Market segmentation in health tourism allows effective targeting of new customers.
Chapter 1

H1: Market segmentation in health tourism does not allow effective targeting of new customers.

Ho: Market segmentation facilitates competitive advantage in existing market

H1: Market segmentation facilitates does not have competitive advantage in existing market

The above hypotheses are statistically tested and verified.

1.5 Variables Studied

The variables used for the Study are summarized below:

- Marketing opportunities.
- Marketing mix strategies.
- Demand and capacity.
- Customer’s perception.

1.6 Pilot Study

A pilot study was conducted on 10 providers of health tourism services and 10 customers. The pilot study helped to refine and modify the schedule of questionnaire after taking into account the opinions, suggestions and views and comments of both providers and customers of health tourism services.

1.7 Research Methodology

The methodology adopted for the research is given below:

1.7.1 Type of Study

It is a descriptive study in which the existing situation of marketing strategies of health tourism is described and analyzed. It is a fact finding study, directed towards arriving at the actual facts about the problem.

1.7.2 Type of Data

Primary and secondary data are used for this study. Primary data are collected from providers of health tourism products in Kerala. Providers include institutions
providing health tourism services to the health tourists in Kerala. There are four different categories of institutions providing health tourism products. Primary data are also collected from samples of tourists who visit the state of Kerala and who utilized the services of providers of health tourism products in Kerala. Secondary data include literature study related to the marketing of health tourism. All the available sources of secondary data are used for the study.

### 1.7.3 Method of Study

The method adopted for the study is the sampling method. Sampling method is used for collecting the primary data required for the study. The sample of providers of health tourism services and the tourists who are the users of such service are taken as respondents from whom primary data are collected.

### 1.8 Sampling Design

Sampling design used for the study is given below.

#### 1.8.1 Sample Frame

Sampling frame is the total population which consists of total number of the providers of health tourism service in the state of Kerala and also the total number of tourists enjoying the health tourism service in Kerala. There are a total of 606 providers of health tourism services and 1256 health tourists.

#### 1.8.2 Sampling Units

There are two sampling units used for the present study. The provider of health tourism services in the state of Kerala constitutes the first sampling unit. In this study provider include

- Private allopathic hospitals – with 100 beds or more
- Private ayurvedic hospitals
- Yoga and meditation centre
- Ayurveda health resorts
The tourist who utilizes the service of health tourism provider is the other sampling unit.

1.8.3 Sample Size

The sample size of the service providers are determined at 125.

The sample size 125 includes all the 4 different types of service providers. This sample size covers all the six districts selected. The sample size of 125 providers is collected from the 4 different types of service providers from the six districts. Sample selected in stratified random sampling method.

The total numbers of customers who visit the 125 providers constitute the total population of customers. The sample size of customers fixed at 75 selected based on convenience sampling method.

The sample size is determined at this level after taking into account a number of factors such as time, money, effort, and volume of work.

1.8.4 Sampling Techniques

The sampling techniques used for the providers of health tourism service are given as follows.

Multi stage sampling technique is used for the study. Population is a complete set of elements (persons or objects) that possess some common characteristic defined by the sampling criteria established in this study. The state of Kerala is selected as population for this study.

Sample is the selected elements (people or objects) chosen for participation in a study; people are referred to as subjects or participants. The state of Kerala is divided in to three regions.

- South region: Thiruvananthapuram, Kollam, Alappuzha, Pathanamthitta,
- Central region: Kottayam, Idukki, Ernakulam, Thrissur, Palakkad,
- North region: Malappuram, Kozhikode, Wayanad, Kannur and Kasargod.
From these three groups two districts are selected as sample in purposive sampling method. They are

- **South region**: Thiruvananthapuram, Alappuzha.
- **Central region**: Ernakulam, Thrissur.
- **North region**: Malappuram, Wayanad.

In the next stage of sampling 125 samples of the providers are selected by applying stratified random sampling techniques. Samples include 51 private allopathic hospitals with 100 beds or more, 32 private ayurvedic hospitals, 13 yoga and meditation centre and 29 ayurvedic health resorts. The providers of health tourism service are heterogeneous, and have distinct and separate characteristics. Proportionate stratified random sampling technique is used for this purpose.
Table 1.1: Sample design of health tourism providers

<table>
<thead>
<tr>
<th>Nature of institution</th>
<th>Population</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Private allopathic hospitals — with 100 beds or more</td>
<td>245</td>
<td>51</td>
</tr>
<tr>
<td>2 Private ayurvedic hospitals</td>
<td>124</td>
<td>32</td>
</tr>
<tr>
<td>3 Yoga and meditation centre</td>
<td>58</td>
<td>13</td>
</tr>
<tr>
<td>4 Ayurvedic health resorts</td>
<td>179</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>606</strong></td>
<td><strong>125</strong></td>
</tr>
</tbody>
</table>

Source: Primary data

Sampling techniques adopted for selecting the samples of health tourists is explained as under.

The health tourists are the users of health tourism products provided by the providers. There are different groups of health tourists who availed the service of health tourism providers. Stratified random sampling is adopted for arriving at the samples of 75 customers. Samples include 27 health tourists from private allopathic hospitals with 100 beds or more, 16 from private ayurvedic hospitals, 7 from yoga and meditation centre and 25 from ayurvedic health resorts.

Table 1.2 Sample design of health tourism users

<table>
<thead>
<tr>
<th>Nature of institution</th>
<th>Number of institutions</th>
<th>Number of tourists</th>
<th>Samples</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Private allopathic hospitals — with 100 beds or more</td>
<td>51</td>
<td>550</td>
<td>27</td>
</tr>
<tr>
<td>2 Private ayurvedic hospitals</td>
<td>32</td>
<td>324</td>
<td>16</td>
</tr>
<tr>
<td>3 Yoga and meditation centre</td>
<td>13</td>
<td>126</td>
<td>7</td>
</tr>
<tr>
<td>4 Ayurvedic health resorts</td>
<td>29</td>
<td>256</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>125</strong></td>
<td><strong>1256</strong></td>
<td><strong>75</strong></td>
</tr>
</tbody>
</table>

Source: Primary data

1.8.5 Method of Data Collection

Direct personnel investigation is used to collect the required primary data from 125 samples of the providers of health tourism service and 75 customers of those providers. Interviews are planned with the providers of service. The customers are also interviewed. The requisite primary data is collected in a number of sittings with
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the concerned respondents. Secondary data is collected from all available source of literature from the area of study. The up to date information are collected relating to marketing, health tourism, providers and customers.

1.8.6 Technique of Data Collection

A pretested and structured schedule of questionnaire is used to collect the primary data. Two sets of questionnaire are prepared. One set is used for the providers of health tourism service and the other set is used for the customers of the providers. The schedule of questions cover all the relevant information used for achieving the objectives of the study.

1.8.7 Period of Data Collection

Primary data is collected from sample providers and customers of health tourism services during the period from 1st July 2011 to 30th June 2012.

1.8.8 Analysis of Data

Primary data is analyzed with a view to arrive at valid curriculum. Appropriate statistical techniques such as percentage analysis, correlation analysis, chi-square test, Z test, service quality analysis etc. are used to analyze the primary data collected.

1.9 Operative Definitions and Explanations

1.9.1 Marketing - Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

1.9.2 Service Marketing - Service marketing is a branch of marketing that involves distribution of fast moving consumer goods and durable goods. This field refers to both business to consumer as well as business to business services.

1.9.3 Health - A state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity.

1.9.4 Tourism - Tourism is an activity done by an individual or a group of individuals, which leads to a motion from a place to another. From a country to
another for performing a specific task or it is a visit to a place or several places in the purpose of entertaining which leads to an awareness of other civilizations and cultures, also increasing the knowledge of countries, cultures, and history.

1.9.5 Health Tourism - A practice of traveling to a tourist destination with the main purpose of receiving some therapeutic treatment.

1.9.6 Health Tourism Products – A health tourism product is an object that attracts health tourists. A health tourism product has the following elements: health treatments, accommodation, transportation, satisfaction and attractions. These elements are meant to give the health tourist a whole round experience from the health tourism product.

1.9.7 Health Tourism Providers - A health tourism provider is an organization or a company which seeks to bring together a prospective patient with a service provider, usually a hospital or a clinic.

1.9.8 Health Tourism Users - A person who is traveling, especially for health tourism purpose.

1.9.9 Health Tourism Marketing – Health Tourism marketing directly relates to how the health treatment, hospitality and tourism industry promotes the products and services it offers to health tourists.

1.10 Relevance and Importance of the study

Health tourism is perceived as one of the fastest growing segments in marketing ‘Destination of India’ today. While this area has so far been relatively unexplored, it is found that not only the ministry of tourism, government of India, but also the various state tourism boards and even the private sector consisting of travel agents, tour operators, hotel companies and other accommodation providers are all eying health and medical tourism as a segment with tremendous potential for future growth. Kerala, God’s Own Country as its corporate slogan goes, has pioneered health in India. They have made a concerted effort to promote health tourism in a big way, which has resulted in a substantial increase of visitor arrivals into the state. Kerala and Ayurveda have virtually become synonymous with each other. However, though
Kerala has strongly focused on Ayurveda and its wide array of treatments and medications, good facilities are also available in the other traditional forms of medicine as well as in modern medical treatment.

The bias towards health tourism in Kerala is so strong that Kerala Ayurveda Centres have been established at multiple locations in various metro cities, thus highlighting the advantages of Ayurveda in health management. The health tourism focus has seen Kerala participate in various trade shows and expos wherein the advantages of this traditional form of medicine are showcased. Kerala, has one of the best qualified professionals in each and every field, Allopathic, Dental, Ayurveda etc. and this fact has now been realized the world over. Regarding Medical facilities Kerala has the most competent doctors and world class medical facilities.

Kerala offers World Class Medical Facilities, comparable with any of the western countries. Kerala is a state of the health tourism providers and the best qualified doctors with the best infrastructure and the best possible medical facilities, accompanied with the most competitive prices. If a patient came to Kerala, he will undergo health treatment along with the visits.

No serious studies have neither been made in respect of marketing of Health Tourism products in Kerala. It is high time that appropriate marketing strategies are designed for the valuable health tourism products in Kerala. This study focus on how marketing opportunities of health tourism product influence the cultural, social and political factors in Kerala, Marketing strategies influence on pricing, promotional mix and marketing channels, Developing health tourism marketing programme through introducing new market offerings, considering product, price and promotional strategies, Marketing strategies of health tourism through new product development, decide up on which market to enter and marketing programmes. Think global and act local marketing strategies ie, globalization of marketing process of health tourism. Setting up of marketing process to respond more quickly to change in environment and Identifying the product levels of marketing strategies

1.11 Limitations of the Study

Important limitations of the study are given below
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1. The sample size of providers and customers of health tourism service is limited due to constraints of time, money and energy.

2. Only health tourism providers and customers are considered for the study.

3. Other players in the tourism industry are excluded from the study.

4. Only major and selected providers of health tourism are considered for the study.

1.12 Scheme of the Study

The results of the research study are presented in six chapters as follows.

Chapter 1 : Introduction

Chapter 2 : Review of literature

Chapter 3 : Overview of tourism marketing

Chapter 4 : Concept of health tourism and products

Chapter 5 : Analyzing marketing opportunities for health tourism products in Kerala.

Chapter 6 : Developing Marketing mix strategies for health tourism products in Kerala.

Chapter 7 : Balancing of demand and capacity and quality of health tourism products.

Chapter 8 : Analysing Customer’s perception on health tourism products

Chapter 9 : Findings, recommendations and conclusions.
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