3.1 Pune City and Tourism

The Researcher with her considerable hands on experience in the world of Tourism chose to address the basic considerations and questions in the world of Pune Tourism Industry. Pune is a growing metropolis and the population is a mix of all ages, professions and income groups. Moreover the city is dynamic and open to new ideas, concepts and thoughts. The residents are into tourism and keen on exploring new destinations and tourism places. The researcher therefore deemed it fit to undertake a study of the marketing strategies of tourism companies in Pune.

3.2 Research Plan

With a view to do this the researcher undertook the study as follows – The customers (1300 in number) were surveyed to understand their expectations and the tourism companies were studied to understand their marketing strategies by talking to top executives and managers with the help of a structured questionnaire. The Tourism experts were interviewed to understand the current and future trends in Tourism.

The Objectives of the Research can be summed up as follows –

3.3 Primary Objectives:

1. To study the marketing strategies at present and develop strategies for the future.
2. To understand the Customers selection and buying patterns.
3.4 Secondary Objectives

1. To predict the demands for New Types of Tourism Service in Future.
2. To understand the channels through which Tourism Services will be purchased in future.
3. To assess Value Creation needed for competitive Differentiation by developing a differentiated offering, delivery or image.
4. To identify Tourism Companies marketing position on key service components.
5. To help direct the marketing efforts of Tourism Companies to customer wants, needs and demands.

3.5 Overview of the Primary Objectives

These objectives are directed towards an understanding of the present marketing planning and strategies of Tourism companies in Pune. This study will give an insight into the future demands of the Pune Tourism customer and how the marketing strategies will have to be formulated to meet new customer buying preferences and patterns.

The primary objectives are interconnected because to formulate the tourism marketing strategy we need to study the customer preferences and patterns. The customers, as we shall see in the chapter on Data Analysis, are a heterogeneous lot. An in depth study of the tourism customer base in Pune City was made to understand what type of tour (conducted, package, specially designed) tour they prefer. Their preferred destinations were noted as was their budget. Most importantly the channel and marketing methods that attracted them were studied.
3.6 Tourism Marketing

Tourism is an infrastructure based service that is highly intangible, perishable and time bound. Hence systematic marketing is the key to formulating marketing strategies in the sector. The Researcher has therefore considered the marketing mix of 7 P's in service marketing – Product, Price, Place, Promotion, People, Process and Physical Evidence. In Tourism Company this would translate to –

**Product** – Tours, Bookings, Transportation arrangements.

**Place** – Promoting Company Outlet, Franchise, Agents.

**Price** – Price for different types of tours like from luxury, deluxe and budget. The seasonal pricing variations and the various pricing strategies based on the company’s marketing position – skimming, penetration etc.

**Promotion** – For Customers – Print Media T.V., Direct Mail etc.

  For Tourism business – Discounts, Bonus, Exhibitions, Advertisements in Trade Journals.

**People** – Counter staff, Sales People, Tour guide.

**Process** – Advertisements, Billing and Payment, Sales Calls. In fact all the processes in tour booking and smooth conduct of the tour.

**Physical Evidence** – Service Quality, Food, Hotels booked for tours, Travel destination.

Keeping in view these 7 P’s the Tourism Company will have to identify customer needs, design service offerings for individual customers and keep pace with the changing technology and demographics.
3.7 Overview of the Secondary Objectives –

These objectives have emerged from the primary objectives. They are related to the study of new services that will come into tourism like Alternative Tourism (staying with natives and following their lifestyle for a period of time) in the future. The demand for services like exotic destinations is going up. Customers want to explore destinations of special interest like Machu Picchu.

The channels by which the customers can be tapped are changing. Print media is important but slowly other forms like web-based advertising are finding a place in advertising. The objective was to find out which new channels will come up and which customer segment is likely to follow them.

The third secondary objectives was to study the way in which tourism companies are creating added value needed for competitive differentiation. This is extremely important because as the title of the Thesis emphasizes the Pune tourism market is highly competitive. For tourism companies to survive and to be successful a product differentiation strategy has to be worked out. The researcher found out that by developing a differentiated offering, delivery or image of their tour the tourism companies are making their tour offerings attractive to the customer.

The Tourism companies need to identify their marketing position in terms of service components like type of tours they can conduct, the quality standard they decide upon and their target customer base. The aim distinguishes the tourism companies in terms of type of tours like religious tours, adventure tours and others together with the target customers groups like families, senior citizens and students etc.

Since this is an empirical research the researcher hopes that the aims of the study will help the tourism companies to direct their marketing efforts to customer wants, needs and demands.
At present the approach to marketing is periodic and intensive that is based on brand image, is segment focused and uses established marketing channels. In future the marketing strategies will have to focus on individual customers, outpace competitors, add value and creative services and use new channels for marketing.

The Tourism Company will have to identify customer needs, design service products for individual customers and keep pace with the changing technology and demographics.

The researcher has accordingly formulated the following Hypothesis –

3.8 Research Hypothesis

1. Customers prefer conducted tours to packaged tours.

2. Print media advertising is the most important advertising medium today.

3. Innovative Marketing strategies will result in the expansion of customer base and the discovery of new market segments.

These hypotheses were formulated in concurrence with the aims and objectives of the research. The hypotheses are related to the tour preference of the customers, the preferred mode of advertising and new markets that can be tapped by new marketing strategies. They are analysed in detail in the chapter on Data Analysis.

3.9 Practical implications of the Research

The research has certain practical implications. It will be beneficial to the tourism companies and also for the tourist to understand the present and future of tourism in Pune city. More specifically,

1) The companies will get a picture of customer expectations in future so that they can direct their service to meeting them.
2) The companies can find out which customer segment will grow most and therefore focus on that segment.

3) The companies will learn to avoid the comfort of marketing the present tourism services and look into the future.

4) The tourism companies can develop their core competencies and new services together to optimize their market share.

5) The companies can discover niche markets and potential customers.

3.10 Importance of the Study
The present study is based on the tourism companies and tourists of Pune City. It studies the tourism services the companies offer and the marketing strategies adopted to attract customers. The scope of the study is limited to Pune city. The customers were drawn from tourism companies located in the city and the customer sample size was 1300. The Tourism companies which were members of the Travel Agents Association Pune (TAAP) were taken for the study.

This study, it is hoped, will help the management of the travel agencies in their planning and implementation of their marketing plan. The suggested strategy may serve as a framework of reference in designing their strategy, plans, and programs. This study will also be valuable in determining the strength and weakness of the present marketing strategies of the travel agencies. It will pinpoint some areas of improvement which will open opportunities for corrective action.