



EMERGING TRENDS IN TOURISM MARKETING-WITH SPECIAL REFERENCE TO KARNATAKA AS TOURISM DESTINATION

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Abstract

Tourism is a growing service industry which earns a substantial foreign exchange in many parts of the world. In India, Karnataka is one of the important destinations for the international tourists with its unique and enchanting land abounding in scenic beauty, rich in flora and fauna. It has pomp and pageantry of glorious traditions and marvels of modern engineering and technology. To make the tourism a great success one has to take advantage of the modern technology to full extent.

Many countries are promoting tourism and it has become a source of major income for countries like India, Singapore and Malaysia. Tourism is, of course, big industry in most developed countries like the US, the UK, France and Switzerland. Our political and social instability can affect the tourism industry badly. For ex; international tourism in India took a beating after 27/11 attack on hotel The Taj, Mumbai. Tourism industry is one in which there is high competition. The tourism should not only concentrate on promoting and selling packages for foreign tourist but should also induce domestic tourists to use the services. The price of the tourist package is the main criteria for people in India to consider making a trip. Tourists can be divided based on their socio-economical status, geographic differences, demographics and psychographics. The marketing mix elements of tourism industry help in creating an image of the tourist destination, building awareness of the services.

This paper discusses services marketing mix concepts, its application in promoting Karnataka tourism and also made an attempt to market tourism by adapting the service marketing approach for achieving great success.

Keywords: Tourism, Services, Emerging trends, Marketing.

Introduction

Tourism in recent times has shown phenomenal growth. This has emerged as flourishing industry with bright prospects. Tourism has indeed been a rapidly growing sector and wide-sweeping socio-economic phenomenon with broad economic, social, cultural and environment consequences. It is likely that tourism will continue to dominate the international scene for many years to come. In the eyes of many decision and policy makers tourism has magic potential. It generates income and is based on the indigenous resources of the tourist areas concerned. Tourism is one of the fastest growing sectors of the global economy, which account for about 11 percent of the Global Gross Domestic Product (GDP) and employ about 200 million people worldwide. There are about 700 million international travelers per year. Tourism and travel related sectors have become dynamic sources of income and a major strategic sector for development in many countries. Tourism businesses operate globally and many have opted for a competitive advantage of internationalization. Technology, information and reduction of boundaries have created new forms of service companies, not only the large multinational corporations, but also small niche specialists. The growing importance of strategic alliances in creating networks of business relationships has become a trend also in tourism.

According to the latest issue of the UNWTO (United Nation World Tourism Organization) World Tourism Barometer, International tourist arrivals grew by +7% in the first four months of 2010 (to 258 million), driven partly by a strong rise in numbers in key emerging markets. For the full year 2010, UNWTO forecasts international tourist arrivals to grow by +3% to +4%. 4 With International travelers projected to almost double by 2020, the most significant increases are expected to take place in markets like China, India and destinations in South-East Asia. The Gulf States and emerging Eastern Europe complete this picture, followed by the Latin American and finally African markets. The domestic travel also has potential of emerging markets – in 2006. China registered 1.6 billion trips and India 461 million - is a further proof of their long term importance for international tourism. Addressing the UK Tourism Society Conference, Assistant Secretary (UNWTO) - General Geoffrey Lipman identified investment in infrastructure and human resource training, as key issues to make this trend sustainable. He also discussed the importance of credible long term climate response strategies – which allow these countries to realize their tourism growth potential.

Tourism has become one of the most crucial sectors in a large number of emerging countries. Moreover, the tourism industry in such markets is forecasted to keep increasing in the next decade. Hence, understanding and accurately forecast tourism trends in the industry are essential in order to manage this sector effectively. In the following paper it is discussed about the emerging trends in tourism with special reference to Karnataka tourism marketing.

Tourism Marketing

Travel and tourism have been considered as an important industry in the service sector. The service sector consists of various kinds of industries such as financial services, health care services, and information sector services. Among these industries, tourism is one of the most important indicators of economic contributions for both developed and developing countries. An economic impact of tourism is significant, since huge amount of foreign inflow come from tourism. Moreover, tourism accounts for the major source of cash incomes, and it has been regarded as a major source of economic growth and employment creation.

Tourism is today emerging as a leading sector in the world and is now considered by some as the number one industry. International tourism in emerging & developing markets has grown at an average rate of 6-8% over the past decade. Demographic, socio-structural and socio-cultural developments have always led to changes in tourist demands, and service providers in tourism are faced with a substantial need to adjust. These constant challenges have expanded and intensified considerably in the first few years of the new millennium. War and tourism, extreme weather, the ongoing internationalization of tourism and the ageing of society (increasingly prominent in public awareness) have emphatically demonstrated the latent vulnerability of tourism as a boom industry. The survival of the tourism industry depends decisively on recognizing the relevant trends and allowing for them in good time. Development of tourism is a very complex process of interaction among many players, who have the shared responsibility concerning the environmental, social and economic sustainability of this lucrative sector. This process involves the tourism industry, which promotes a sustainable product; the consumer who develops the sustainable consumptions trends; and the public authorities who strive to create the right framework so as to enable the sustainable use of the resources and the creation of a commercial level-playing field among all the different stakeholders.

As discussed above, no doubt, Tourism has become one of the most crucial sectors in a large number of emerging markets. Emerging markets refer to countries that have rapidly growing economy or that are in a transitional phase between developed and developing status. Emerging markets comprise more than half of the world's population, account for a large share of world output, and have very high growth rates. These emerging countries have a strong effect to the global economy as a whole. In fact, it is forecasted that by 2050 emerging countries especially the BRIC economies Brazil, Russia, India, and China will surpass those developed countries as the United States, Japan, Germany, U.K., France, and Italy. On top of that, tourism in emerging markets is a major source of economic growth and foreign income. For these markets, the expected economic improvement relied heavily on the amount of tourism inflow.

The tourism industry in emerging markets is forecasted to keep increasing in the next decade. For example, the tourism industry China and India are growing rapidly, leading to a significant increase in both business and leisure travel. In particular, China will jump from fourth to second position above Japan and Germany and is forecasted to increase its travel and tourism demand four times up by 2018, accounting for US\$2,465 billion, with an annual growth rate of 8.9%. The projection of the increasing trend for tourism in emerging markets is presented in table 1. However, the tourism industry has been affected by the ongoing global economic crisis. The World Travel and Tourism Council revealed the results of its Travel and Tourism Competitiveness Report (2009), explaining that the tourism trends will face a more challenging time than ever before due to the impact from an economic uncertainty. The report also predicts a downturn of international tourism particularly in emerging markets. Although the tourism industry in emerging market will face a new challenge, it is believed that the trend will be positive in the long-run if properly managed.

Thus, understanding and accurately forecast demand in the industry is essential in order to proactively survive during this tough time and effectively manage the industry over time. It is the intention of this study to develop a useful framework for estimating demand for tourism in emerging markets.

Karnataka Tourism

Karnataka is the hub of tourism. The state is well for peace and harmony. The state is spot of various tourism products. The domestic as well as foreign tourists prefer this state due to its positive attitude towards foreign tourists and nationals. One state, many worlds: this is the recurrent theme in the Karnataka Tourism Policy 2009-14. The policy focuses on how Karnataka seamlessly integrates its modern Silicon Valley tag, with being recognized globally as a cradle of stone architecture. Karnataka is an enchanting destination with many captivating images, history and culture. As a result of this, the tourists' arrival to the state is continuously increasing. The ministry of Tourism, Government of Karnataka, expects 776.83 lakh domestic and 5.26 lakh foreign tourists by 2020.

Recent trends indicate that Karnataka is fast emerging as the favored tourist destination of both domestic and international tourist. Improvements in road and rail infrastructure have made it much convenient for tourists to travel to different parts of the state. Construction of pitched roads has also connected a number of small tourist destinations with major towns and cities of Karnataka. This has resulted in greater tourist inflow to these places. In fact, many lesser known tourist destinations now figure prominently in the tourist map of Karnataka. The construction of NICE Road between Bangalore and Mysore have made road travel much faster and safer in Karnataka, since Mysore is most visited destination and prime attraction of Karnataka.

Even the capital city of Bangalore is adding new feathers to its cap to attract tourists in a big way. The ambitious Bangalore Metro Rail Project on the lines of the 'London Tube' is likely to be fully operational by 2014. Introduction to Golden Chariot- a luxury train by Karnataka Tourism Department on March 2008, Covering major tourist attractions like

Bangalore, Mysore (Srirangapatnam, Nagarhole Wildlife Sanctuary), Hassan (Belur, Halebid, Shravanabelagola), Hospet (Hampi), Gadag (Aihole, Badami, Pattadakal) and Goa, has witnessed the increasing Demand in International Tourist to Karnataka. Rail services have improved manifold with the introduction many new Train routes. In order to make local train travel within an Karnataka state more comfortable intercity trains have also been introduced. For the convenience of foreign tourists only, Karnataka tourism department coaches and special foreign tourist packages have been introduced which makes travel for foreigners a hassle free business within Karnataka.

Air travel in Karnataka has also become very convenient in present times. Opening of Bangalore International Airport and other airports at major cities of Karnataka like Mangalore and Hubli attracts major tourist form international market. Indian Airlines and private operators like Kingfishers and many other airlines have introduced many schemes and small tourism packages to attract tourists. As a result of developments in infrastructure, travelling to and within Karnataka has become much comfortable and safe and also increased the tourist inflow to the state.

Karnataka State Tourism Development Board (KSTDC) has initiated many tourism projects that would soon make Karnataka a tourism hub and a preferred destination of foreign and domestic tourists. In order to develop new concept of tourism like Heli-Tourism government was very keen in improving air connectivity and planned to build 13 mini airports, Ten air strips and building 28 helipads is in progress at various parts of the State may attract top spending tourist to state can not only earn high revenue to the Government but also creates new tourism market trends for tourists. Introduction of Night Safari at Bannerghatta National Park would attract tourist interested in wild life tourism. Initiation of Golf Course at Mangalore, Institute of Hotel Management Campus can tap Coastal Tourism in the State. Battery operated vehicles, introduced by the Hampi World Heritage Area Management Authority in an attempt to make the world heritage site free from pollution and large number of attract eco-friendly tourist. The Ministry of Tourism has identified these destinations on the basis of footfalls and future potential in consultation with the state governments concerned for further development. Hampi is among the 29 prominent destinations in the country, along with Tirupati, Delhi, Goa, Leh-Ladakh, Ajmer and Agra, which will be developed as 'mega tourist centres' which can really attract tourist around the world.

Emerging Trends in Karnataka Tourism Market

Health Tourism

In Recent days Karnataka has emerged as a hot spot for health care tourism. Karnataka has the highest number of approved health systems and alternative therapies in India. Along with some ISO certified government-owned hospitals, private institutions which provide international-quality services have caused the health care industry to grow by 34% during 2008-09. Hospitals in Karnataka treat around 8,000 health tourists every year. In a first-of-its kind concerted action from a State Government, it will showcase its top-class corporate and government hospitals and star hotels as the new business opportunity offering the best mix of cost-effective medical treatment and tourist proposition.

If Kerala tops in ayurveda treatments, Bangalore, with its unusual offer of a mix of traditional systems like ayurveda and yoga and modern medical expertise, was uniquely poised to capture the health tourism market that currently thrives in Singapore, Malaysia and Thailand. It has the highest number of approved health systems and alternative therapies.

Founded in 2006, the multi-disciplinary super-specialty Wockhardt Hospitals, Bangalore today treats 250 patients per day in its OPD. Wockhardt had undergone many landmark surgeries in 2008. An open-heart surgery successfully performed on the smallest baby in the country, brain tumor surgery through nose, bypass surgery with valve replacement, and removal of tumor from the heart measuring 8x10x12 cm performed at the Hospital are the biggest achievements of this year. Bangalore can be considered as Medical Tourism Hub for India.

Eco Tourism

Eco tourism is the heartbeat of Karnataka. Karnataka tourism has chosen Jungle Lodges and Resorts to conserve ecology and wildlife because of its responsibility and commitment to preserve wildlife and protect our environment from deforestation, air and water pollution, and more. To make it easier for you to take a break from urban living, Jungle Lodges and Resorts provides creature comforts at all its eco-tourism destinations in Karnataka. A unit of Karnataka tourism, Jungle Lodges and Resorts was established almost two decades ago. Set amidst natural landscapes of babbling brooks and beckoning hills, each resort is an oasis of peace with an enchanting atmosphere. Jungle Lodges' first class living quarters and ethnic tented cottages are well furnished. Made of eco-friendly material, they offer simple luxury and privacy. Clean superior facilities, package deals and excellent cuisine have won Jungle Lodges International acclaim. It is considered as the revenue earned from eco-tourism is very huge. The potential in our Karnataka is also huge but it has to be managed successfully and effectively, involving the Forest Department and the local community.

Spa Tourism

According to a report of RNCOS- Market Research Solutions Firm, on "Booming Medical Tourism in India", popularity of the Indian spa industry is increasing every year, making the country one of the most popular spa destinations across the world. The Indian spa industry, with over 2,300 spas, generates revenues around US\$ 400 Million annually. Moreover, spas can be found in large and small towns across the country. India has been emerging as a favorable spa destination with the industry generating annual revenues of around US\$ 400 Million At present, India has

around 20-25 major spa centers, most of them spread in the Southern states such as Kerala and Karnataka. Bangalore has been awarded the best spa destination by the Asia Spa awards for the past two years. Bangalore has been receiving tourists from the UAE and other GCC countries in large numbers, mostly from the up market segment. Tourism ministry said that Karnataka Tourism had also partnered with Bahrain for a health tourism promotion.

Cruise Tourism

Growing Popularity of Fancy a cruise on a luxury yacht along the coast of Karnataka, This could well be the latest holiday craze in Karnataka, if Government takes proper steps to develop Cruise tourism. The state government, in a bid to give tourism a much-needed fillip, is seriously vying for inter-state cruise connectivity with Kerala and Goa. Its 300-km long coast is a major asset for such an idea. The proposed project will initially include cruise liners that cover various destinations along the state coastline and provide world-class luxury and recreation to tourists in neighboring states. The project would be implemented on public-private partnership (PPP) mode and a private party would operate the cruise. Tourism department is already running cruise yachts locally at New Mangalore and Karwar ports for short distances; it is now drafting proposals to run cruise-circuits between Mangalore and Karwar. This project is likely to take off by the year-end. Under the inter-state project, tourists will travel from Mangalore to Kochi in Kerala, and from Karwar to Panaji in Goa on the sea route, halting at tourist spots en route. The luxury ships will offer all facilities, including dining and bed, for a minimum period of 10 days. It's not all. The government is planning to woo investment in infrastructure such as marinas and jetties to encourage cruise tourism, yachting and backwater tourism. Since Karnataka is strategically located between Goa and Kerala, it can attract a greater number of foreign tourists and more cruise vessels from other states as well. This will greatly help the state make strides in developing beach tourism.

Caravan Tourism

Karnataka Government is mulling caravan tourism that would enable tourists visit forest and the remote areas where hotel accommodation is a major hurdle. The caravan would provide basic amenities like beds, toilet, microwave, TV and refrigerator; the government would welcome private partners to operate caravans. To start with Government is looking at operating 10 caravans, the government on its part would provide the parking zone after ensuring due clearance from various bodies including the forest department. The investment for each caravan would depend on the size, it could start from Rs 6-7 lakh and go up to Rs one crore.

Recommendations and Conclusion

Karnataka is emerging as a promising tourist destination in the country for both domestic and foreign tourist and it needs aggressive marketing and support from the state government. Karnataka state is having full of surprises, lofty peaks, delightful dales, racing rivers, sparkling streams, captivate cascades and the bracing mountain air - a balm to the work-weary and many old famous waterfalls. Climb high above the world where the mountains seem to touch the sky. Marvel at the unspoiled beauty of the snow-white coffee blossoms, areca net, coco net, tea and other agricultural and horticultural crops. Therefore, it has to be given at most importance for converting Karnataka as the tourist destination as recommended.

- District-wise tourist project should be undertaken and a distinct project implementation committee should be formed. There should be clear cut delegation/ appropriation of responsibility among the stakeholders involved in implementation of this department.
- The District Project Implementation Committee's meetings should be held more frequently. Since, the representation in the DPIC is not by a person, but by a department/ organization, so members keep on changing.
- The quality of the tourist product should be directly related to the exploitation of the tourist patrimony of that area, considering the natural resource, the general infrastructure and especially the quality of the human resources used in the tourism activity.
- The development of micro level database like a Management Information System to capture the number of domestic and foreigners visiting the site, number of people staying in the destination, duration of stay, places visited etc, should be maintained by district level.
- There is requirement of a special monitoring cell or steering committee to evaluate the tourism scheme.
- Infrastructure facilities should improve in all tourist destinations of the state as priority importance.

The main objective for developing various tourism in Karnataka is to promote our rich cultural heritage and environment. This, in turn, enhances eco-tourism for sustainable livelihoods. The strategies involved for sustainability of state tourism projects should also include aggressive Marketing Strategies. There is demand of rural tourism in India as modern day tourist is keen to explore and experience the cultural heritage of the destination. India being a destination with rich cultural diversity always attracts tourists; particularly the foreign tourists who cherish the local beauty,

diversity, heritage, culture, handicraft etc. Aggressive marketing is required to promote each destination of state tourism based on its uniqueness..

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Appendix

Table 1: Tourism Inflow in Emerging Markets

Country	Tourism Arrival (Millions)	Tourism Receipts (US \$ M)	Tourism Expenditure (US \$ M)	Tourism As a % of Service	Tourism As a % of GDP	Employment in Service Sector (Million)	Employment In Tourism Sector(Thousands)
Argentina	4.15	2883.4	2892	2.38	1.35	12.18	290,167.03
Brazil	5.01	4972.7	4894.5	0.7	0.46	65.65	462,619.56
Chile	2.09	1304.4	1106.4	2.03	0.89	4.39	89,256.81
China	49.6	30870.1	22950.4	2.78	1.11	257.06	7,134,128.48
Colombia	1.05	1225.8	1130.3	1.72	0.9	12.08 94	207,384
Czech Rep.	6.43	4875.6	2502.8	5.8	3.41	3.12	180,834.83
Egypt	8.64	7131.9	1688.6	14.68	6.62	11.27	1,654,278.17
Hungary	9.25	4407.7	3050.7	5.94	3.9	2.56	152,349.84
India	4.44	4702.7	4854.9	0.97	0.51	144.59	1,404,707.40
Indonesia	4.87	4387	3577.6	3.06	1.2	42.53	1,299,650.96
Israel	2.01	2896.9	2932.4	3.04	2.04	1.44	43,704.06
Malaysia	15.9	8973.7	3810	12.83	5.75	5.56	714,039.12
Mexico	21.35	12253.8	7779.7	2.1	1.46	26.32	552,450.00
Peru	1.63	1270.4	694.2	2.06	1.36	7.18	148,259.79
Philippines	2.7	2153.3	1296.8	3.34	1.83	18.11	605,307.19
Poland	15.67	6328.3	4389.1	2.88	1.86	9.34	269,132.50
Russia	20.19	5483.9	18081.1	0.99	0.55	44.83	442,461.00
Saudi Arabia	8.62	4930	4467.6	4.54	1.41	4.13	187,729.70
S. Africa	8.39	7665.4	3453.9	4.55	2.98	13.32	605,821.48
Thailand	13.88	10263.6	5153.8	11.13	4.98	13.73	1,529,024.54
Turkey	18.91	19747.6	3042.5	7.36	4.62	10.41	766,271.7110.41
Venezuela	770	662.1	1947	0.62	0.36	7.92	49,219.32

Source: PASOS-A Journal for tourism and Cultural Heritage. While talking to about “Emerging markets drive global tourism recovery”, to *The Moodie Report* recently Mr. Taleb Rifai, Secretary General, UNWTO Said “We need to know consumers better, master technology and integrate it more and more into the management of destinations and companies. We also need to invest more in product innovation and human resources, particularly training for green jobs and make a clear commitment to sustainability”.

Table 2: Foreign Tourist Arrivals in India, 2000 to 2010

Year	FTA's (in millions)	Annual growth (%)
2000	2.64	6.7
2001	2.53	-4.2
2002	2.38	-6.0
2003	2.72	14.3
2004	3.45	26.8
2005	3.91	13.3
2006	4.44	13.5
2007	5.08	14.3
2008	5.28	3.95
2009	5.11	-3.3
2010 (Jan-June)	2.63	-----

Source: Tourism Annual Report-2009-10, P No. 71
India Tourism, Incredible India.

Table 3: Foreign Exchange Earnings from tourism in India, 2000 to 2010

Year	FEE (in Mill US \$)	% Change over previous year
2000	3460	15.0
2001	3198	-7.6
2002	3103	-3.0
2003	4463	43.8
2004	6170	38.2
2005	7493	21.4
2006	8634	15.2
2007	10729	24.3
2008	11747	9.5
2009	11394	-3.0
2010 (Jan-June)	6842	----

Source: Tourism Annual Report-2009-10, P No.71
India tourism, Incredible India.

Table 4: Government of Karnataka's Projections on Tourism of the state

Measures and indicators/projections	2005	2010	2020
Arrival of foreign tourists (in lakhs)	2.53	3.23	5.26
Employment generation by tourism (in lakhs)	4.49	5.72	9.32
Arrival of domestic tourists (in lakhs)	244.89	359.82	776.83
Revenue through tourism (in lakhs)	25587	46039	119413
Forex of tourism (in Rs. lakhs)	39153	49970	81396
Tourism contribution to state GDP (%)	13	15	25

Adopted from the government of Karnataka, Global Investors meet 2010, Sector profile Tourism: p.9

Source: Govt.of India, department of tourism, Market Research Division, Final Report on 20 year Perspective Plan for Development of Sustainable Tourism in Karnataka-March 2003 prepared by Dalal Mott MacDonald.