
Role of Tourism And Accommodation Sector in Protection of Environment in Kerala

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Abstract

Integrating Kerala's tourism environment as the subject of a case study in this work is a complex affair. The intention is to identify the business environment in order to get a basis for future marketing planning decisions. The economic importance of tourism for Kerala is explicit but it does not always positively affect local population or the environment. Tourism has to be reviewed in an overall picture: as an economic factor generating revenue and creating jobs; as a threatening factor for culture and community and as a destroyer of ecologically fragile areas and ecosystems.

Keywords : Medical Tourism, House Boats, Ayurveda Centre, Hotels, Business Environment.

Introduction

This work is focusing on the marketing point of view and not deeply discussing social or environmental issues. Nevertheless, those aspects are sketchily considered since they have a great impact on future tourism performance, because it is possible that the unique and diverse nature from today's promotion campaigns will have totally changed or vanished in ten years; local cuisine might be replaced by international fast food chains and the intrusion of Western values might destroy social life forms in India. From the marketing perspective, this work is an analysis of the existing tourism business environment based on the influential factors and models of the previous chapters, leaving out competitors and customers. This is done under the premise to gather information for the development of improved, sustainable future marketing plans. The outcome of this analysis aims to identify the business environment to detect the areas of special interest for future marketing actions to enhance tourism performance. It is not part of this work to discuss the required action steps resulting from the analysis. It is more the intention to give incentives for performance improvement to those involved in Kerala's tourism industry and related sectors. The basic principle of this chapter lies on identifying Kerala's initial situation, protagonists involved, action steps taken and the results. Based on the findings the models above are applied to draw a picture of its tourism business environment without considering competitors' actions.

Contextual information about Kerala

The case of application and business environment analysis, according to the previously discussed and adapted models, additional background information is required. It is essential to

understand the mode of a different cultural society since the degree to which different stakeholders are committed and have the power to influence this economic sector varies. The facts about natural conditions, background information about market segmentation, target markets and communication channels; governmental and private protagonists; as well as implemented marketing efforts and their impact on tourism development have been analyzed by the author in the forefront of this work. They are now stated as given and do not require any further analysis. Statistics used in this article are all published by the Department of Tourism, Government of Kerala. Independent sources monitoring tourism are not available. There is no information about the accountability of departments within the government, i.e. to which degree their existence is dependent on success. Based on the fact that an authentic picture of current tourism numbers is needed to properly evaluate performance, it is only of the government's own interest to collect these data. Sugarcoated statistics would monitor a false reality. Therefore it is anticipated that those statistics are reliable and offer an authentic picture.

Tourism Segments

Attracting a variety of tourists stabilizes the tourist industry and generates more revenue. Kerala's tourist market can be divided into three segments consisting of wellness, medical tourism and eco tourism. Wellness offers numerous trained masseurs, Ayurveda therapists, the national and international cuisine served in five star deluxe hotels to tourists seeking for rejuvenation, serenity and luxury (Ultimate Spa Experience 2008).

Medical tourism arose due to recent development in India's healthcare sector. An efficient infrastructure and state-of-the-art technology as well as hospital expenses up to a tenth of what it is in Western countries attract thousands of foreigners every year. Kerala promotes medical tourism as one of its tourism products (Health tourism: India's new mantra 2008). It took over leadership in establishing centers specialized in traditional medicine like Ayurveda (Harrison 2010).

The growing world- wide concern of tourism's impact on the environment established the new niche of eco tourism. It means making as little environmental impact as possible. Therefore Kerala already implemented eco tourism programmes emphasizing priorities like the coordination of central and state governments in the development of sustainable tourism and eco tourism, the encouragement of only eco tourism and eco-friendly growth in environmental fragile areas (Harrison 2010). Other programmes include the Responsible Tourism initiative, which focuses on minimizing negative economic, environmental and social impacts, generating greater economic benefits for the local society and enhancing the wellbeing of host communities.

Target markets

To turn Kerala into an all-season destination and to stabilize the tourism industry it is inevitable to focus on different target markets. For Kerala three main target markets can be identified: the domestic market, Middle East and Western countries. India represents Kerala's domestic market. Kerala tourism launched a "Dream Season" campaign for the domestic market

encouraging the lean off-season from April to September. This period of the year, usually, is dominated by the monsoon; foreign tourists mainly avoid the country at this time. A wide multi-media promotion and package offers at affordable rates should drive domestic tourism to the state (Kerala Awakes to the Dream Season 2008). The drop of basic aviation fares from Kerala and Andhra Pradesh, announced by Air India due to the state government's reduction of sales tax on aviation turbine fuel, implicate positive impulse to people's mobility (AI slashes Basic Fare from Kerala 2010). It can be claimed that this does not only generate traffic to Kerala but animates traffic from Kerala. On the contrary inner-Kerala flights and those from Andhra Pradesh to Kerala are also available at a lower rate now. In addition, further price reductions through competition are anticipated.

The Middle East as a target market is of importance due to numerous non- resident Keralites (NoRK) working there. Most of them coming home for family visits and holidays intend to utilize the various leisure facilities. Not only NoRKs but also foreigners living and working in the Middle East should enjoy Kerala as a holiday destination. Western countries, including Europe, the USA and Australia, are generally fascinated by India's exotic cultural and environmental richness. Therefore Kerala as a single entity has to compete against other Indian states to attract foreign tourists. One of Kerala's advantages is its effort on promoting the affordable, state-of-the-art health care system and the traditional Ayurveda therapy (Health tourism: India's new mantra 2010).

Communication channels

In general once the target markets are identified they need to be communicated too. Generally speaking, an internet presence is a key success factor. Web pages offer pre-travel information and online tour planners (Kerala-God's own country 2012). Tour operators, often situated in India, promote the region and offer package tours via the internet. The government of Kerala implemented the Department of Tourism to monitor and stimulate the tourism industry. Its incentives are found in the revenue the tourism industry generates. Promotion campaigns, e.g. "Dream Season", are communicated through nationwide multimedia channels. Over the years "Kerala-God's own country" became a brand of worldwide recognition.

Role of the government

During the preparation of this work the outstanding role of Kerala's government in tourism development emerged. It first started operating in 1958 under the name of 'Tourism Department' being only responsible for looking after governmental guests' comfort and functioning as an estate office providing accommodation for ministers. Since 1981 it has been operating under the name of 'Department of Tourism'. Besides the earlier mentioned tasks more emphasis lies on promoting, planning and developing tourism in Kerala (Department of Tourism 2012). At the moment two different media are published: the Kerala tourism website and the Kerala Tourism magazine. In December 2012 the website 'www.keralatourism.org' was launched. Its multi target approach can be seen in the fact that the website is available in eight

languages. It provides information on the destination e.g. an accommodation facilities, contact data, visa information, geographical parameters, tourism features and culture as well as information about recent campaigns and promotion activities. The yearly tourism statistics are released here, too (Kerala- God's own country 2012).

The Kerala Tourism magazine, published on a monthly basis, provides updates of the industry to industry players. Furthermore, the latest issues are discussed from positive and negative standpoints (Kerala Tourism online 2010). Initially, ten years ago, the magazine was named 'Tourism India' and reported about Kerala tourism events and news. As the state developed to a global tourism destination and gained worldwide recognition, it was decided, in 2009, to give it exclusive coverage by Kerala Tourism Magazine

The Department of Tourism also runs different corporations to better coordinate and control tourism activities. One of them is the 'Kerala Tourism Development Corporation' (KTDC) which hosts hotels, resorts and heritage properties providing accommodation from budget to premium customers (Department of Tourism 2012). Since 2003 tourism statistics have been published on the Kerala website yearly. Changes in the statistics over the past years determine the growing awareness of tourism's role for the state (Kerala-God's own country 2010). The first statistics released included an array of tourist arrivals from 1999 onwards – split into domestic and foreign ones; market performance comparison in 2002 and 2003 of the top fifteen countries; country-wise overview of the mode of transportation in 2003, and list of foreign exchange earnings generated through tourism from 1994 onwards (Tourist Statistics 2003). The latest statistics are more explicit and thereby show that a detailed analysis better reveals the areas of potential and improvement. So, for example, the domestic and foreign tourist arrivals are reviewed in a month- and district-wise manner. Since 2004, statistics have included the total revenue, directly and indirectly, generated by tourism utilizing data from 2001 onwards (Tourist Statistics 2004).

Role of the private sector

The coverage of the private sector collectively operating in the tourism industry is minor. There is only little information available, and it leads to this conclusion. All fields, including tourism, which are not run by the Department of Tourism, are in private hand. Hotels, handicraft shops, tour operators or restaurants represent the largest group of those working on their own profit. Nevertheless, even here the government infiltrates with guidelines and regulations, as it is discussed later on. Most of the time there exists a tied social network between private owners of all genres through which customers are referred. Their effort does not necessarily lie on optimizing the whole performance of the industry but more on their own benefit. Nonetheless there are privately organized associations aiming at the improvement of the industry. One of them is the Association of Tourism Trade Organisations, India – ATTOI. This non-government, non-profitable, a political organization has been established in 2003 in order to promote tourism in diverse sectors and to generate interest in a healthy business relationship among involved parties. ATTOI aims at offering a platform for all service providers where they

can build business relationships. Thereby it is desired to continuously improve the association's value and to strengthen India's tourism. Great concern is given to the protection of natural and cultural environment and to a responsible mode of travelling. Although it is operating in the state of Kerala its international presents and activities at fairs, at the same time, affect the whole India's reputation. Action steps initiated by the association include, among others, the education programme for drivers – to train drivers proper driving habits and behavior manners since drivers are in daily contact with guests; the organization of the Kovalam carnival which is the first event of this kind at the Kovalam beach where traditional cultural performances have been shown; education programmes in schools to increase the awareness of employment opportunities in this sector and encourage ambitious students; assisting new tourism companies to provide knowledge and advice for newcomers in this field (ATTOI 2010).

Marketing efforts, action steps vs. tourism development

Here campaigns, regulations and incentives given to the sector are summarized and reviewed with regard to their effectiveness measured by the means of tourist arrivals and revenue generated. Some of them already appeared in the previous parts of this work serving as a basis for an analysis or as examples to prove statements. Therein, again the complexity and correlation tourism sector has and the all-embracing consequences such campaigns and programmes have can be seen.

The overall presence of Kerala's government in the tourism sector has already become obvious. Thus all programmes and campaigns reviewed are initiated by the Department of Tourism, Government of Kerala. Besides the promotion and marketing attempts of the private sector are communicated through governmental channels, for example the ATTOI members who are part of the Kerala Travel Mart committee (ATTOI 2010).

Tourism's great potential to increase employment and generate revenues constantly urges the Department of Tourism to increase the number of tourist arrivals. One attempt is the construction of cruise terminals at Kochi port. Giving positive incentives to cruise tourism and attracting a wider range of travelers the marina offers facilities for fifty yachts at a time (India targets doubling foreign tourist arrivals by 2010 2008; Kerala-God's own country 2010). Another marketing approach utilizes non-residential Keralites to promote the destination abroad attracting more tourists to the state.

To overcome the lean off season from April to September and allure more domestic tourists to the state, Kerala's Department of Tourism launched a campaign called 'Dream Season', in 2008. It is designed to transform this time of the year into a regular travel period and turn Kerala into an all season tourist destination. The campaign covers six categories including houseboat operators, ayurveda centres, hotels, home stays, resorts and tour operators offering their service at special rates (Kerala awakes to the Dreams Season 2008).

Focus on the preservation of local societies, culture and nature

In May and June 2011 the Responsible Tourism initiative and the Kerala Haat project were implemented. Where the emphasis of the responsible tourism initiative lies on economic responsibility, trying to enhance the well-being of host communities and increasing the economic benefits for local societies, the Kerala Haat campaign primarily focuses on the preservation of traditional art and handicrafts skills. Combining tradition and tourism, KeralaHaat offers tourists the opportunity to see how traditional handicrafts are made, taste local food and follow traditional art forms (Project Kerala Haat launched 2008; RT comes to Kovalam 2008).

Kerala's Department of Tourism identified a lack of available tourist accommodation. Always considering new ideas to introduce fresh thoughts, enhancing tourist's experiences, the idea of 'Kerala Serviced Villas' was born. With the implementation of the scheme Kerala is brought closer to tourists and additionally more accommodation facilities are created. To ensure accommodation standards an accreditation of the provided accommodation is implemented (Kerala-God's own country 2010).

As part of aggressive promotion activities the Department of Tourism regularly participates in national and international trade fairs to sell Kerala as a world class tourist destination (Economic Review 2003). The Department of Tourism is regularly organizing such a trade fair in Kerala – the Kerala Travel Mart, in the following referred to as the KTM. The KTM was the first of its kind initiated by an Indian state. Here tourism operators get the opportunity to interact face-to-face with either their clients or use the KTM as a platform for B2B contacts (All set for 2008 KTM 2008).

The overall power the government has in terms of legislative decisions, monetary and taxation regulations and bureaucracy enables it to give positive incentives to tourism via those panels. The Indian government identified that speeding up and easing immigration processes have positive effects on tourists' willingness to visit the country (India targets doubling foreign tourist arrivals by 2010, 2008). Additionally in order to boost medical tourism in India in general, which also affects Kerala, the government nowadays issues 'M' and 'XM' visas for patients and one accompanying person (Health tourism: India's new mantra 2008). Kerala's Department of Tourism took an initiative to standardise and ensure hygiene and quality for tourists. Hotels, restaurants, home stays, ayurveda centres and houseboats can be accredited and classified by the government. Accredited accommodations profit from certain benefits such as special electricity tariffs, investment subsidies or bar licences (Department of Tourism 2010).

The impact of the above described campaigns and programmes can only be clearly evaluated in the coming years. For this work tourism statistics from 2003 to 2008 have been available. Therefore a detailed campaign analysis can not be conducted. Nevertheless, published tourism statistics provide a generic picture of marketing efforts influencing the tourism development.

Chart-1.

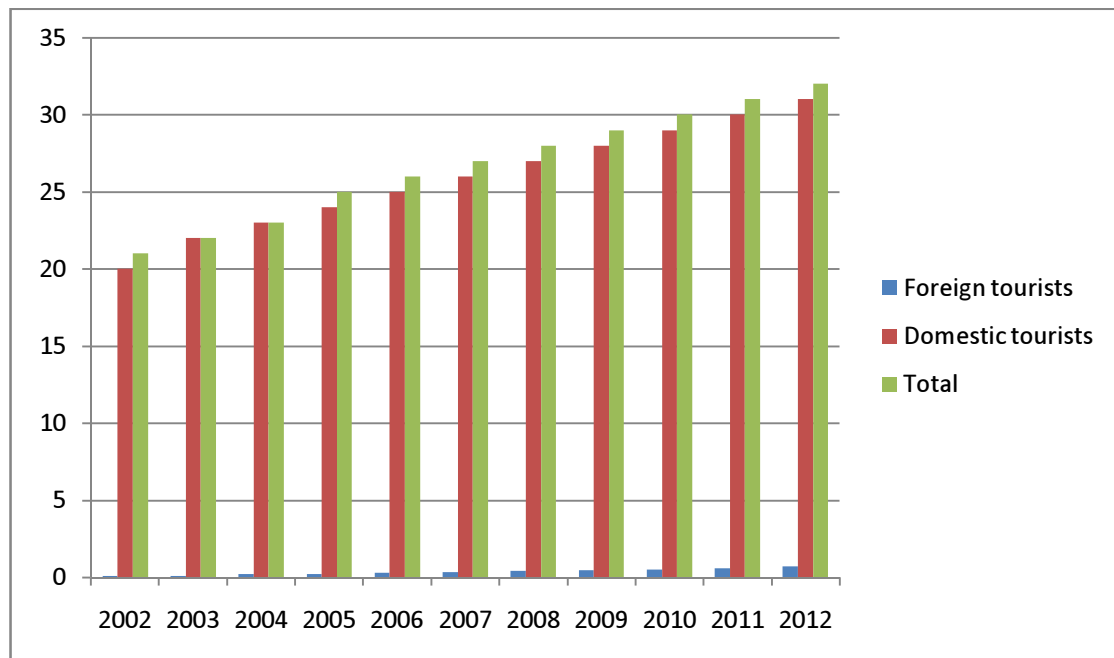


Chart -1 Tourist arrivals to Kerala (conducted by the author based on Tourism Statistics 2002, Tourism Statistics 2012)

Generally, the number of tourist arrivals to Kerala is constantly increasing, as it is illustrated. Based on the launched campaigns it could have been estimated that the proportion of foreign tourists is much higher. Within the years 2002 and 2012 their number only accounted for INR 202.173 in 2002 and INR 598.929 in 2012 compared to domestic tourist with INR 4.888.287 in 2002 and INR 7.591.250 in 2012. This leads to two assumptions. Either launched marketing campaigns are not effective enough, which is proved wrong by the steady growth of foreign tourist arrivals, or that potential and need for further marketing campaigns to attract tourists abroad still exist. The same trend seen in tourist arrivals can be identified in the revenue generated by tourism. Here the data of foreign earnings is available from 2004 onwards. Admittedly only from the beginning of 2006 the total revenue generated directly and indirectly by tourism is collected..

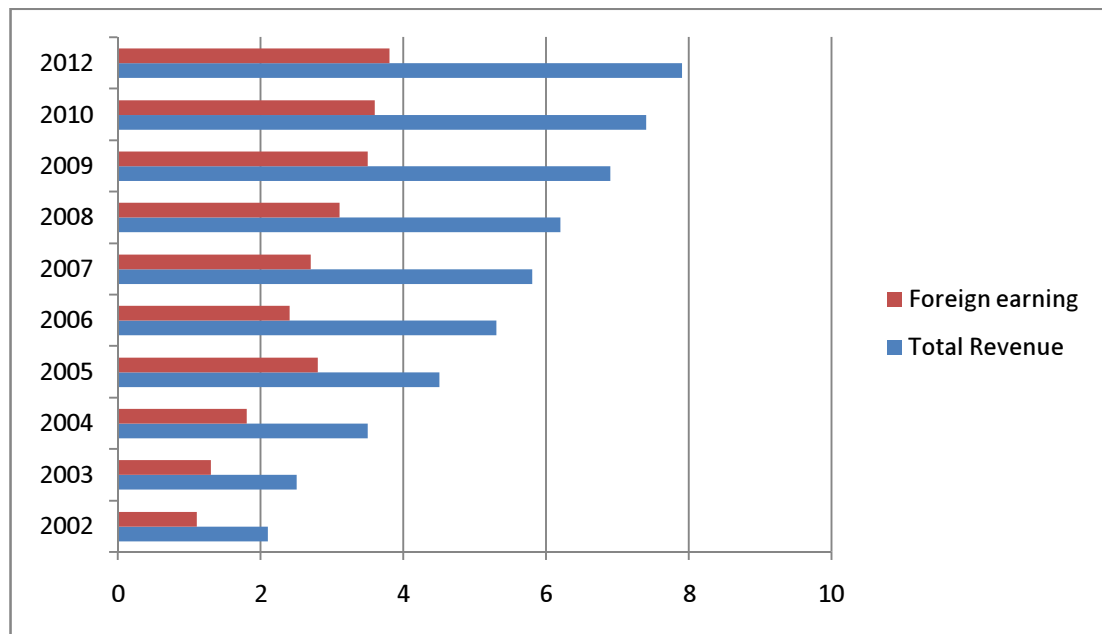


Chart - 2 Revenue generated by tourism (conducted by the author based on Tourism Statistics 2002, Tourism Statistics 2012)

With the growing awareness of tourism's complexity, its overall influence on mutual economic sectors is taken into account by monitoring indirectly the generated revenue too. In 2012 INR 13130 crore were contributed to Kerala's economy. Seen from this point of view, the all-embracing governmental effort in the tourism field can be understood.

Applied theory to the Kerala case

In the following the previously discussed influential factors and theory models are applied to the Kerala case. This is done at the author's sole discretion utilizing numerous sources since analyses under this viewpoint have not been conducted before. The sequence follows the order in the text above. First of all the influential factors are reviewed. The following global forces application uses the given background information and the identified influential factors to rank them according to the models definition from the theoretical part. Finally the SWOT analysis classifies the identified global forces. Here again it has to be said that competitor and customer aspects are left out.

Tourism factors

Accommodation sector

The official website of the Department of Tourism, Government of Kerala offers the overview of the provided accommodation facilities. Tourists in Kerala have the choice between hotels, home stays, houseboats and Ayurveda centres. Admittedly the accommodations mentioned on the website are accredited ones. This means on the one hand that a certain

standard is fulfilled and on the other hand that on a regular basis an accreditation fee is paid. Local hotels at cheaper rates are also available but not listed there. Likewise the website draws the picture of the accommodation sector sufficiency: at the moment the existing capacity is not enough to fulfil the demand (Kerala-God's own country 2011; Kerala-God's own country 2012). Furthermore, the number of adequately trained staff is not sufficient enough, which more often leads to unsatisfying service and increasing number of customer complaints.

Investigation of the analysis

The aim of this article is to analyze the tourism business environment in Kerala. The combination of both models leads to a surprising result. Based on the evaluation in the global forces model it can be stated that the forces forming Kerala's tourism business environment are moderate. Both opportunities and threats do not represent the main forces influencing Kerala's performance and well-being. Starting with the opportunities, the two included aspects – demographic and technological – are of medium importance according to global forces. This leads to the assumption that the potential these aspects contain for the tourism sector is comparatively high. The forces ranged as threats vary in their importance.

Climatic aspects are categorized as the second important force after environmental and socio cultural, whereas economic forces are the third last important ones. Based on the high stability climate possesses the actual threat which is indicated by the importance of this force is compensated. The opposite applies to the economic force. Here the changing time is low but due to its unimportance for the destination the actual threat it represents is comparatively low. Altogether Kerala is operating in a comforting business environment. The identified threats need to be considered but do not require utmost attention. The stated opportunities can be directly related to target groups and communication channels assuming the increasing number of tourist arrivals.

Conclusion

This article aims at analysing Kerala's tourism business environment under the assumption that the identified results are utilized for improvements in future marketing plans by those operating in Kerala's tourism sector. The composition of this thesis is based on the assumption that tourism is a complex industry. Starting with theoretical explanations of the industry, continuing with two approaches of analysis and forming the author's own mode of analysis to best identify and evaluate the business environment, and finally applying the theory to the case, the author wants to draw a sufficient picture of Kerala and its tourism business environment.

The study started with the collection and evaluation of sources. It became obvious that available sources are mainly published by the Department of Tourism or related committees. Critical or independent sources are rare and if available barely match the topic of this work. Used sources are mainly utilized to give the needed background information based on which the analysis is done in the author's sole discretion. During the background research tourism's utmost

significance for Kerala's economy became obvious, which explains the government's high involvement in the sector. Therefore, it can be said that the outcome of this work is mainly addressed to the Department of Tourism, Government of Kerala. The applied theories identified quite a comforting business environment for the tourism sector.

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