

Building A Globally Competitive Brand For Indian Tourism-The Road Ahead

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The spirit of travel has lived down the ages. In recorded history there have been instances whereby one is able to know that man has been traveling throughout the ages. From the very early historical period, travel has been a fascination for man. Much of the travel in the beginning was largely unconscious and rather a simple affair unlike the sophisticated travel in the modern times. The cumbersome travel procedures as we witness in travel today were not there to bother the traveler and travel was a simple affair. No travel formalities existed as there were no frontiers. Travel in the distant past, however, was not undertaken for the purposes of pleasure since the motive was not to seek any holiday from the work situation. The primary motive was for which the travel was undertaken relate to trade, commerce and activities associated with it. The traveler in the past was thus a trader and a merchant looking for trade. The other travelers were a pilgrim, a scholar, and a curious wayfarer looking forward to new and exciting experiences. Seeking knowledge was his primary purpose of undertaking travel. The basic purposes for travel were thus:

- Trade and commerce
- For seeking knowledge
- For religious purposes

However there has been a dramatic change in the way tourism is viewed today. Our holidays are not confined to the domestic destinations, but an increasing number of people are opting for overseas destinations. In India, the people moving out of the country for offshore destinations are huge in number. What surprises me that although we have a plethora of destinations to be seen and covered across India, but still the fascination have been towards global destinations?

No Indian would ever accept the fact that we have comparatively lesser number of destinations. Our country was a source of attraction to the west from the medieval times and we have been at the pinnacle of success in all ages. There was a lot of glory that was attached to India.

But why is that fading off? There are serious concerns that we should have as many countries generate a lot of revenue from tourism activities which we are not being able to do. Tourism is a non polluting industry, which just requires resources and good planning for its success. We have everything, from history, culture, heritage, food, literature, music and others. But what lacks is probably the focus in our tourism activities.

Our failure to create a global brand “India” does not lie in the fact that the governmental plans has been very insufficient for the tourism success, but in the fact that our people has lost their faith in the brand called “India”. We look into tourism as a means of earning quick revenue, rather than treating it as a service industry, where the objective is to “spread the word of mouth” and create “repeat visitors”.

This paper looks into the challenges that we foresee in the near future and what lies ahead of us. What is it that we need to do, to create a global tourism brand “India”?

Where are we in tourism?

1. International tourism receipts

INTERNATIONAL TOURISM RECEIPTS			
	SHARE (%)	US \$(BILLION)	
		2003	2004
WORLD	100	524	623
EUROPE	52.5	282.9	326.7
NORTHERN EUROPE	7.9	41.9	48.9
WESTERN EUROPE	18.8	103.1	117.4
CENTRAL/EASTERN EUROPE	4.4	22.9	27.5
SOUTHERN/MEDITERRANEAN	21.3	114.9	132.9
ASIA AND PACIFIC	20.1	94.9	125
NE ASIA	10.2	47.1	63.6
SE ASIA	5.1	24.3	31.8
OCEANIA	3.6	17.6	22.3
SOUTH ASIA	1.2	5.8	7.3
AMERICAS	21.1	114.1	131.7
NORTH AMERICA	15.8	84.3	98.1
CARRIBEAN	3.1	17.8	19.2
CENTRAL AMERICA	0.6	3.3	3.9
SOUTH AMERICA	1.7	8.7	10.6
AFRICA	2.9	15.5	18.3
NORTH AFRICA	1	5	6.1
SUBSAHARAN AFRICA	2	10.5	12.2
MIDDLE EAST	3.4	16.8	21

2. Comparison of tourism arrivals to tourism receipts

COMPARISON OF TOURISM ARRIVALS TO TOURISM RECEIPTS								
	TOURISM ARRIVALS(MILLIONS)			TOURISM RECEIPTS (US\$BILLION)			SHARE% 2004 ARRIVALS	SHARE% 2004 RECEIPTS
	COUNTRY	2003	2004	COUNTRY	2003	2004		
1	FRANCE	75	75.1	USA	64.3	74.5	9.80	12
2	SPAIN	51.8	53.6	SPAIN	39.6	45.2	7.00	7.3
3	USA	41.2	46.1	FRANCE	36.6	40.8	6.00	6.6
4	CHINA	33	41.8	ITALY	31.2	35.7	5.50	5.7
5	ITALY	39.6	37.1	GERMANY	23.1	27.7	4.90	4.4
6	UK	24.7	27.8	UK	22.7	27.3	3.60	4.4
7	HONGKONG	15.5	21.8	CHINA	17.4	25.7	2.90	4.1
8	MEXICO	18.7	20.6	TURKEY	13.2	15.9	2.70	2.6
9	GERMANY	18.4	20.1	AUSTRIA	14	15.4	2.60	2.5
10	AUSTRIA	19.1	19.4	AUSTRALIA	10.3	13	2.50	2.1



3. International tourism expenditure

INTN TOURISM EXPENDITURE(BILLION US\$)					
RANK	COUNTRIES	2003	2004	SHARE%	POPLN 2004
1	GERMANY	64.7	71	11.4	82
2	UNITED STATES	57.4	65.6	10.5	293
3	UNITED KINGDOM	47.9	55.9	9	60
4	JAPAN	28.8	38.1	6.1	127
5	FRANCE	23.4	28.6	4.6	60
6	ITALY	20.6	20.5	3.3	58
7	NETHERLANDS	14.6	16.5	2.7	16
8	CANADA	13.4	16	2.6	33
9	RUSSIA	12.9	15.7	2.5	144
10	CHINA	15.2	NA	NA	1299
25	INDIA	3.6	5.1	0.8	1065

4. Share of Indian tourism in the world

Year	World Tourist Arrivals (Millions)	Tourist Arrival to India (Millions)	Share of India in World Tourism (In %)
(1)	(2)	(3)	(4)
1995	550	2.12	0.39%
1996	597	2.29	0.38%
1997	618	2.37	0.38%
1998	627	2.36	0.38%
1999	652	2.48	0.38%
2000	687	2.65	0.39%
2001	684	2.54	0.37%
2002	703	2.38	0.34%
2003	694	2.73	0.39%
2004	763	3.46	0.45%
2005(Estimated)	808	3.92	0.49%

India has the potential to become the number one tourist destination in the world with the demand growing at 10.1 per cent per annum, the World Travel and Tourism Council (WTTC) has predicted. China spends more of its budget on tourism and rates fifth in receiving the largest tourist arrivals (31.2 million) after France, U.S., Spain and Italy. India gets only 2.6 million tourists on an average per annum.

The earlier setbacks in global tourism have strengthened the Department of Tourism's resolve to promote India's tourism through aggressive marketing strategies. The campaign under the banner of 'Incredible India' includes a wide ranging advertisement campaign in all prime print publications besides a global television campaign encompassing prominent English, French, German and Italian channels and an innovative online campaign on the world's most popular websites. The 'marketing mantra' for the Department of Tourism is to position India as a global brand to take advantage of the burgeoning global travel and trade and the vast untapped potential

of India as a destination. Most of the Indian lands are still virgin, unexplored lands. However the above figures still remains dismal. The fact still remains we are way behind in tourism and can create tremendous opportunity for the people and the industry.

Introspection into Indian tourism:

Happily, there is interest in India as prospective tourist destination. What is needed is a strategy to market India. Marketing of tourism is a specialised skill and Indian tourist operators and the government alike must take this up with the assistance of well-known international tourism marketing agencies.

A brand image of India needs to be created. Also, at tourist places clean and cheap hotels must set up to cater to budget tourists. Other support infrastructure, such as information booths, and reservation counters for rail, air and road transport need to be made available.

The latest attraction that India offers is not a remote forest or a heritage site, but a modern, well-equipped urban facility — the hospital. With India's acknowledged medical expertise, and advantages of costs, medical tourism is emerging a major area, with a potential of Rs 5,000-10,000 crores by 2012.

The government should take advantage of the opportunity and improve the medical and general infrastructure for encouraging medical tourism.

The tourism industry is impacted by a variety of factors, and one is currency movements. With the dollar falling against the rupee, it was feared that visitors bound for India would put on hold their programmes on hold. The hospitality industry, which transacts in US dollars, will certainly feel the pinch. According to industry sources, arrivals are expected to only grow by 3-4 per cent the coming year.

While the fall came at the end of the tourist season, the bookings for the next season, beginning October, will see falling revenues for major tour operators after a 27 per cent increase in inbound traffic this year. "Most of the bookings for the October-March season next year are made during this season. With volumes not expected to sustain this season's growth, we will have to negotiate new rates with our partners on confirmed bookings," says an industry source.

Among the sectors, making the so-called invisible earnings, tourism occupies a central place. Compared to other Asian countries, India has to do much to improve its tourism related infrastructure aggressively. Creating an India brand image is essential. With a proper policy framework, good infrastructure and professional marketing, there is no reason why India cannot be among the world's favorite destinations.

There is also a dire requirement of the government looking into the tax aspects of the hotel industry. High tax structures, brunt on forex, leave very little choice to the hotel entrepreneur. Moreover double rates for room and other tourist spots leaves foreigners to be treated with differentiation. On one hand we say "Athithi devo Bhava" on the other hand such practices would subdue the essence of the culture from which we originate.

Although India has progressed a lot since the fifties, she is still way behind the developed, even the developing countries. The development depends upon an integrated infrastructure of national and international highways, railways, ports, civil aviation, telecommunication, hotel accommodation and allied services.

Inadequacies of such infrastructural facilities adversely have affected our tourism industry. The sluggish growth arises from India's inability to sell effectively her rich tourist potential.

India should market itself as a value added destination stressing its variety and cost effectiveness. Satisfaction of the tourist, thereby ensuring repeat visits should be the top priority of the tourist industry. Apart from infrastructural development, the industry requires an environment of peace and stability where the tourist is sure of his safety and security.

Building the brand “INDIA”-The road ahead

Every tourist destination in the world has a "brand image". The brand should be able to differentiate a destination from competing destinations. However some destinations do not have a brand strategy, and are supported by inconsistent advertising campaigns, creating a confused image to prospective customers. Image must be controlled by a clear projection of brand identity. When consumers decide on a destination for a holiday or a business conference, several "brands" compete for their attention. A strong brand is differentiated from others, has several strong advantages when compared to others, and has an attractive appeal to consumers. In tourism, while factors such as cost of travel, convenience, and quality of facilities are important, the strongest motivator is "image". Image puts a destination on the consumer's "shopping list" and creates an emotional appeal, which enhances that destination's chances of being chosen over others.

Our work on branding tourist destinations has enabled us to identify the "brands" of various tourist destinations at various time points. For example, in a survey in 1998 commissioned by the *Malaysian Tourism Promotion Board*, Singapore was seen, by a broad selection of travelers and tourist agents from the US, Japan, India, Germany, Australia, UK and Sweden as "clean, modern and safe". China's dominant image and attraction was "culture". Malaysia was seen as "multicultural with many beaches". Thailand had a brand image of "exotic, fun, and friendly people"

Formal advertising and promotion of a country as a tourist destination in other nations can also have an effect. If that image is unfocused or not clear, the destination will have difficulty competing with images created by competing countries. Advertising, PR and promotion must complement informal information obtained through word of mouth and personal recommendations, by either building upon the latter or correcting negative perceptions that may be incorrect.

Developing a strong image for any brand requires a carefully planned brand strategy based on:

1. A well defined and unique brand personality
2. Selection of the correct positioning strategies
3. 'Themed' product development
4. Consistent and appropriate advertising and promotion
5. Careful brand guardianship

All the above must be built on a thorough understanding of consumer needs. Above all, the success of brand image development will depend on how the perceptions of consumers can be encouraged to believe that one destination is different and better than its competitors. This encourages consumer acquisition and retention, including extending length of stay.

Before we build on to the blocks of tourism for sustainable growth and development we require taking some key steps for the platform on which the tourism industry should be based.

1. Protecting the natural and physical environment

Visitors look for a country that is safe -that meets their assessment of acceptable political economic and social risk. If the Indian tourism industry is to attract and retain capital, the country must first pass this

Government's roles are to improve the country's infrastructure and protect the natural environment. The need to have a strong infrastructure is very basic need to make fundamentals right. It is no unknown fact India suffers from a relatively poor infrastructure.

2. The need for more hotels and better infrastructure

The infrastructure is to enable these movements of people safely, addressing the water quality, sanitation systems, roads, railways and airports, air traffic control, bus systems and railways – all the governmental paraphernalia that enables, that encourages, the population to stay away from home. The industry's obligation then is to put in place a wide range of facilities to meet the

travellers' needs. One star to five star hotels, restaurants with menus at all price points that are safe to eat in, travel packages to suit all pockets, products to satisfy the business travellers and the leisure travellers, the individual and the group.

3. Re-learning the 3c's – customers, channels and content

Customers – The challenge is to target new and emerging markets that can be targeted.

There are many other niche markets that could be offered, like medical tourism, adventure tourism, festival tourism and rural tourism.

Channels – We do not see the usage of the internet at least in the Indian tourism industry. A simple experiment would do. Visit the site of Singapore tourism or Srilanka tourism board and compare it with the kind of Information that our web sites contain.

Content – We should have the right prices, words, images, movies, and sounds to put into both digital and traditional channels so that individual customers can assemble their experiences on line in real time.

4. Promoting tourism starts from “Us”

The practice of sound tourism starts from the people within India. The product needs to be promoted amongst the local people and it would generate the word of mouth that is necessary. It is also very essential that we as citizens believe in the product first, before we promote it to others.

5. We are too slow in our tourism policy- The need of good planning

The first ever Tourism Policy was announced by the Government of India in November 1982. It took ten long years for the Government to feel the need to come up with a possible improvement over this. Thus the National Action Plan for Tourism was announced in May 1992. Between these two policy statements, various legislative and executive measures were brought about. In particular, the report of the National Committee on Tourism, submitted in 1988 needs special mention. In addition, two five-year plans - the Seventh and the Eighth - provided the basic perspective framework for operational initiatives. It took ten years to make most of the States to fall in line and accord the same status within their legislative framework.

6. Reorientation in tourist product design and marketing

Tourist product design and marketing must adapt to the fact that its customers are different. There is also a trend towards a two-segment split in the tourists who want to enjoy new experiences and who spend a lot on tourism, and tourists who have a relatively small budget but who still want to travel. The tourist industry will accordingly have to develop target group specific packages for both groups, to a greater extent than it now does. The economy group in particular is a target group whose size means that it cannot be neglected. In future, marketing must increasingly be tailored to match the needs and desires of people. In order to address the very heterogeneous target group, thorough knowledge of their much differentiated motivations and lifestyles is needed, and this still needs to be gathered.

7. (In) security, risks and crisis in tourism

Conflicts within India, international terrorism, new diseases and epidemics and the increasing number natural disasters and extreme weather conditions have resulted in a current increase in attention to the need for security has hampered the tourism structure of the country. It is reasonable to assume that new security risks and crises will take on a new scale, because of the growing shift in wars from the state level to, for example, ethnic and religious armed conflict. Epidemics spread with extreme rapidity, and because of extreme weather conditions seem to be becoming an increasingly frequent feature worldwide, with a growing scale of damage. Surveys show, for example, that earlier disasters and crises had little impact on the 2005 travel season. This year, only 1 % of respondents intend to travel to a different destination than the one

originally chosen, 1 % is cancelling their trip due to the tsunami in south-east Asia, 3 % are still undecided, but 95 % are not changing their vacation plans at all.

Many experts believe that the global climate change and its consequences for the weather and nature will result in serious danger unless far reaching measures are taken soon.

Tourism is one of the industries particularly affected by climate change and natural disasters, specifically because these ultimately lead to a change at different levels in the pattern of "most favoured" and "least favoured" tourist areas.

We must realign ourselves in the branding exercise that we do. Some of the steps enlisted here to the branding Indian tourism exercise would be helpful. They are:

- Recognise that your brand is a revenue-generating asset and invest money in developing it
- Identify and target a market segment where your brand can stand out from the competition
- Create a personality around your brand
- Align that story not just with your brand image and advertising, but with employee and management practices
- Know your customer so you can select the best communication channels for reaching them.
- Understand and promote what drives customer loyalty
- Only sign up with distributors that support your brand story

Conclusion:

The need for a successful brand of the country can only be build if there is sustained effort from the people and the government. It is very essential to understand that the success will depend upon the participation of the state, central and the local governments. The belief in the Indian destinations has to be increased amongst the citizens. The challenge is marketing to our people because we have not done that job to the very best. The dynamics of global tourism and the increasing demands from tourists also requires realignment of our products. Flexibility in our policies, faster actions, better infrastructure, is a must for the Indian tourism industry.
