

Socio Political Barrier To Tourism Marketing in South Asia

***Prof Sitikantha Mishra**

****Prof Tapan K Panda**

ABSTRACT

Tourism is a smokeless industry and is one of the fast growing businesses world over. The tourist flow to various countries serves as an indicator through which we can foresee a process of cultural assimilation and economic development in destination countries. Every country has something to offer to a tourist, it may be in the form of natural products like scenic spots or man made wonders like Disneyland in USA. Many of the developing countries are blessed with such a vast amount of cultural heritage, material artifacts and life styles embedded with fairs and festivals that tourism industry can serve as a great source of revenue generation. Despite the nature's gift in abundance in countries and particularly in South Asia, the tourist traffic has remained dismally low and the region receives a minute percentile of the global traffic. This paper is an attempt to find out the reasons of this poor response world over and identify the perceived barriers of risk. The paper identifies two kinds of socio-political barriers like regionalized socio political risk and global socio-political risk responsible for poor traffic in the South Asian region. The paper also highlights various other perceived risks like health issues, economic issues and image issues found out to be responsible for poor traffic flow to the area.

Key Words- *Tourism, Socio-political risk, terrorism, image issues, health issues and economic issues.*

Introduction

Tourism is the second largest growing business area after information technology in the global economy. Many of the economies are successful in marketing their country and destinations and generating a substantial amount of foreign exchange from tourism

*Professor and Administrator, Indian Institute of Travel and Tourism Management
Bhubaneswar

** Faculty Member, Indian Institute of Management, Lucknow

Sector. Even countries with poor level of infrastructure and facilities are able to attract investors to invest money in their country for tourism promotion.

Tourism promotion like other forms of marketing largely depends on the customer traffic. If there is a growing customer traffic trend then more and more money shall flow to an economy in the form of gross revenue earnings and also as foreign direct investments for tourism destination marketing. The product marketing does not involve much complexity like tourism marketing. Tourism marketing is a very complex phenomenon because the number of uncontrollable factors is more than the number of marketing mix variables. Though the conventional marketing wisdom says that the larger social and political factors affect the marketing offer in product marketing but it is more prominent in the case of tourism marketing.

The political upspring, terrorism, religious fundamentalism, level of crime perception by the foreign tourist affects the prospects of a destination. The South Asian nations are facing a down turn in the tourism business due to the above reasons. The factors of low per capita tourist investment sustained effort for tourism marketing by the developing countries have become secondary today. The tourism business is largely governed by the non marketing factors than pure business propositions in South Asia. The geo political developments and the kind of social background has largely affected the perception of the foreign tourists negatively for which the inbound traffic is in a down turn.

The decision to establish or maintain a direct investment position abroad necessitates addressing the issue of risk that confronts multinational firms. In the examination of any foreign direct or indirect investment opportunity, the environment encompasses numerous areas of concern for the investing firm. One of the main functions of risk analysis is to determine when and how economic and non- economic factors can affect the foreign investment climate in a particular country, given that risk is a direct outcome of the political and non-political realities faced by international business.

Furthermore, this activity is even more crucial in the current global marketplace, given the increasingly complex and uncertain environmental conditions faced by international tourism promoters, particularly to developing countries.

Socio Political Risk

The business literature speaks about socio political risk in many ways. For example, Weston and Sorge have posited that risk arising from actions of governments or political forces which interfere with or prevent foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property are called socio-political risks. These arise from the uncertainty of social and political events that affect business, rather than with the events themselves. Friedmann and Kim define it as business risk brought by non economic and broad social factors to the business. A socio-political risk event is any outcome in the host country which if it occurs, would have a negative impact on the success of the venture and investment flow. So we can summarize the socio-political risk as foreign investors' risk or probability of occurrence of some social and political event (s) that will negatively change the prospect for the profitability of a given investment in the host country.

Socio Political Risk and Tourism Promotion

Socio-Political risk always plays a negative role to reduce the availability of factors and opportunities of tourism promotion. Investment in destination promotion, infrastructure development to connect the destination, accommodation facilities, food service, transportation services and retail investments will be discouraged, as the risk of capital loss will tend to rise, primarily because social, political and economic rules governing investments are likely to fluctuate, thereby increasing the uncertainty in the future net return associated with investment projects. Such increased risks would also raise the cost of capital, as the likelihood of loan defaults would go high and the period of completion of various projects will also rise. Both domestic and international inbound tourism would be discouraged due to such risks. Indeed, capital flight and leakage might be additional outcomes as well.

As socio-political risk introduces additional elements of uncertainty into the rules governing tourism investment projects, the risk of capital loss is raised for longer- term projects. Hence, overall productivity in an economy is likely to be lowered via a shift in the marginal efficiency of investment schedule.

Socio-political risk also negatively influences the timing and pricing of the tourism production process. For example, the tourism destination planned and promoted with an expected period of launching will not work due to delay in the process of completion of the facilities. So the huge capital invested by intermediaries in promoting destinations in international market will go hay wire due to this problem. The traffic planning of the airlines will also be largely affected by this process. Tourism marketing is a circuitry exercise where multiple sectors are dependant on each other. In a combination they build up a whole tourism product.

The increased expectations of changes and uncertainties in the rules of operation of airlines diminish reliability, but they would also produce erratic stops and starts in other tourism investment projects. The economy as a whole would therefore experience a lack of optimal growth path. Thus, it can be argued that political risk increases the uncertainty of the environment in which successful foreign tourism promotion should take place, and hence decrease the incentive to save and invest in tourism by an individual tourist to a particular country destination..

Travel Intermediaries and Tourism Promotion

Travel intermediaries are defined as members in the distribution chain in the tourism marketing channel. They include retail travel agents, tour packagers, incentive marketers, tour wholesalers. They provide lodging, transportation and other travel products and services demanded by domestic and foreign tourists. The ability of travel intermediaries to combine travel products and offer them to customers as a package at a price generally lower than those available to individuals provides travel economy and convenience for a significant segment of tourists.

Travel intermediaries have considerable influence in the decision making process of the tourist. They serve as an opinion leader and expert for taking a travel decision process. They play the role of influencers for many of their loyal customers. This implies that they are of greater importance to both the tourist and the destination marketer particularly in the cases of destinations with far greater distance from the point of origin. Mclellan and Noe identified them as gatekeepers of information, since they provide information about destinations even if travellers do not choose to use their services.

Hawkins and Hudman are of the opinion that the distribution sector of tourism is much stronger and travel intermediaries have far greater power to influence and affect tourist demand when compared to their counterparts in other industries.

The Problem

Despite its variety and immense tourism potential, South Asia's share of the total global tourist arrivals and revenue receipts is meager. This small proportion is concentrated in a few countries particularly India, Nepal and a few parts of Srilanka. One of the most important factors responsible for this poor growth is the phenomenon of socio-political risk events. Since tourism is an extremely fragile industry a crucial consideration in a potential traveller's decision to visit a foreign destination is that country's political stability, social coherence and other real or perceived barriers like service quality, poor infrastructure and health issues.

Given the spate of socio-political risk events in many counties in South-Asia since the late 1980s, little published research in the tourism literature to date has addressed this problem in any comprehensive manner. The purpose of the study is to examine the effects of touristic attractiveness, channel power and socio-political risk on the performance of tourism promotion firms and on travel intermediaries. The two broad purposes of this study are to assess empirically the perceived impact of selected socio-political risk variables and to identify other perceived environmental barriers and threats to tourism promotion in South Asia.

Review of Literature

In the tourism literature, few researchers have examined the issue of political risk in South Asian countries and its effects on tourism promotion. Authors have cited socio-political risk, lack of investment capital and distance from major tourist-generating markets as barriers to tourism promotions in South-Asia in general. Negative images, lack of foreign exchange for tourism development, lack of skilled manpower, weak institutional frameworks for tourism planning, political instability caused by communal violence, civil war conflicts are inhibitors to tourism development. However, little is known about how international tourism firms perceive socio-political risks and other general barriers and threats to tourism promotion in South Asia.

As stated above, the major source of knowledge upon which this research drew for the delineation of socio-political risk factors for tourism is from socio-political risk variables existing in general business. The general business literature describes social political risk with illustrations such as civil war, labour conflict, foreign exchange control, production quotas and import-export restrictions. Simon's typology is used for this study.

Table 1

Major Socio-Political Risk Variables Selected for the Study

Revolution
Civil war
Factional conflict
Ethnic violence
Religious turmoil
Widespread riots
Terrorism
Nationwide strikes/ protests/ boycotts
Cross- national guerrilla warfare
World public opinion
Repatriation restrictions
Leadership struggle
High inflation
Bureaucratic politics
Border conflicts
High external debt service ratio
Creeping Nationalization

Source; Simon (1982)

In analyzing the impact of socio-political risk events on less- developed countries (LDCs) Richter suggests three reasons that may have negative impacts on tourism. For developing nations, instability in a region may negatively affect neighbouring nations due to interruption of air, sea or overland routes and also publicity about instability makes the whole region appear volatile. Internal upheaval within a country may be far from tourist areas or close enough to spill over into areas frequented by tourists. Sometimes foreign tourists are deliberately targeted by anti- government forces to embarrass the government, weaken it economically, and draw attention abroad to the political conditions in the country.

Richter is of the opinion that such events are highlighted further by western media, who very often force disasters, communal violence and revolutionaries activities into the headlines. One of the most common problems of socio-political instability and tourism is that episodic violence or conflict far removed from tourist areas receive so much media attention that it appears the entire nation is engulfed in violence. Thus in tourism marketing, perceptions of insecurity by potential travelers is more significant deterring variable for a destination marketer compared to the level of real socio- political problems in the country.

Methodology

A questionnaire was designed by taking the socio-political risk variables explained in Table-1, to measure the effect of socio-political risk on a tourism firm's profitability. A five point scale with 5 as the most significant negative effect and 1 as very insignificant negative effect was used. The respondents were asked to list different kinds of barriers and threats as they perceive, were of concern to them in doing business in their respective South Asian destinations through a series of open ended questions in the designed instrument. An attempt was made to gain insights into both the qualitative and quantitative aspects of the travel intermediaries' perceptions.

Sampling Procedure and Data Collection

Data for this study were collected between October 2000 and January 2001 which happens to be the main tourist season in various parts of South Asia. Members of Indian Association of Tour operators (IATO) and Indian Association of Travel Agents (IATA) were contacted to supplement the research with a list of clientele of international travel intermediaries operating from various European nations and American states for the survey. These organizations were selected because they provided a membership listing of firms that can be consistently and practically identified as tour operators, destination marketing firms and travel agents whose revenues are derived from packaging and selling tours to South Asian countries.

A sample for the study was drawn using the proportional stratified systematic random sampling method. The sample size was determined to be 230. Of the 230

questionnaires mailed, 27 had undeliverable addresses. After a follow-up, 169 questionnaires were returned, with 129 usable, representing a response rate of 28.6 percent. Although low, such a response rate is typical of mail questionnaire studies that involve business enterprises, in contrast to survey research that involves individuals. The business owners and managers of the organizations selected for the study often face severe time constraints as a result of their work activities and are often inundated with paperwork, meetings and travel making the process to go slow as per their convenience.

Data analysis

Descriptive statistics were calculated for all variables comprising the scaled socio-political risk variables. Factor Analysis through Principal Component Analysis of the seventeen risk variables was conducted to examine the relationship among the interrelated variables. This procedure resulted in two factors. Only factors with eigenvalues greater than 1.0 were included in the final analysis. The extracted factors were rotated using the varimax orthogonal rotation method. A variable was considered to load on a given factor if the factor loading was 0.40 or greater for that factor and less than 0.4 for the other. The reliability of the factors was determined using Cronbach's coefficient alpha test.

The main criterion for inclusion in a particular region is if a respondent indicated sending at least two states or districts in a country then he is included in the region. Those who indicated at least two countries in South Asian region, they were classified into the multiple region categories. This is done due to the possibility of within country variability in responses to the perceived risk for a country due to the travel intermediary's business link with that country for promoting tourism. The researcher also tried to investigate the relationships between the underlying socio-political risk factors and respondents' particular country of tourism promotion in South Asia. Perception towards socio political barriers and threats to tourism promotion is obtained using an open-ended format of the survey instrument.

The researcher conducted content analysis for all open-ended questions in which groupings were made for similar responses into categories and assigning names to the common correlated elements. Content analysis is a research method that uses a set of procedures to make valid inferences from text. The central idea is that many of the words

of the text are classified into much fewer content categories. Words, phrases or other units of text classified in the same category are presumed to have similar meanings. This similarity may be based on the precise meaning of the word, or on words sharing similar connotations. This paper has adopted a similar procedure to group several words implying a concern with concept of perceived barriers and threats in South Asia in an attempt to make valid inferences from the open- ended responses.

Results and Discussions

Respondent's Profile

The characteristics of the firms are presented in Table II. Tour operators constituted the largest proportion of respondents (46.5 per cent), while travel agents and others (airlines, hotels and destination marketing organisations) constituted 35.6 per cent and 17.8 per cent respectively.

Table II: Business Classification of Respondents

Firm characteristics	N	Percentage
Tour operator	60	46.5
Travel agent	46	35.7
Other	23	17.8

Size of the Firm

Most responding firms are small. Over 48 per cent having annual sales of less than Rs 250,000; 25.8 per cent had sales between Rs. 250,000 and Rs.749,000; 10.9 per cent ranged in sales from Rs.750,000 to Rs1.7m; 8.5 percent had sales of between Rs1.7m and Rs.3.4m, while 4.9 per cent sold over Rs.3.5 million worth of business. Since a typical tour package can range in cost from Rs25000 to 90,000, one must be careful not to consider sales volume in isolation, since there may not be a direct correlation between gross annual sales and passengers carried.

Table-III. Gross Sales

Gross Sales (Rs.)	Frequency	Percentage
Less than 249,999	67	52.0
250,000 – 749,999	31	24.3
750,000 – 1,749m	14	10.9
1.75m – 3.4m	11	8.5
3.5 m or over	6	4.9

Tenure of Business

The number of years the respondents have been doing business in South Asia is also presented in the following table. It indicates that the majority of respondents, 65.9 per cent (n=83), fall into the category of those that have been in the South Asian tour market since the 1980s, while 31.1 per cent (n =43) constitute those who started before 1980.

Table-IV. Life of Business

Length of time of business		
Promotion to South Asia		
Before 1980	46	35.6
Between 1980 and 1994	83	64.3

Most Frequently Mentioned Destination

The respondents were asked about the destinations which are most frequented by the tourists. This was a top of the mind unaided recall. The respondents are following both push and pull model for marketing the destinations. Some of the destinations are very popular among the tourists and they automatically search for information about these destinations where as some of the travel intermediaries promotes various destinations as a part of circuit promotion. These destinations are pushed through the loyal customers. The intermediaries take more proactive strategy for promoting these destinations. The direct benefit out of this strategy is the longer duration of stay of the

tourist in the destination country which leads to more spending and the cost of the package goes high.

On the secondary front the tourists risk perception also goes down when they choose an extended stay in a country. In a normal traditional circuit the tourist follow a short and fast paced circuit and come out of the country. Though this is a conventional method of traveling all over the world but the per capita expenditure of the tourist remains stagnant due to fast pace of traveling and shorter stay. In contrast to this when a destination is promoted for a longer duration , the direct benefit goes to the hospitality sector like hotel, airlines, facilitating organizations and the indirect benefit goes to the secondary economy where the tourist spend an amount on local purchases and local entertainment. The respondents identified following destinations as the most preferred due to higher tourist traffic and higher earnings.

Table- VI
Ranking of Ten Most Frequently Mentioned Destinations in South Asia

Destination	Frequency	Percentages	Rank
Tajmahal	64	10.8	1
Jaipur	60	10.2	2
NewDelhi	41	6.9	3
Colombo	38	6.4	4
Maldives	38	6.4	4
Kathamandu	35	5.9	6
Ajanta/Ellora	33	5.6	7
Islamabad	31	5.3	8
Goa	30	5.1	9
Kandy	20	3.4	10
Dhaka	20	3.4	10
Mumbai	20	3.4	10
Anuradhapuram	20	3.4	10

The majority of respondents perceived terrorism, civil wars, widespread cross-cultural riots and guerilla warfare as contributing the most negative effect on their profits with a high mean scores (4.3). Although these figures may appear high, the standard deviations of the more direct and externally related factors like negative world public opinion, strong nationalistic movement, profit repatriation restrictions, inflation, high

external debt service ratio and the perception regarding socio-political risk factors appear to be a better reflection of respondent's opinions of the impact of socio-political risk events on profits.

They indicate that even though internal socio-political risk events in South Asia may have negative impacts on international tourism channel intermediaries, they may still be able to operate and be profitable due to their internal nature. However, externally related events may have deeper implications for investments and profits. This may be due to the fact that potential tourists may be less likely to book tours since they are more likely to be aware of such events through their local and national media as well as other external sources.

Table VII-
Respondents' Perceptions Regarding the Effects of Political Risk Events on Profit
Probabilities in South Asia

Item	Mean score	Standard deviation	Rank
Terrorism	4.3	0.961	1
Civil wars	4.3	0.918	1
Cross Cultural Riots	4.3	1.02	1
Guerrilla warfare	4.3	0.957	1
Ethic/ Religious turmoil	4.2	0.964	2
Political Revolution	4.2	0.974	2
Factional conflicts	4.1	0.922	3
Nationwide strikes, protests/boycotts	4.0	1.08	4
Border conflicts	4.0	1.05	4
Negative world public opinion	3.8	1.20	5
Strong Nationalisation	3.7	1.18	6
Profit expatriation restrictions	3.7	1.20	6
Political leadership struggles	3.7	1.23	6
Bureaucratic politics	3.7	1.20	6

High inflation rates	3.4	1.34	8
High Debt service ratio	3.4	1.34	8
Bureaucratic Politics	3.4	1.34	8

Note: Respondents were asked to respond a five- point Likert scale to indicate their degree of agreement or disagreement with respect to selected items as per the following 1 = very insignificant effect; 2= somewhat insignificant effect; 3= neutral effect; 4= somewhat significant effect; 5= very significant effect.

Results of Factor Analysis for Grouping Variables

Results of the factor analysis revealed two factors: regionalized socio-political risk, and globalized socio-political risk. The factor loadings were found to be high and the two factors accounted for 69.3 percent of the total variance, with very high Cronbach's reliability coefficients of 0.915 and 0.892 respectively.

Table VIII- Factor analysis of socio-political risk variables in South Asia

Factor	Factor Loading	Eigen value	Percentage variance	Reliability coefficient
A. Regionalized socio-political risk		7.16	49.8	0.915
1. Terrorism	0.97			
2. Civil Wars	0.95			
3. Cross cultural riots	0.94			
4. Political Revolution	0.91			
5. Guerrilla warfare	0.88			
6. Factional conflicts	0.72			
7. Nationwide strikes/protests	0.69			
8. Ethic/ religious turmoil	0.64			
9. Border conflicts	0.63			
B. Globalised socio-political risk		3.01	19.5	0.892
1. High inflation rates	0.93			
2. Political leadership struggles	0.91			
3. High external debt service ratio	0.88			
4. Profit reparation restrictions	0.87			
5. Strong Nationalization	0.85			
6. Bureaucratic politics	0.81			

Note: Respondents utilized a five- point Likert scale to indicate their degree of agreement or disagreement with respect to selected items as per following: 1 = very insignificant effect; 2 = somewhat insignificant effect; 3 = neutral effect; 4 = somewhat significant effect; 5 = significant effect.

Risk Perception for Various Country Destinations in South Asia

Respondents were asked about their risk perception towards various countries in the South Asian region. The risk perceptions are built as a combination of the tourist's anxiety towards the happenings in the destination country and the previous experience of the tour operators in handling tourists to these countries. The former category of risk perception is built mostly due to coverage of various incidents in the national and international media where as the latter risk perception is built over the previous exposure of the respondents in handling tourist groups in that particular country. The respondents were asked to rank the countries in order of difficulty and complexity they place in managing a tour and promoting tourism in the country of origin to that country. This combination offers the respondents to built their risk perceptions based over their experience and opinion of the final customer i.e. tourist. From the table below we can find that India is the most difficult destination as the perception rank is high for this country, followed by Pakistan and then Srilanka.

Table IX- Country Specific Risk Perception

Country	Rank	Mean Rank Score
(1) Multiple Countries	1	4.6
(2) India	2	4.3
(3) 2. Pakisthan	3	3.7
(4) 3. Srilanka	4	3.67
(5) 4. Bangladesh	5	3.4
(6) 5. Nepal	6	3.2
(7) 6. Maldives	7	2.1
(8) 7. Bhutan	8	2

However the respondent's risk perception of South Asia as a tourist destination is very high (mean score 4.6 in a scale of five point as maximum risk and one as minimum risk). Though country like Bhutan scores minimum (mean score 2) on risk perception but it does not find many number of travelers to this country due to its poor infrastructure, minimal tourism promotion and difficulty in traveling in the terrain of this sub Himalayan country. Maldives with a minimum score of 2.1 on risk perception is the most peaceful destination in the South Asian block. Nepal scores 3.2 in the scale as during the study Nepal had not experienced the bloody death of the Riyal family and upsurge of the Maoists in the north of Nepal.

From content analysis it is evident that Pakistan and Bangladesh have high risk perception due to growing religious fanaticism, frequent military coup and the countries commitment towards a particular religion and declaring the countries as a country with a particular religious orientation. The second most important factor obtained from the content analysis is the hatred the local public carry inherently towards the foreign tourist with a different religion whose faith allows certain values that are opposed to the religious practice of the host country.

Many of the respondents feel that the majority of the population of these two countries belongs to a particular religion that is seen as of having blind faith in their religious practice and supporting terrorisms at the global level. In the case of India the risk perception arises mostly from the frequency and level of violence and communal relationships, the complexity involved due to its vastness and geographic spread, cultural diversity and language problem.

The practice of tourism business in these countries and multiple restrictions regarding the tourist's visits are also key variables for in creasing perception of risk while promoting tourism in this country. In the case of Srilanka the ethnic violence is the major reason for the high risk perception in promoting tourism to this country. Promoting whole South Asia as a composite dream destination seems to be a non viable proposition at the current level as respondents combined the problems of constituent countries together in giving highest rank to risk perception involved in promoting South Asia as a multiple destination point.

Overall, although respondents agree that perceived socio-political risk variables comprising regionalised risk have a significant effect on their firms' profits, as indicated by high average scores, the differences in the mean perceived socio-political risk among regions are not found to be statistically significant. On the other hand, the difference in the mean Globalised socio-political risk scores among the countries is statistically significant.

From a country analysis perspective, there does not appear to be a very high variation regarding respondents' perception of risk, although tourism promoters to India perceive regionalized risk factors as being higher compared to promoters to other countries. From the above analysis, one can propose that although respondents are highly aware of risk factors such as civil wars, terrorism, cross-cultural riots and border conflicts within South Asian countries, they perceive some countries like India and Maldives within the South Asian regions to be attractive and stable enough to contribute positively to their business performance.

This finding indicates that although perceptions of regionalised political risk events can generally be adverse, risks of a national tourism promotion, especially to India is low. Since these risk events mostly involve negative perceptions dealing with international financial transactions such as inflation, profit repatriations, restrictions, and negative world public opinion, they are perceived to be less detrimental to business success than regionalised risk factor. as found from the content analysis of the respondent's opinion on the above issue.

Respondents who promote tourism to multiple regions perceive globalised risk factors as having a lower negative influence than those who promote to a single country. These differences may be due to the fact those firms doing business in more than one region may have the ability to direct/ recommend different destinations during periods of perceived political risk in one or more regions. Therefore, globalised risk for multiple-regions promoters may not affect their overall risk as much as would single-region promoters.

Other Perceived Barriers and Threats

The summary of the content analysis to the question 'What kinds of barriers or threats do you feel are of concern to tour operators that do business in South Asian

destinations?’ are presented in Table –X. Customer feedbacks, compliments and complaints have long been a source of feedback on service organisations’ market performance. Although they are not likely to be representative of the complete experiences of respondents with South Asian tourism destinations, these findings do highlight the dimensions of products or services about which they really care. The fact that respondents took the time to reply to the open- ended question in the survey suggests the attributes are salient in their evaluation of South Asian tourist destinations.

Clearly, the issues of service, crime and safety, economics, health, infrastructure and political and cultural problems appear to be the respondents’ overwhelming perceived sources of barriers and threats towards tourism promotion in South Asian markets. The following sections discuss some of these issues and, where applicable, suggest possible steps that planners and managers can take to help rectify the situations.

Service – Related Issues

If tourism in South Asia is to have long- term success, the level of services and facilities must be of tourist- class quality. Currently, many countries in the region lack the capital or expertise to develop a tourism industry from scratch. Instead, they rely on multinational companies through direct foreign ownership or joint- venture relationships. This helps provide capital needed for construction and the expertise needed for management. However, it is a commonly held views that when these ventures expire, or when the partnerships break up for a variety of reasons, the service levels tend to fall. One conclusion is that the provision of quality service is a function of the host country’s educational system. Many South Asian countries do not have the technical expertise or educational programmes in place to provide international standard service training for workers in their tourism industries.

In recommending a service quality model for South Asia, it is important to emphasise that making the concept work requires an effective communication strategy to be in place. In other words, it is extremely difficult to determine the success or failure of a program if customers are not communicating with the service provider. The first requirement is that customers must believe that constant feedback will make a difference. Thus, a process for responding to complaints must be in place, with the customer being aware about how to initiate this process. Without basic grounding in tourists’ needs and

requirements, service levels are prone to be less desirable resulting in decline in tourist traffic over time.

Economic Issues

Economic risk represents deviations from the proposed growth model of the destination countries. A poor gross domestic product growth rate reduces the attractiveness of the country making foreign institutional investors bringing less foreign capital for large infrastructure projects. In order to address the economic issues mentioned by respondents of this study, tourism promoters to South Asia must be assured of institutional structures in various South Asian countries that enforce property rights, settle contract disputes in a short period of time and provide a stable environment for long- term sustainability.

Health Issues

While health issues are linked to all forms of development, any development sector that fails to consider health is bound to fail in the long term. Hence as South Asian countries plan to promote their tourism sector, attention must be paid to tourism’s impact upon the health of their citizens as well as the need for a health infrastructure to support tourism development. The concern usually is how environmental issues affect the tourism industry and vice versa- how the industry might impact negatively on the environment and thus create a hazard for the health of visitors as well as local citizens.

Table X

Other Risk Factors Perceived as Barriers to Tourism Promotion in south Asia

Reason	*No.	**%	Reason	No.	%
Service related (n=105)			Infrastructural issues (n = 43)		
Inadequate service levels	65	61.9	Inadequate tourism Infrastructure	27	67.5
Untrained ground receivers	50	47.6	Deficient communication Facilities	15	34.8
Unfriendly hosts	50	47.6	Primitive conditions at some	12	30.0

			Airports		
Aggressive vendors	42	40.0	Inadequate/ poor local ground transportation	10	23.2
Lack of service ethic	40	38.4			
Slow response phones/faxes	40	38.4	Cultural issues (n = 25)		
Unreliable postal service	35	33.3			
Lack of professionalism by local agents	30	28.6	Cultural differences in Conducting business	15	60.0
Lack of direct air services	25	23.8	Language barriers	12	48.0
Erratic airline schedules	20	19.0			
Irregularity of flights to region	18	17.1	Political issues (n = 20)		
Poor follow through by Bureaucrats	15	14.3	Government corruption	12	60.0
Hassle at customs and Immigration	12	10.4	Inconsistent government polices	10	50.0
Corruption at immigration	8	7.6	High turnover rates in government positions	8	40.0
Points			Lack of long term vision	5	25.0
			Rigorous visa entry Requirements	3	15.0
Crime/ safety issues (n=80)			Health issues (n=18)		
Black market currency trading	43	53.0			
Unsafe airline practices	40	50.0	Epidemics	12	66.0
Unsafe local air services	32	40.0	Droughts	9	50.0
Warfare threats	15	18.8	Food quality	8	50.0
Crime in the streets	9	11.2	Overpopulation in tourist area	4	22.0
Pickpockets	25	31.2	Water pollution	2	11.0
Economic issues (n=50)			Image issues (n=15)		
Currently instability	30	60.0	Perceived distance of Africa	9	60.0

Lack of funding for tourist promotion boards	18	36.0	Negative publicity in western press and poor public relations	6	40.0
Lack of marketing support	12	24.0	Unfounded rumours about South Asia	4	26.6
High cost of air fares	10	20.0	Myths about South Asia	3	20.0
High import duties	8	16.0			
High priced ground tour Operators	6	12.0			
Increasing cost of Accommodation	6	12.0			
Unenforceable verbal Contracts	4	8.0			

* Some respondents gave multiple answers, hence variation between (n) and No. counts

** Percentage does not equal 100 due to multiple responses in different categories.

While some countries in South Asia have begun to institute proper solid waste management practices, many still have difficulty establishing and maintaining the infrastructure and systems necessary for solid waste disposal and collection. In addition, some issues that need to be addressed in tourism planning are poorly treated sewerage on the marine and coastal environments in South Asia and the need for public sewerage system. Furthermore, a good supply of clean water is essential for tourism. Apart from the well-documented health reasons, many tourists to South Asia come from developed countries. Another concern of respondents of this study relates to food safety and hygiene. Supervision of food safety involves inspection of food handling in hotels and restaurants and food preparation for airlines, as well as the regular examination of food handled and supervision and regulation of the numerous street vendors present in every South Asian destination.

Infrastructural Issues

Although South Asian nations possess many natural attractions but by themselves they are insufficient to satisfy the tourist since they must be complemented by other tourist facilities and a supporting infrastructure. However, mass tourism in many South

Asian countries is a relatively new activity, which has grown to significant levels over the past decade.

If South Asian countries are to compete successfully with other developing tourist markets, it is imperative that the infrastructure and service requirements, as indicated in the results of this study, are supported. The importance of this is further underscored by the reality that, in addition to airports and telephone/ fax facilities, local excursions and tours are made en route to shops, restaurants and souvenir stands. In effect, the total tourist package should meet certain minimum acceptable standards.

Image Issues

The purpose of much destination marketing is to alter the existing image held by the target market segment so that it fits more closely with the destination's desired position. While some fears and concerns of tourists and potential visitors to South Asia may be based on facts others are a result of inadequate or inaccurate information.

Positive images can be developed through astute advertising of the unique and diverse tourism facilities of a given area. It would therefore, seem that most marketing techniques aimed at targeted tourist- generating markets, and more specifically travel intermediaries, must also address the perceived image issues identified in this study. For example, the idea that many countries in the South Asian region are relatively safe and inexpensive must be emphasized. Thus, the product strategy challenge for South Asian tourism planners as identified in this research should be the redesign of the tourism experience so that it satisfies not only perceived customer desires but also specific development demands at the same time.

The information revealed in this research could have many practical uses for planning and marketing managers of South Asian destinations to western travellers. As previously mentioned, socio-political risk arises from the uncertainty of social and political events which affect business rather than from the events themselves. In simple terms, social and political risk should be treated as business risk brought about by political sources or social environment.

For South Asian countries to successfully promote international tourism in the 21st century and beyond, activities such as research, planning, promotion and education, and infrastructural facilities such as airports and roads must be embarked upon. Perhaps

these tasks can be best accomplished through the utilisation of effective and dedicated tourist promotion boards and private participations in tourism promotion by entrepreneurs. This will further facilitate the creation of package tours with attractive schedules conducted on a regional basis, and can encompass the tourist attractions of multiple countries in South Asia. Through effective coordination, their role could be vital in the improvement of facilities for training local personnel for skilled jobs and high-level management positions.

The removal of many of the administrative obstacles to travel cited by respondents to this study like rigorous visa requirements, corruption, inconsistent government policies etc would make travel more convenient. Further, liberalisation of entrance formalities could help curb perceptions of hassle at customs and immigration and corruption at checkpoints.

Conclusion

This exploratory study has identified two types of socio-political risk factors in South Asian region i.e. regionalized and globalised risk. Regionalised risk is perceived to have higher negative effects on profits than globalised risk. The data also reveal that promoters to multiple destination regions perceive a slightly higher globalised risk than those who promote tourism to single regions. In the tourism literature, little published research focuses on international tourism image as a marketing problem. This study sheds some light in this area by empirically demonstrating that the socio-political risk factors in South Asia as perceived by western tourism and travel intermediaries firms contribute negatively to the organization's performance, leading to negative image formation.

The study attempts to offer guidance to both managers of tourism channel firms and South Asian destination marketing planners for selecting appropriate strategies for increased performance in an intensely competitive environment.

References

- (1) Ahmed, Z.U. (1991) “*Marketing Your Community: Correcting a Negative Image*”, **Comell Quarterly**, February, pp. 24 – 27.
- (2) Baglini, N.A. (1976) ‘*Risk Management in International Corporations*’, Risk Studies Foundation, New York
- (3) Brewer, T.L. (1981) ‘*Political Risk Assessment for Foreign Direct Investment Decisions: Better Methods for Better Results*’, **Columbia Journal of World Business**, Spring, No. 16 pp. 5 – 11
- (4) Bunn, D.W. and Mustafaoglu, M.M. (1978) ‘*Forecasting Political Risk*’, **Management Science**, November, pp. 1557 – 1567.
- (5) Cosset, J. C. and de la Rianderie, B. (1985) ‘*Political Risk and Foreign Exchange Rates: An Efficient Markets Approach*’, **Journal of International Business Studies**, Fall;
- (6) Fosu, A.K. (1972) ‘*Political Instability and Economic Growth*’ **Evidence Development and Cultural Change**, Vol. 40, No. 4.
- (7) Friedmann, R. and Kim, J. (1988) ‘*Political Risk and International Marketing*’, **Columbia Journal of World Business**, Winter, pp. 63 – 74.
- (8) Gartner, W.C. and Bachri, T. (1994) ‘*Tour Operators’ Role in the Tourism Distribution System: An Indonesian Case Study*’, in Uysal, M. (ed.) ‘**Global Tourist Behavior**’, Haworth Press, pp. 161 – 179.
- (9) Gartner, W.C. (1996) ‘**Tourism Development: Principles, Processes, and Policies**’, Van Nostrand Reinhold, New York.
- (10) Goodrich, J.N. (1978) ‘*The Relationship Between Preferences for and Perceptions of Vacation Destination: Application of a Choice Model*’, **Journal of Travel Research**, Vol. 28, Fall, pp. 7 – 11.
- (11) Hawkins, D.E. and Hudman, L.E. (1989) ‘**Tourism in Contemporary Society - An Introductory Text**’, Prentice-hall, Englewood Cliffs NJ, pp. 149 – 161.
- (12) Lax, H.L. (1983) ‘*Political Risk in the International Oil and Gas Industry*’, International Human Resources Development Corporation, Boston, MA;

- (13) McClellan, R.W. and Noe, F.O. (1983) '*Sources of Information and Types of Messages Useful to International Tour Operators from Other Countries*', **Journal of Travel Research**, Vol. 22, pp. 2 –5.
- (14) Richter, L.K. (1992) '*Political Instability and Tourism in the Third World*', in Harrison, D. (ed.) '**Tourism and the Less Developed Countries**', Belhaven Press, London, pp. 35 – 46.
- (15) Robocak, S.H. (1971) '*Political Risk: Identification and Assessment*', **Columbia Journal of World Business**, No. 6, July – August, pp. 6 –20.
- (16) Schmidt, D.A. (1986) '*Analysing Political Risk*' **Business Horizons**, July – August, pp. 43 – 50.
- (17) Simon, J.D. (1982) '*Political Risk Assessment: Past Trends and Future Prospects*', **Columbia Journal of World Business**, Fall pp. 62 – 71.
- (18) Weber, R.P. (1990) '**Basic Content Analysis**', Sage Publications, London, P.9.
- (19) Weston, F. and Sorge, B. (1972) '**International Business and Multinational Enterprises**' R.D. Irwin, Homewood, II, p.342.
- (20) World Tourism Organization (WTO) (1977) '*Factors Influencing Travel Demand and Leading to the Redistribution of Tourist Movements*', **WTO-AVDA**, Madrid, p.16.
- (21) Zikmund, W.G. (1986)' **Exploring Market Research**', Dryden Press, Chicago, 2nd edn.
