

## Impact of ICT on Sustainable Tourism Development of Kerala

**SUNEERA.A**

Assistant Professor, Department of Commerce, Zamorin's Guruvayurappan College, Calicut-14.

**Dr. M.A. JOSEPH**

Dr. M.A. Joseph, Professor, Department of Commerce and Management Studies, School of Business Studies, University of Calicut.

### ABSTRACT

*Tourism is a rapidly evolving industry that has become increasingly competitive in the global market place due to the advancement in communication, transportation and other facilities. The states in India as well as the neighbouring countries are now competing with one another to increase the share of tourist arrivals to harness the economic benefits of tourism to a large segment of its population. This has also made this sector extremely vital and competitive. Tourism is acknowledged to be very information intensive and the target customers are typically not local. Therefore, the international tourism is highly dependent upon Information Technology for its future growth, competitiveness and long term survival particularly tourism marketing and distribution. Tourists need information before going on a trip to plan and choose between options, and also increasingly need information during the trip. Internet is a major source of travel information and the decision to purchase tourism products is based on confidence, information and communication. This study is an effort to identify the digital marketing practices adopted by the Indian Tourism Industry in general and Kerala in particular. It also discusses the potential of the Internet for tourism marketing and the current constraints on the full realization of such potential. Through an examination of the digital marketing practices of the state and the prospects and issues, the paper found that the Internet was ideal for marketing tourism. The paper concluded with a brief discussion of some of the issues in connection with the internet marketing.*

*Key words: Digital marketing, Information and Communication Technology, Tourism, Websites.*

### 1. INTRODUCTION

Tourism industry is widely recognized as a critical sector worldwide and one that provides significant potential for economic growth and development. A growing national travel and tourism sector contributes to employment, raises national income, and can improve a country's balance of payments. The World Travel and Tourism Council have recently notified India as one of the fastest growing tourist economies in the world.<sup>1</sup> After Turkey, India is expected to achieve the fastest rate of growth of the total amount of economic activity likely to be generated by travel and tourism, at 9.7 per cent over the next 10 years. Also, the largest employment creation after China is expected to take place in India.

Though India receive less than one percent of global tourism receipts (US\$ 11.39 billion) and arrivals (5.58 million), it has become a vibrant segment in the national economy. International tourist arrivals in India increased from 1.6 million in 1991 to 5.58 million (provisional) in 2010, registering 8.1% annual growth. During the same period, the domestic tourist visits to all states increased from 66.6

<sup>1</sup> Ministry of Tourism, Govt. of India, 2005; " Study to identify best practices adopted by the State Govt.s for the development of tourism" , States profile and tourism development, final report, volume II, New Delhi.

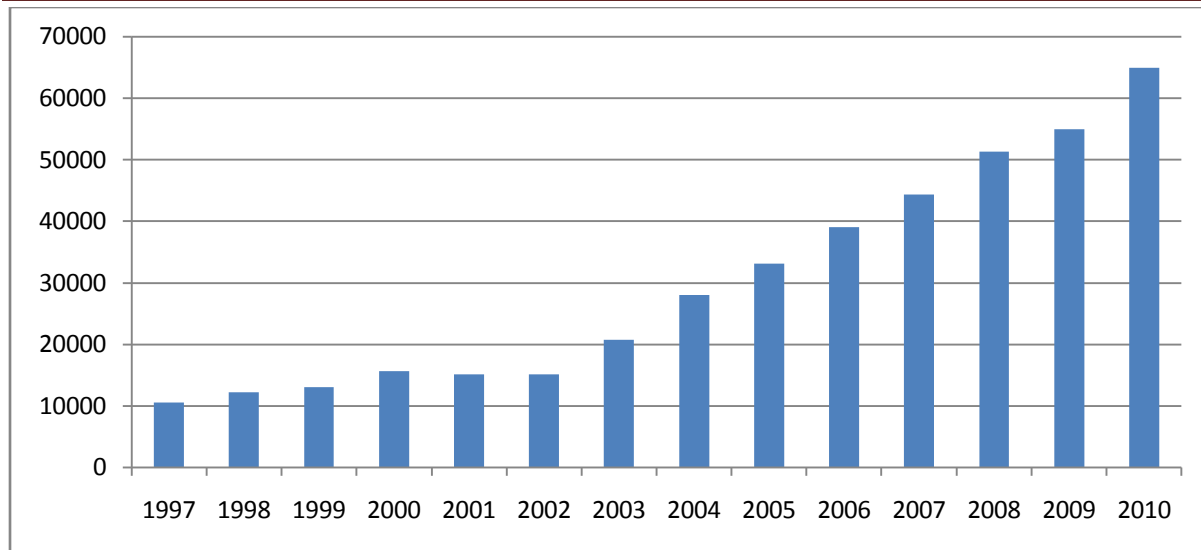
million to 740.21 million registering 10.7% annual growth rate. The Foreign exchange earnings increased from US\$ 1.86 billion in 1991 to US\$ 14.19 billion (provisional) in 2010 registering an annual growth rate of 24.6%.The foreign exchange earnings from tourism in Rs. crores and percentage growth over the previous year is given in Table 1. The contribution of tourism to GDP is estimated as 8.6% in 2010 and it creates 49 million jobs in India.<sup>2</sup> By developing new destinations, products and experiences, to cater the interest of diverse segments of tourists, the industry is being prepared to make a quantum jump in the international market.

Table1 Foreign Exchange earnings (FEE) (in Rs. Crore) From Tourism in India

Year	FEE from Tourism in India(in Rs. Crore)	Percentage(%) change over the previous year
1997	10511	4.6
1998	12150	15.6
1999	12951	6.6
2000	15626	20.7
2001	15083	-3.5
2002	15064	-0.1
2003	20729	37.6
2004	27944	34.8
2005	33123	18.5
2006	39025	17.8
2007	44360	13.7
2008	51294	15.6
2009*	54960	7.1
2010*	64889	18.1
2011* (Jan-June)	35163	12.1@

\*Advance estimates, @Growth rate over Jan-June, 2010

<sup>2</sup>Kerala Tourism Policy 2011, (Draft), (Version 1.0), Department of Tourism, Government of Kerala.



Source: Ministry of Tourism, Govt. of India

Kerala initiated tourism development programmes by establishing an international beach resort at Kovalam in 1976 with the patronage of Central Government. Realizing the economic potentials, Government of Kerala declared tourism as an industry in 1986. Within a short span of two and half decades, Kerala succeeded in establishing its tourism brand in the international market. The first Tourism Policy of the state was announced in 1995. Tourism has come a long way since capturing new markets with its innovative products and marketing strategies.

From hardly 50000 foreign tourist arrivals and 0.13 billion rupees as foreign exchange in 1986, it has reached a status of 0.6 million foreign tourist arrivals and 37.97 billion rupees as foreign exchange in 2010. Total employment generated from tourism is estimated as 1.2million. An examination of last decade foreign tourist arrivals to Kerala shows that it has registered average annual growth rate of 12 %. During 2010, the state received 6.5 lakhs foreign tourists. Considering the strategy envisaged for aggressive marketing, the Govt. of Kerala target to achieve a yearly growth rate of 15%, which will yield 26 lakhs foreign tourist arrivals by 2021. The current source markets for Kerala as per the tourist statistics 2010 are UK (23.7%), USA (10.8%), France (9.8%), Germany (7.6%) and Australia (5.6%).<sup>3</sup>

The Department of Tourism, Government of India has formulated a National Tourism Policy in May 2002 which emphasizes on the development and promotion of Indian tourism to harness the economic benefits of tourism to a large segment of its population throughout the country. Tourism is included in the core sectors of the Indian economy because it can provide impetus to other industries, create millions of new jobs and generate enough wealth to pay off the international debt. The states in India as well as the neighbouring countries are now competing with one another to increase the share of tourist arrivals. The advancement in the transportation, communication technologies, and other basic on-site infrastructure has also made the tourism industry extremely competitive and vital. Tourism is acknowledged to be very information intensive and the target customers are typically not local. Since a tourism product is consumed at the destination, there is no possibility to experience any service before the trip. Images (static and video) and detailed/ customized information have a decisive influence on customers' perception of the quality of the product. This necessitates efficiency in the marketing of tourism services. As in any other field, in the tourism also the implementation of Information and Communication Technology can dramatically improve the operational efficiency and quality of service. Web site is an important component of tourism marketing strategy of any country. Information

<sup>3</sup> Kerala Tourism Policy 2011, (Draft), (Version 1.0), Department of Tourism, Government of Kerala.

regarding the tourism location, connectivity through road, rail and air lines can be provided for the benefits of the tourists through the websites.

The revolution of Information and Communication Technology has made 'access for everybody, at any time, from anywhere', possible. In this age of digitization and convergence, the Govt. of India, is trying to encourage the use of IT in more innovative ways for the promotion of tourism in the country and outside. Here, the present study is an effort to identify the digital marketing (web marketing) practices adopted by the Indian tourism industry in general and Kerala in particular. . It also discusses the potential of the Internet for tourism marketing and the current constraints on the full realization of such potential.

## 2. REVIEW OF EARLIER STUDIES

As one of the world's largest and most pervasive industries, the travel and tourism sector is as exposed as any other to the forces of change that are being brought by ongoing developments in the Information and Communication Technology arena. The tourism sector is among the leaders in the online marketing and sales. As a part of the study, the following literature has been reviewed:

Dimitrios Buhalis<sup>4</sup> opined that the tourism industry should improve the competitiveness by utilizing the emerging ITs and innovative management methods in order to withstand in this competitive world. He also stated that there should be a continuous business process re-engineering in order to enable the destinations to capitalize on the unprecedented opportunities emerging through ITs.

S.E Ogbu, *etal*<sup>5</sup> studied the importance of ICT in the development of tourism in Nigeria. They made an attempt to reveal the reservation services in hotel chains on the website and also opined that the adoption of ICT is necessary for the sustainable tourism development.

Vivek Gupta and Devashish Das Gupta<sup>6</sup> have studied the adoption and use of ICT in tourism in Agra and opined that it will bring transparency and will enable the tourists to become an advocate of Indian tourism by promoting it by word of mouth.

## 3. OBJECTIVES OF THE STUDY

1. To identify the digital marketing practices adopted by the State for the promotion of tourism services.
2. To identify the websites used for the promotion of tourism in Kerala.
3. To have an insight into the prospects and issues connected with the same.

## 4. ICT IN TOURISM MARKETING

Digital marketing or e-marketing (ICT in marketing) can include any internet based promotion, including websites, targeted e-mail, internet bulletin boards, sites where customers can dial-in and download files, and so on. The accelerating confluence of traditional print and broadcast media with new digital media like the internet has created dynamic new channels for marketers. Internet growing at an astonishing pace in recent years, marketers around the world are racing to take the advantage of its interactive nature to communicate and foster exchanges and relationships with customers, suppliers, and the public. Now the internet is changing the design and implementation of marketing strategies. This dynamic technology provides marketers with efficient and powerful methods of designing, promoting and distributing products and services, conducting research and gathering market information.

---

<sup>4</sup> Dimitrios Buhalis (1998), "Strategic use of information technologies in the tourism industry", *Tourism management*, vol.19, No. 5, pp 409-421, Britain

<sup>5</sup> S.E.Ogbu, S.Idris and A.B. Ijagbemi,(2011) "ICT: A veritable tool for tourism development in Nigeria", *IT for people- centred development*.

<sup>6</sup> Vivek Gupta and Devashish Das Gupta,(2008), "Adoption and use of ICT in Indian tourism: Interventions for the top tourist destinations of India", Conference on Tourism in India- Challenges ahead, IIMK

The internet has become a key application in the tourism industry: consumers, on the one hand, are able to interact directly with tourism providers, which allows them to identify and satisfy their constantly changing needs for tourism products. Suppliers, on the other hand, are able to deal more effectively with the increasing complexity and diversity of consumer requirements. Now the tourism providers have been using the internet to communicate, distribute and market their products to potential customers worldwide in a cost- and time-efficient way. Online booking and reservation services were widely accepted among consumers and business travellers. Similarly, online purchasing had become a relatively well-used application in the tourism sector.

**4.1 DIGITAL MARKETING OF TOURISM IN INDIA**

Promotion and marketing is an important component of tourism development and needs to be

State/ UT Tourism	<a href="http://indiaimage.nic.in/tourism.htm">http://indiaimage.nic.in/tourism.htm</a>
Kerala Tourism	<a href="http://www.keralaourism.org">http://www.keralaourism.org</a>
AP tourism	<a href="http://aptourism.com">http://aptourism.com</a> <a href="http://andhrapradesh.com">http://andhrapradesh.com</a> <a href="http://www.apinfrastructure.com">http://www.apinfrastructure.com</a>
Arunachal Pradesh	<a href="http://www.arunachaltourism.com/">http://www.arunachaltourism.com/</a> <a href="http://arunachalpadesh.nic.in">http://arunachalpadesh.nic.in</a>
Assam	<a href="http://assamgovt.nic.in">http://assamgovt.nic.in</a>
Andaman and Nicobar Islands	<a href="http://andaman.nic.in/">http://andaman.nic.in/</a>
Bihar	<a href="http://bihar.nic.in/">http://bihar.nic.in/</a> <a href="http://www.nic.in/ptdc/">http://www.nic.in/ptdc/</a>
Chhattisgarh	<a href="http://cgtourism.nic.in/">http://cgtourism.nic.in/</a>
Chandigarh	<a href="http://www.citcochandiarh.com/helpline/">http://www.citcochandiarh.com/helpline/</a>
New Delhi	<a href="http://delhitourism.nic.in/">http://delhitourism.nic.in/</a>
Goa	<a href="http://www.goacom.com">www.goacom.com</a> <a href="http://goagovt.nic.in">http://goagovt.nic.in</a> <a href="http://goatourism.nic.in">http://goatourism.nic.in</a> <a href="http://www.goatrip.com">http://www.goatrip.com</a> <a href="http://www.goahub.com/goa/travel_guide">http://www.goahub.com/goa/travel_guide</a> <a href="http://ruralbazargoa.nic.in">http://ruralbazargoa.nic.in</a> <a href="http://goamuseum.nic.in">http://goamuseum.nic.in</a>
Gujarat	<a href="http://www.gujarattourism.com/">http://www.gujarattourism.com/</a>
Haryana	<a href="http://www.nic.in/htc/">http://www.nic.in/htc/</a>
Himachal Pradesh	<a href="http://www.hptdc.nic.in/">http://www.hptdc.nic.in/</a>
Jammu and Kashmir	<a href="http://www.jktourism.org/">http://www.jktourism.org/</a>
Jharkhand	<a href="http://www.jharkhand.nic.in/tourism/tour.htm">http://www.jharkhand.nic.in/tourism/tour.htm</a>
Karnataka	<a href="http://kstdc.nic.in/">http://kstdc.nic.in/</a>
Lakshadweep	<a href="http://lakshadweep.nic.in/lakisiscvr.htm">http://lakshadweep.nic.in/lakisiscvr.htm</a>
Madhya Pradesh Tourism	<a href="http://www.mptourism.com/">http://www.mptourism.com/</a>
Maharashtra	<a href="http://www.maharashtra.gov.in">http://www.maharashtra.gov.in</a> <a href="http://www.mumbainet.com">www.mumbainet.com</a>
Manipur	<a href="http://manipur.nic.in/">http://manipur.nic.in/</a>
Meghalaya	<a href="http://meghalaya.nic.in">http://meghalaya.nic.in</a> <a href="http://www.meghalayatourism.com">www.meghalayatourism.com</a>

undertaken along with product development in conformity with consumer profiles and product characteristics. Prior to 1995, when internet access wasn't readily available in India, the tourists had to

depend on printed brochures and feedback from those tourists who had visited before. The policy of the Government therefore will be to develop and implement cost effective marketing strategies based on market research and segmentation analysis in each of the tourist generating countries.

As per the Draft National Tourism Policy, Information Technology shall be given the pride of place in the efforts to promote Indian tourism. Every endeavour in this regard would increasingly rely on optimizing the use of e-commerce/m-commerce, use of internet for dissemination of tourism related information, increasing use of portals as gateway to accessibility to tourism information, tourist guidance System at important monuments and heritage sites, networking of States, setting of tourist information kiosks, encouragement to Information Technology and eco-friendly practices by the private industries and above all keeping abreast with the global technologies for promoting and facilitating tourism.

For providing quality tourist information, facilitation and service; the tourism promotional agencies, media and others in India are now using computers and other digital devices. The Ministry of Tourism is the nodal agency for the development and promotion of tourism in India and maintains the “Incredible India” campaign.

Currently, <http://www.incredibleindia.org> serves as the main promotional portal of the Ministry of Tourism, and <http://tourism.gov.in/> (or <http://www.tourism.nic.in>) provides all the organizational activities /policies of the Ministry of Tourism. The websites of the various states of the country and UT is given below:

Table 2 TOURISM-State and UT Links  
 Source: <http://www.iato.in/tourism-link.htm>

#### 4.2 DIGITAL MARKETING OF TOURISM IN KERALA

Mizoram	<a href="http://mizotourism.nic.in/">http://mizotourism.nic.in/</a>
Nagaland	<a href="http://www.nagalandtourism.com/">http://www.nagalandtourism.com/</a>
Orissa	<a href="http://www.orissa-tourism.com/">http://www.orissa-tourism.com/</a>
Pondicherry	<a href="http://www.tourisminpondicherry.com">http://www.tourisminpondicherry.com</a>
Punjab	<a href="http://ptdc.nic.in/">http://ptdc.nic.in/</a>
Rajasthan	<a href="http://www.rajgovt.org">http://www.rajgovt.org</a> <a href="http://www.rajsthandtourism.gov.in">http://www.rajsthandtourism.gov.in</a>
Sikkim	<a href="http://sikkim.nic.ind">http://sikkim.nic.ind</a> <a href="http://www.sikkimtourism.org">http://www.sikkimtourism.org</a>
Tamil Nadu	<a href="http://www.tamilnadutourism.org/">http://www.tamilnadutourism.org/</a> <a href="http://www.tidco.com">http://www.tidco.com</a>
Tripura	<a href="http://tripura.nic.in">http://tripura.nic.in</a>
Uttar Pradesh	<a href="http://www.up-tourism.com/">http://www.up-tourism.com/</a>
Uttaranchal	<a href="http://www.gmvnl.com/">http://www.gmvnl.com/</a>
West Bengal	<a href="http://www.wbtourism.com/">http://www.wbtourism.com/</a>
Daman and Diu	<a href="http://www.damantourism.com/">http://www.damantourism.com/</a> <a href="http://www.diutourism.com/">http://www.diutourism.com/</a>
Dadra - Nagar Haveli	<a href="http://www.silvassatourism.com/">http://www.silvassatourism.com/</a>

Kerala tourism has already established its brand name 'Gods Own Country' in the world tourism industry. Kerala tourism has been recently listed among the top 100 brands in India. Kerala bagged several awards for the best performance of tourism promotion in the state. The state of Kerala is having strong and unique tourism products. The Department of Tourism has strengthened the District Tourism Promotion Councils to activate their roles more specific to tourism promotion activities. The Dept. of Tourism widely publishes high quality literature, brochures, posters, guide maps, etc in multiple languages, which depicts important tourist attractions of Kerala.

The Information Technology Policy Document-2001 of Kerala defines IT and tourism as focus areas and both these sectors can benefit from mutual synergy. The Tourism Dept. is extensively using Information Technology for promoting and facilitating tourists. The latest developments in IT are being utilized by Kerala to promote tourism. The CD-ROM 'Kerala-The Green Symphony' has been developed by the Dept. of Tourism. Kerala Tourism Dept. has developed a set of seven CD ROMS on different attractions of the state. These CDs are:

1. Nature's Myriad Bloom (Wild life sanctuaries and hill stations of Kerala)
2. Heritage tour (Nappier museum, Pathmanabhapuram and Koyayakkal palace, etc)
3. 101 Destinations (destinations of all 14 districts of the state)
4. Beaches and back waters of all coastal nine districts
5. Malabar mystics (dance, poorams, etc of Malabar region)
6. Festivals and pilgrimage of Kerala
7. Tour and travel (Hotels, tour operators, ayurvedic resort)

#### 4.2(i) WEBSITES

Kerala emphasized the focused marketing of the destinations during the last few years. The strategy for marketing has been to position Kerala as a unique stand-alone destination targeting upmarket tourists seeking peace and difference. In marketing, the State uses the latest developments in Information Technology. The following are the websites connected with the Kerala tourism industry and which are mainly used for marketing the tourism products of the State:

1. <http://www.keralatourism.org/> is a comprehensive website of the Kerala tourism industry. Every week, this website is uploaded with new video and music clips that can be activated and downloaded.
2. A separate website has been launched by KTDC- <http://www.ktdc.com> for giving information regarding various tourists destination, its hotels and online booking and booking status. A separate website- [www.hotelskerala.net/](http://www.hotelskerala.net/) gives details of registered hotels in the State with location, capacity and tariff.
3. The website of the State govt.- [www.kerala.gov.in/dept\\_tourism](http://www.kerala.gov.in/dept_tourism) also give details of major ongoing programmes, policies and projects for the development of tourism in the State through its annual and five year programmes.

#### 5. PROSPECTS

The modern marketing manager faces several challenges today, but the most complex remains amongst the most potential- how best to propagate awareness of his service or product, in a manner that will raise sales and profits within limited promotional budgets and increasing competition. Tourism services include the elements of transport services, travel agency, tour operator services, food and accommodation services, and entertainment and recreational services. The following section discusses the prospects of using digital marketing in tourism industry:

Digital media promises to deliver greater flexibility and lower costs in reaching out to prospects and customers. In response, pioneering marketers are already spending a significant proportion of their marketing budgets on digital media and the digital media will take a larger piece of the marketing pie.

Digital marketing can greatly facilitate the promotion and distribution of tourist products and potentially enable tourism destinations and enterprises to compete on a level playing field. Taking advantage of the new opportunities, web travel and tourism services exploded. Direct relations with customers, increased margins, and global reach were some of the basic motivations behind the involvement of the sector in the new economy. The globalization process was streamlining the competition and web presence became a clear competitive advantage.

Digital marketing can transform the prominent marketing communication paradigm from 'one-to-many' to 'one-to-one'. It enables a company to individually "address" consumers in its marketing activity (Zhenhua Liu 2000). This will give rise to consumer customized packages (do-it-yourself tourism) or a decline in demand for standardized package tour.

Evans and Wurster (2000) characterized the impact of internet as a movement out of the frontier of richness and reach. Richness refers to the depth and quality in an interaction, while reach refers to the number of entities that can be reached. It has the ability to provide the information worldwide, 24/7 at a relatively low cost.

Digital marketing of tourism will enable the service providers to interact directly with their customers which will put additional pressure on traditional intermediaries like travel agents, tour operators, etc and may give rise to dis- intermediation. This again will result in re- intermediation.

Digital marketing provides a ground for being interactive which will leads to relationship marketing and will play as an important factor for building loyalty. It is much more flexible than the traditional marketing media. It can include up to date information according to the requirements of the consumers.

The Websites enables more information to be transmitted to more people cheaply instantly and with multimedia effect. It erases the time and distance barriers and offers equal opportunity for access. Because of this immediate visitor information, the tourists will be able to plan their visits easily.

## 6. CHALLENGES

The official website of the Ministry of Tourism, Govt. of India doesn't include the word tourism and which is known by the name <http://www.incredibleindia.org/>. Because of this the individuals searching for tourist information cannot locate the correct official website of the country.

The interface language of the majority of the websites is limited to English only. [www.keralatourism.org](http://www.keralatourism.org) offers information in Malayalam, English, Chinese, Deutsch, Espanol, Francais, Hindi, Italiano, Jaanese, Russian and Arabic. Most of the sites don't provide information regarding visa procurement and links to the sites of other States of the country. None of the websites providing information regarding the best or optimal mode of transportation.

Security and privacy are the key factors of success for building commercial relationships. Some of the issues in connection with the digital marketing of tourism, in general, are: Trust, security and adequacy (cost and quality) of the available services and user-friendliness are the main barriers to generalized use of e-commerce by tourists. They are the challenges for digital marketing and tourism enterprises.

Another major risk emerging from this new context is digital exclusion. It is essential to understand that internet adoption does not simply mean to be connected. To take full advantage of the opportunity, each tourism actor needs to integrate digital marketing into his business and environment.

Third, the fear of conducting financial transactions over the internet will also hinder the purchase of the tourism products via internet.



## 7. CONCLUSION

The digital revolution has generated new types of enterprises for the net economy. The tourism sector is no exception. The industry is highly information intensive the tourists are typically local. Therefore, international tourism is highly dependent upon Information Technology for its future growth, competitiveness and long term survival particularly tourism marketing and distribution. The present paper discussed digital marketing practices adopted by the India tourism industry in general and Kerala in particular; and some of the prospects and issues connected with the same. For getting the full benefit of the digital marketing of the tourism, proper information regarding the tourist season, confirmation of the availability of accommodation, safety and security, money transfer facility, etc should be provided. Through an examination of the digital marketing practices of the state and the prospects and issues, the paper found that the Internet was ideal for marketing tourism.

## REFERENCES

1. Justice Sukhdev Singh Kang, Governor of Kerala, “Regional Governance and Sustainable Development in Tourism Driven Economies”, paper presented on International Colloquium, Mexico.
2. Ministry of Tourism, Govt. of India, 2005; “ Study to identify best practices adopted by the State Govt.s for the development of tourism” , States profile and tourism development, final report, volume II, New Delhi.
3. Dimitrios Buhalis (1998), “Strategic use of information technologies in the tourism industry”, Tourism management, vol.19, No. 5, pp 409-421, Britain.
4. S.E.Ogbu, S.Idris and A.B. Ijagbemi,(2011) “ICT: A veritable tool for tourism development in Nigeria”, IT for people- centred development.
5. Vivek Gupta and Devashish Das Gupta,(2008), “Adoption and use of ICT in Indian tourism: Interventions for the top tourist destinations of India”, Conference on Tourism in India- Challenges ahead, IIMK.
6. <http://www.incredibleindia.org>
7. <http://tourism.gov.in/>
8. <http://www.keralatourism.org/>
9. <http://www.ktdc.com>
10. [www.kerala.gov.in/dept\\_tourism](http://www.kerala.gov.in/dept_tourism)