

ROLE OF STRATEGIC MANAGEMENT IN TOURISM DEVELOPMENT

Dr. Varsha S. Sukhadeve

M.Com., M.A.(Eco), M.B.A., M.Phil., NET, Ph.D., D.Litt.
Associate Professor & H.O.D., IQAC Co-ordinator,
Smt. L.R.T. College of Commerce, Akola , India

Mobile : 9822733021, drvarshasukhdeve@gmail.com

Abstract

Tourism is the one of the fastest growing industries in world may be in the form of leisure, or medical or any other form. The World Tourism Organization (WTO) forecasts that international tourism will continue to grow at an average annual rate of 4% by 2020. Neo tourism or sustainable tourism that lays emphasis on eco-friendly pursuits; Tourism that satisfies individual interests and purposes appearing with post modern social change. Tourism avoids environmental destruction and ensures the experience of untouched nature. Tourism, that offers information on any subject through the internet. The study mainly aimed at to throw some light on state of Indian tourism industry particularly medical tourism. The study may aim at role of Strategic management in boosting the tourism industry in India. To focus on possibilities that can enhance the tourism business in India double by 2020. To offer some suggestions that weed out the identified drawbacks of particular industry in India.

Key Words: Competitive Advantage, Product Proliferation, Medical tourism, strategy

According to World Tourism Organization, “tourists are people who travel to stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.”

Whenever a tourist has disposable income, leisure time and developed infrastructure particularly in tourism can have a tour for refreshment. The other object of tourism is to see great monuments across the world, learn new languages, experience new cultures or enjoy the climatic conditions of another state. Recently adventure tourism and spiritual tourism got its movement.

The World Tourism Organization (WTO) forecasts that international tourism will continue to grow at an average annual rate of 4% by 2020. Neo tourism or sustainable tourism that lays emphasis on eco-friendly pursuits; Tourism that satisfies individual interests and purposes appearing with post modern social change. Tourism avoids environmental destruction and ensures the experience of untouched nature. Tourism, that offers information on any subject through the internet.

By keeping in mind the above brief introduction and future growth one should concentrate on the development of tourism industry and to get a maximum share to their own venture. In this aspect one cannot deny the importance of strategic planning in tourism. Before that what is meant by strategic planning?

-
1. “ Study of the effective factors for attracting medical tourism in Iran”, Lulea University of Technology, Zahra Kazemi, 2008.

According to Chandler, Strategy can be defined as the determination of the basic long-term goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals”

Anthony defined strategic planning as “the process of deciding on objectives of the organization, on changes in these objectives, on the resources used to attain these objectives, and on the policies used to govern the acquisition, use, and disposition of these resources”.

To become a benchmarking organization in the industry one should cope up with the changes that are taking place in the prescribed industry. The following are the some of the important product proliferations that are observed in tourism industry. More particularly the changes in food habits of the people are worth noting. Those are:

- ❖ Space hotels
- ❖ Airships
- ❖ Hydro polis
- ❖ Pod hotels
- ❖ Capsule hotels
- ❖ Love hotels etc.
- ❖ And theme based hotels should be developed to attract more and more number of tourists.

FUTURE DINING TRENDS:

- ❖ Globalization
- ❖ Professionalism
- ❖ Technology advancement
- ❖ Specialization
- ❖ Hygiene, sanitation and safety etc.,

Objectives of the study:

1. To throw some light on state of Indian tourism industry particularly medical tourism.
2. The study may aim at role of Strategic management in boosting the tourism industry in India.
3. To focus on possibilities that can enhance the tourism business in India double by 2020.
4. To emphasis the importance of marketing in developing the tourism industry in any country.
5. To offer some suggestions to weed out the identified drawbacks of particular industry in India.

Planning for marketing campaigns for the individual restaurants:

Marketing plays an important role in development of the business, which can reduce the gap between producer and consumer. It is also helpful to the producer to show the ultimate customer for his/her products/services both temporarily or sometimes permanently. It is also helping the customer to introduce the suitable product/service according to their requirements. So, individual organization should have a good planning in order to capture the business available in the market. Before plan for the future business and marketing campaign it should notice the following points. Those are:

- ❖ The organization should be a benchmarking organization with world class facilities and services.
- ❖ The country government should give priority to that industry in all respects including liberalized visa provision, chance for globalization, easy licensing policy, and concessions in all aspects.
- ❖ Giving standard norms like potential and ability of each hospital which is important to enter this market.
- ❖ Provision of insurance to tourists and particularly for medical tourists.
- ❖ Provision of ATM facilities, on-line facilities, other means of services to attract more number of tourists.
- ❖ Seeking the help of private people to provide the information in all world languages by which people can acquaint with the information for easy access.
- ❖ The organization would also concentrate on the identification of Strengths, Weakness, Opportunities and Strengths (SWOT) in order know their correct position.
- ❖ Finally, the organization can design systematically their service, facilities to cope up with the current expectations of the customers.

Factors that affect hospitality industry developments in countries like India:

1. **External influences:** legislations and regulations, economics and financial, marketing position and image:

Yes, it is true that no organization works in vacuum, it is a part of society. Now in the development of Information Technology and Communications, (LPG) Liberalized, Privatized and Globalized world it is a part of global hut. The firm must be a proactive to the events or things that occurs world wide. The development of any industry particularly hospitality industry also influenced by the macroeconomic aspects like Legislation Possibilities, Economics viz., Fiscal Policy, Monetary Policy, International Business Policies etc., Its development also influenced by the marketing position and its image world wide. For example people may prefer either Thailand or Malaysia or Republic of Maldives as tourist spots because of that country's' marketing campaigns, packages etc., even world financial position status like good or recession also influence the business of tourism industry. Some countries making changes in their international policies so as to attract more number of tourists, by providing them easy visa services, insurance, assistance etc., Some countries inviting investments through FDIs in this areas.

2. **Internal influences:** financial, managerial and operational:

Only profitable organization can go for large scale of production (more services) and can gain economies of scale. So, the financial capacity of the organization, its worth in managerial level as well as operational levels can make that firm more competitive in world markets. For this purpose the organization should do more exercise to get competitive advantage. A modern organization should adopt modern management techniques like Business Process Re-engineering (BPR), KAIZEN, JIT, SCM, TQM, 6 SIGMA, etc., it should be strong in all functional areas from Human Resource to Research and Development.

3. **Trends:** wide variety including food fashion providence and food miles, organic, ownership, eating patterns, labor force movement/availability:

Many services organizations believe that simply because their services offerings may be used by customers of all types, sizes, and industry segments, they must target their marketing and business development efforts to the market as a whole, that it does not make sense to restrict their sales and marketing efforts to a smaller than universal marketplace. So, the main aim of the modern organizations is to attract the customers from all segments of the market. So, it should go for product proliferation to see their product/service in segments of the market. Before designing the services particularly in the area of food the tourist organization should keep in mind the changes that are taking place in food preferences of the people. Some people give priority for variety in food items, where as some people expect their home country foods in host country so the firm must be in a position to make available of both to its loyal customers. Some people give priority for organic products i.e. foods prepared without any pesticides and chemicals, some people prefer modern dishes where as some confined to traditional dishes. Some people may be attracted by the way of food preparation, some people may give preference for new tastes, some may give priority for the way how we are serving the food.

Various kinds of strategies like acquisitions, partnerships, Joint Ventures, mergers also add support to the organizations to widen their customer range. Growth is a major objective of most organization. Guth¹ has discussed the seven strategies of these trends, those are:

1. Hold relative position in high growth product/ market area;
2. Increase market share in high growth market;
3. Increase market share in mature markets;
- 4.hold strong relative position in major market, and use “excess” cash flow, funds capacity, and other resources to support penetration in multinational markets with existing product line;
- 5.hold strong relation position in maturing market and use “excess” cash flow, external funds capability, and other resources to support penetration of new product/market areas domestically ;
- 6.hold strong relative position in multi national markets with present product line, and use “excess” cash flow funds capability, and other resources to diversify products; and
7. Hold strong relative position in diversified product line domestically and use “excess” cash flow, funds capability, and other resources to diversify markets.

So, strategic alliances can bring strong support to the organizations to become strong.

Developments: investigate and report on what is happening currently:

World organizations are competing each other to increase their customer’s cult permanently for this they are approaching marketing services to become as a big hub in their industry.

.....

1. D. Guth (1965) “Business Policy: Text and cases” Richard D. Erwin, Home wood IL.

SUGGESTIONS:

The organization should develop its capabilities to new market prospects; it should take into consideration the expectations of the both past of future customers while designing their campaigning programs. It should adopt telemarketing, advertising, trade show participation, articles, speeches, presentations and “white papers” to reach the progressive customers effectively. Marketing research can also helps to address the definition, descriptions, components and classifications of each individual service, packages, pricing methodology, mode of delivery, segment focus, and other latest trends and developments in this area.

FURTHER RESEARCH:

Tourism particularly medical tourism is a vast subject as one cannot inculcate complete knowledge through one or two articles. It is big and sensitive being a service provider, with many challenges. Tourists expect many and different kinds of services, one should behave and tackle by keeping in mind their expectations. Tourists may come for leisure, for learning cross cultures, or languages or dance or for medical purpose. The industry also influenced by many other allied subjects like marketing, finance, strategic management, R&D etc., so, there is much scope in this regard to focus by scholars in future.

CONCLUSION:

In today’s highly competitive market, the organization should ‘rush’ towards new services to market before they are ready, and without adequately ‘arming’ their internal sales and service force to sell their products or services. A modern organization should have interactive partners with their customers, dealers and vendors to deliver the services more accurately.

REFERENCES:

1. Willion K. Pollock, “Services Market”, ICFAI Publications, Hyderabad.
2. Arnott, Nancy. “What’s the Word? Ask Ries and Trout.” Sales and marketing management. Vol. 146, issue 7 July 94.
3. Rothschild, William E. “Competitor analysis” The missing Link in the Stratey.”. McKinsey Quartely issue 3, Autumn 79.
4. Baumann, M.A. “Targeted Strategies Reduce Marketing Cost. “ Hotel and Motel Management. Oct 17, 2005.
5. Statt, David A. Understanding the Consumer – A Psychological Approach. Mac Millan Business, 1997.