

## DEVELOPING A STRATEGY FOR THE PROMOTION OF TOURISM IN KOZHIKODE

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### ABSTRACT

The purpose of this paper is to highlight the need to promote tourism in Kerala and in that regard a strategic examination of the issues have been attempted. The central theme of the paper is to highlight the fact that Kerala is richly endowed with natural beauty making it an ideal place where tourism can be promoted. The promotion of tourism it is argued will fetch revenue for the state both in Indian and foreign currency. This will enable the government to have a greater aggregate disposable income to moot its social programmes, improve its infrastructure, employment potential and thereby improve the quality of life of the populace. Above all it will generate employment, create an enhanced aggregate disposable income and thereby revive the falling fortunes of Kerala's economy.

Kerala has had the distinction of having the first socialist government in India under the legendary E M S Namboodripad. It boasts a high level of social consciousness and a high level of education across all social strata. The state boasts of 100% literacy and the fact that the term literacy may imply only the ability to sign one's name and engage in socialist rhetoric seems immaterial. Unemployment levels are high and per capita output of labour is low. Moreover industrial development in the state is as poor as is the infrastructure. The roads for instance are narrow, winding and highly dangerous to travel on. The attitude of Kerala Tourism development Corporation KTDC could be more proactive and customer friendly that it is. With this contradictory background we have taken up a case for developing tourism industry in Kerala from a strategic management perspective.

In this paper the case of Kozhikode (earlier Calicut) has been taken up to make our point. The choice of Kozhikode was made because of two reasons. The first author spent a full semester as Visiting professor of Business Policy at IIM (K) and made the observations first hand. The second author converted these observations into an argument for sustainable development.

The major tourism requirements are accommodation transport intermediaries i.e. travel agents, attractions and amenities. A cursory inspection of the hospitality sector might suggest that a few large companies dominate the market, giving the impression of an oligopolistic structure. However the service hospitality sector is mostly fragmented in many small units where location and the spatial distribution of accommodation are important factors determining the degree of competition. The wide range and quality of accommodation, its multi product nature, seasonal variations in demand, introduce an additional dimension into the operation of the market.

**KEYWORDS:** Social Programmes, Improve Its Infrastructure, Employment Potential and Kerala's Economy

## INTRODUCTION

There are a few hotels in Kozhikode that form part of a nation-wide chain (e.g. The Taj, KTDC) . The hotels are located within the city, far away from the places of tourist interest. There is only one hotel located near one of the beaches (Kappad) and it is a health resort and not a hotel in a true sense. Tour operators and travel agents respectively assemble and retail holiday packages largely for the mass market. The role of the tour operators is to supply holiday packages and to facilitate the linkage between the suppliers of travel, accommodation, facilities and services, both in origins and destinations, and the tourist.

## KOZHIKODE – A GLIMPSE AT THE PAST

Kozhikode is a place located on the western coast of India in the southern state of Kerala. The myth is that long ago Parasurama (one of the five immortal souls in Hindu mythology) flung his axe far out into the heaving sea, the waters receded and the land of Kerala emerged into the sun and air. Stretching in a southerly direction from the South Kanara along the west coast up to 50 kilometers from Kanyakumari, Kerala has a total area of 38,855 square kilometers and a coastline of 550 kilometers. It is a narrow strip of green stretched along the coast for the width nowhere is over 100 kms.

Kozhikode is a calm and quiet coastal city, which was one of the best-known seaports of India during the 13<sup>th</sup> to 16<sup>th</sup> centuries. During the period of Solomon the Great (BC 100) Malabar Coast and Beyport fort were known trade centers. The Chinese established trade relations with Kozhikode by 7<sup>th</sup> century but were later pushed out by the Arabs in the 7<sup>th</sup> Century.

Vasco da Gama's first look at India was at the port city of Kozhikode on the southwestern coast. By the time Vasco da Gama arrived in 1498, however, the city had long been an important and rich trading post, due to its secure harbor that brought together "merchants from every city and from every country". Ships laden with the legendary riches of India – teak, ivory, pepper, ginger, cinnamon and other spices – sailed from Kozhikode for the markets of the world.

## CONTEMPORARY KOZHIKODE

The city center has been transformed into a large park called Mananchira Square, site of a musical fountain and an open-air theater. Nearby, the beaches beckon with soft trade breezes, and dolphins are frequently at play in the harbor. And in another interesting lexicographical note, Kozhikode's English name of Calicut has a well-known derivative in America. Kozhikode is said to be the origin of the word "Calico," a variety of hand-woven cloth that is reputed to have originated here.

## TOURIST ATTRACTIONS

The places of tourist importance in and around Kozhikode are the following:

### **Kozhikode Beach**

The beauty and serenity of Kozhikode is till date not exploited to develop to a tourist center. Even then people from all around gather here to enjoy sunset and it is a popular retreat for local people. Two sea piers almost 125 years old extending well inside the sea are a specialty.

### Beypore Port

It is 11 kms from Kozhikode and is famous for boat building yard where mammoth country crafts known as Uru are being built. It is a major fishing harbor of Kerala.

### Kappad

This is the beach where Vasco da Gama landed in may 1498 which started the colonization of India.



Figure 1

### S.M. Street

Sweet Meat street is popularly called as SM street. It is the busiest shopping spot of Kozhikode. It is famous for halwa and banana chips.

### Kuttiadi

It has a popular hydro electric project out here along with a crocodile and bird sanctuary at Peruvannamuzhy.

### Pazhassiraja Museum

It is located at East Hill. Copies of ancient mural paintings, antiques and coins *etc.* can be viewed here.

### Art Gallery

This museum has a section devoted to V.K. Krishna Menon (former Defense Minister). One of the sections here

contains personal belongings of the late leader. The art gallery also contains paintings of Raja Ravi Verma.

### Thusaragiri

This site has a waterfall which is located on the hills of the Western Ghats and is a feast for the eyes.

### Wynad

This nearby hill station has the tea gardens and the trek routes for the adventurous and fun loving individuals. There is a place here where elephants are tamed.

### Bekal

The famous Bekal fort occupied by Tipu Sultan and the virgin beaches here are places worth visiting. It lies in Kasarcode district and is 180 kms away from Kozhikode.

*How could the tourist ideally spend his (her) time at Kozhikode?*

- **Day 1:** Visit Thali temple, Pazhassiraja museum and the planetarium in the morning. Spend the evening at Kozhikode city beach.
- **Day 2:** Visit Bepore in the morning, see Kallaripayattu and spend the evening at Kappad.
- **Day 3:** Visit WYANAD, see the tea gardens, Pokoot lake and Sujipara waterfalls; go for a trek to Chembra peak the other day.
- **Day 4:** Visit Tusharagiri on a trek and enjoy the jungle and the waterfall.
- **Day 5:** Spend the day at Bekal by visiting the fort and the beach at Kapil.

These five days shall help the tourist in enjoying the nature and the tranquillity of nature.

## SURVEY METHODOLOGY

The objective of the study was to find ways 'To market Kozhikode as a tourist destination'. A strategy had to be formulated to carry out the above objective. The research conducted was exploratory in nature. To study the existing scenario and the gap between market needs and present provisions various research instruments were used. These consisted of

- In-depth interviews
- Focus group
- Questionnaire personally administered to tourists (schedules)

The focus group consisted of 33 persons of repute in their field of profession. In- Depth interviews of the 66 other people who are concerned about the tourism industry was also conducted. The questionnaire was personally administered to 26 foreign tourists not more than two of them were in the same group. We have incorporated the valuable inputs received from the respondents during the survey and the learning from the study in the framework given below.

**Stakeholders**

The following are the stakeholders in promotion of tourism in Kozhikode:

- Kerala Tourism Development Corporation
- District Tourism Promotion Council
- Hospitality industry
- Tour operators
- Environmental protection agencies
- Local population and District authorities
- Transport carriers - Railways, Airlines etc.

**FRAMEWORK OF TOURISM STRATEGY**

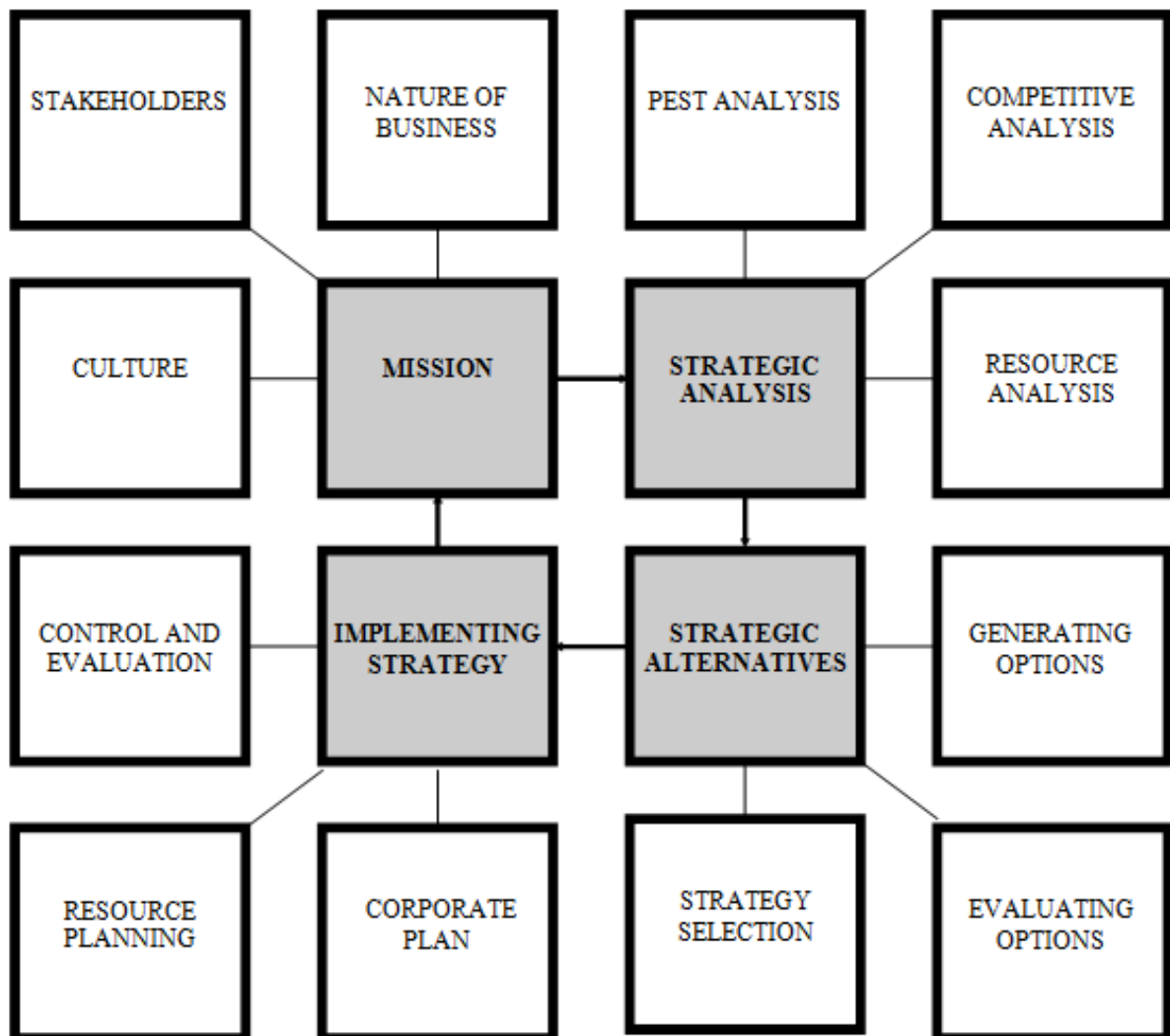


Figure 2

### **Nature of Business**

General economic aims such as generating more employment and foreign exchange earnings. These aims will bring economic benefits to the wider population of the city.

### **Culture**

The basic attitude of the population is conservative which inhibits the promotion of tourism. The prevailing culture does not permit the development of facilities like restaurants, bars, pubs, and discotheques etc., which are essential for a world-class tourist center.

Thus, the mission statement to put Kozhikode on the world tourist map is as follows:

*“A highly focused, profit oriented, internationally competitive tourism industry with special emphasis on the uniqueness and specialty of Kozhikode”*

On a rough estimate Kozhikode would really progress with targets of \$100mn of foreign exchange earnings from 2 lakh tourists by the first decade of the next millennium.

## **STRATEGIC ANALYSIS**

The Strategic analysis can be done in the following way using the well known PEST analysis: Here ‘PEST’ stands for Political, Economic, Social Cultural, and Technological environment.

### **Political**

The tourism development in Kozhikode shall develop depending on the political environment here. There are two prominent political parties in the state and in the city. As a result if one party tries to promote it as a tourist destination another party shall try to project it as an invasion to their culture.

### **Economic**

Tourism organizations shall seek to expand to countries where the economy is expanding. Economic growth can be seen by the income level, expenditure on capital goods such as hotel construction etc. This seems to be increasing in the state and hence the economic conditions of the city. This shall help in giving a boost to the tourism industry.

### **Socio-Cultural Environment**

It shall depend upon the size and structure of population, social class and attitudes and values. The population is a key factor influencing the demand for tourism services. The labour force which supplies tourism organisations is derived from the population. Since this is not a problem for Kozhikode it shall prove to be a place where economies of scale are achieved.

Intercultural differences might creep in. The alcohol aspect of tourism might be considered as a taboo for Muslims. Attitudes might also have an impact on the number of tourist arrivals. This can be however be bettered by training the local people about the benefits of tourism.

### Competitive Analysis

The extent of influence of other tourist destinations nearby affect the choice of Kozhikode as a tourist destination. Ooty, Kovalam *etc.* are the places which are bound to act as 'competing destinations' once a tourist decides to visit this part of India. Hence the need to differentiate Kozhikode as unique tourist destination is imperative.

### Entrants

Bhatkal, Munnar *etc.* are being developed as tourist destinations. These are the new entrants which could compete with Kozhikode.

### Switching Costs

Here, in case of Kozhikode, the switching costs involved are very low. This can be an advantage as well as a disadvantage. Hence the overall need to differentiate Kozhikode as a unique tourist destination.

**Resource Analysis:** These consisted of three kinds of resources.

### Physical Resources

Compared to other rival locations like Bhatkal, Ooty *etc.*, Kozhikode fares better in terms of connectivity due to its airport. However in terms of number of hotels and quality of hospitality, Kozhikode will definitely lag behind Ooty.

### Human Resources

In terms of human resources, Kozhikode would again lag behind due to lack of trained personnel. This could be attributed to the non-existence of proper tourist industry. This corrected by training the locally available manpower.

### Financial Resources

Kozhikode seems to be neglected as a tourist destination by the authorities *vis a vis* places like Ooty. This has a direct bearing on the tourism here. Hence the financial resources are the most important need for developing tourism here.

### Strategic Alternatives

With its relatively undisturbed environment, Kerala has the potential of emerging as the destination of the next millennium, which would be characterized by tourism activity governed to a great extent by environmental issues. Kerala, we believe, can easily exploit the international trend of changing tourist references and emerging trends of ecologically conscious tourists. This also envisages the development of a new model of tourism development.

### Global Tourism Trends

The last few years have seen a perceptible change in the preferences of international tourists, especially in Europe, which accounts for the majority of the visitors to Kerala. Among the notable features are emphases on

### Environment

Now tourists prefer destinations which have low levels of pollution, and which project the image of developing tourism in consonance with environmental imperatives.

### **Personalized Experiences**

More and more tourists are moving away from packaged tours, which restrict their itineraries and choices, and prefer to chart out individual holidays tailored to their taste. This has led to the gradual expansion of tourism activity from established destinations to smaller, less known destinations.

### **Involvement with Host Population**

The trend in tourism away from safe itineraries also reflects a preference to experience the culture of the visiting destination first hand, by closer contact with the local population.

### **A New Approach**

The above analysis leads to the conclusion that a new approach is needed that will give direction and clarity to the sector, so as to lead to a sustainable and unique model for tourism development in the city. The key areas in this approach would be:

- Emphasize the uniqueness and specialty of Kozhikode as a destination and project the city as the destination of the next millennium. This would involve a strategy to highlight the fact that Kerala is a pollution free City and can be justifiably called as the “Green Destination”.
- Underline the importance of a regulatory mechanism that will ensure sustainable tourism development.
- Evolve a strategy for healthy growth as opposed to unrealistic targets promotion.

### **Internet**

In today's information age, a large number of people take a decision regarding their vacation based on the data available on the Internet. This will only increase in the coming years, and the phenomenal growth of the WWW will revolutionize the Travel and Tourism Industry. A web site has to be constituted and developed into a comprehensive, informative and responsibility location that will form the backbone of all international promotional activities in the future. The Web site must have well established links with other good tourism sites, place banners and refreshing of visuals etc. In short, a comprehensive and maintaining a very good site is needed.

### **Media Plan**

A comprehensive media plan has to be worked out with a 3-year time frame. The media plan should include specific markets and countries in mind. An area, which in our opinion has not been addressed as properly as it should have been, is a comprehensive media plan for promoting Kozhikode in other states of the country. India being such a large market, it is essential to prioritize and focus on certain high-income target markets to maximize benefits.

In the overall context of tourism in the next millennium, the biggest advantage that Kozhikode would enjoy over competing destinations is its un-spoilt and pristine environment. Against this background it is imperative that a comprehensive strategy for prescribing a regulatory framework for tourism development be chalked out and implemented immediately. This would not only ensure sustainable tourism development that will enhance the quality of tourism in Kozhikode, but also a stem in the right direction where Kozhikode tourism would be perceived as proactive and responsive to environmental imperatives.



### **Government as a Regulator**

Cases of crowded and over-built tourism destinations are well known. The Pattaya beach in Thailand is an example. Closer home in Kerala, one can cite the example of Kovalam and Varkala as two destinations where lack of regulation or more precisely, unwillingness to regulate has resulted in overcrowding and over-building. The main difficulty is the absence of guidelines or master plans for the destination as a whole, based on which the local bodies can regulate the tourism related build-up. By constituting area specific tourism the Town Planning Act, we opine, can rectify this lapse. These authorities can have all the powers of the local bodies for giving building permission. They need intervene only in tourism related constructions. They can conduct carrying capacity studies and determine the number of hotels and such facilities that can be allowed to come up. They can also lay down minimum standards for services like size of rooms, facilities to be provided in rooms, environmental safeguards, etc. Only those that satisfy these minimum standards will be allowed to come up. The authorities must have statutory powers to prevent unauthorized constructions.

### **Government as a Catalyst**

It has often been said that for a good destinations, all that is needed are roads, communication, civic services, etc. Kozhikode is fortunate that these services are reasonably good. Arranging proper sign posts, making available guide maps and providing security to tourists etc. can also be important functions of the government or its agencies like DTPC. Yet another area where government must act a catalyst is in setting up hotels in new destinations where the private sector is reluctant to go.

Kovalam was nowhere on the tourism map until the ITDC set up the hotel there. KTDC had to run their hotels Thekkady on loss for 20 years before the private sector became interested. Yet another success is the joint sector project between the KTDC and Taj group which has played the role of catalyst in Kumarakom and Varkala. KTDC perhaps has to carry out the very same functions in Bekal, Wynad and Kozhikode.

### **Strategic Alliance**

We suggest that KTDC should go for vertical integration and thus look for an alliance partner, who has the capability of getting inbound tourists from all over the world. The infrastructure of the KTDC (its hotels, restaurants, bars, resorts etc.) and the expertise of the tour operators can work wonders and attract thousands of foreign tourists to this virgin land of Kozhikode. KTDC has to improve on its existing infrastructure. But building these hotels and not maintaining the best standards of service can eventually lead to their fall from grace. KTDC will have to bring professionalism. They have to be responsive to the changes and changing needs of the tourists.

### **Health Tourism**

Kerala, God's own country has always tried to lure tourists with its lush green scenery, blue lagoons, kathakali and most recently with its Ayurvedic treatment - especially dhaara and pizhichil. People from other states and also from abroad are flocking to Kerala for these treatments. These unique systems of treatment in ayurvedic field seem to provide an attraction to this small state in the tourist map of India. Star hotels in Kerala are now opening up special facilities for ayurvedic treatment as additional attractions. We suggest KTDC, DTPC, and Hoteliers in Kozhikode to establish facilities for the treatment and make available trained physicians.

## **Cultural Tourism**

Kozhikode has some unique things to offer to the world. The ethnic diversity that is found here is unique to this part of the country. The following can be clubbed to offer a cultural tour package to the world.

### **Kalaripayattu**

It is a form of marshal art and its typical style has potential to attract many foreign tourists to Kozhikode has in its periphery few Kalaripayattu gurukuls. There is a need to establish a few professional centers wherein the art can be exhibited. Kalaripayattu Competitions among various gurukuls can be projected as a tourism event.

### **Bungee Jumping (West) and: Arecnut (Supari) Tree Jumping (Malabar)**

This is a dangerous art successfully put to daily use by many of the villagers belonging to the Malabar region. Arecnut tree is a thin, long and flexible tree. The local populace engaged in this sport climb over the trees to get Arecnut. Instead of getting down and again climbing another tree, they jump from one tree to another. Tourists can enjoy this unique art confined to the Malabar region.

### **Cultural Festival**

Cultural Festival can be organized during a particular time of year where some of the best artist, dancers, singers etc. can be invited to perform. A part of the festival can be a *food festival* where palatable dishes (fish, biriyani, halwa etc.) be served.

### **Eco-Tourism**

The green, calm and tranquil atmosphere of this region makes it an ideal location for eco- tourism. People tired of their hectic urban life can be offered solace and peace by Kozhikode's inherent serenity. Nature lovers can be particularly attracted to this place. Ample number of places including Wynad, Tusharagiri etc. can serve the purpose. It can also be projected as a transcendental meditation tour.

### **Water Sports**

There are some beautiful spots in and around Kozhikode which can be used for the purpose. Boating, waterfalls etc. can be an attraction. May be KTDC can come up with a water sports park, to attract adventure seekers.

## **Implementing Strategy**

Resource planning is a vital ingredient of the implementation strategy and is concerned with the identification of resources i.e. physical resources, financial resources, human resources and resource fit.

### **Physical Resources**

Development of certain essential physical resources is necessary to facilitate development of tourism

### **Financial Resources**

It is essential to identify sources of finance and logistics of finance (to ensure coordination of income and expenditure). Sources of finance can be :

- Debt
- Government budget allocation
- Share issues etc.

### **Human Resources**

The tourism sector being a service sector has to be market oriented so that it caters to the market needs in an effective and efficient manner such that the customers are highly satisfied. For this the role played by the personnel cannot be overemphasized. Thus an effective training program is to be planned that will make the personnel sensitive to the market needs.

### **Control and Evaluation**

The strategy process is incomplete without attention to control and evaluation. Control mechanisms are necessary to ensure that the strategy, which was outlined and broken down to objectives, is delivered according to specifications. Evaluation entails assessment of the success of the strategy. Evaluation must be related back to the mission statement.

### **RECOMMENDATIONS**

- The attempt should be to attract well-to-do tourists from other states and abroad.
- Instead of concentrating on number of tourists the emphasis should be to conserve the environment and protect Kozhikode's cultural and social heritage and fragile ecosystem.
- Development initiatives that have comparatively higher employment potential should be given priority. This would enable the growth of local region along with the growth of the tourism industry.
- The welfare of local tourists should also be kept in mind while developing tourist destinations.
- Develop the tourism potential of Kozhikode keeping in mind carrying capacity of tourist centers.
- Emphasis should be to promote both the public and private sectors in tourism industry
- Promote local fairs and flower shows

### **CONCLUSIONS**

Unregulated growth will surely destroy its long-term viability. Balancing the competing demands of protecting the environment with the requirements of the industry will require skill, determination and above all vision. The experience of Kovalam clearly indicates that the market produces suboptimal results if left to itself. Comprehensive legislation to regulate the growth of the tourism industry is therefore an imperative necessity.

However, before we venture down the legislative path, some strategic decisions have to be made. We need to be clear about what kind of tourism profile Kozhikode wants to project.

Is it going to be a cheap destination for the sun worship of the West? Or are we talking of the Industry that is not

benchmarked by the number of tourists that come to Kozhikode but rather by the quality of the clientele. Conscious policy choices have to be made by the government in consultation with industry players and in early part of the decade beginning in 2000 if the economy of Kerala is to take advantage of the tourism industry, which can flourish with relative ease.

If foreign currency is expected to pour in then Kerala must cater to global standards of tourism and that includes being hygienic and eco-friendly. If the upper stratum of Indian civil society is expected to come as tourists then a certain amount of peace, quiet and safety has to be ensured. In both case logistics have to be improved and the tourist industry must move into a proactive and customer friendly mode. Investment in security must be looked into and conservative religious groups must be kept on a tight leash lest they play spoil sport and start their ill advised, outdated and high handed moral policing actions.

### STRATEGY WHEEL

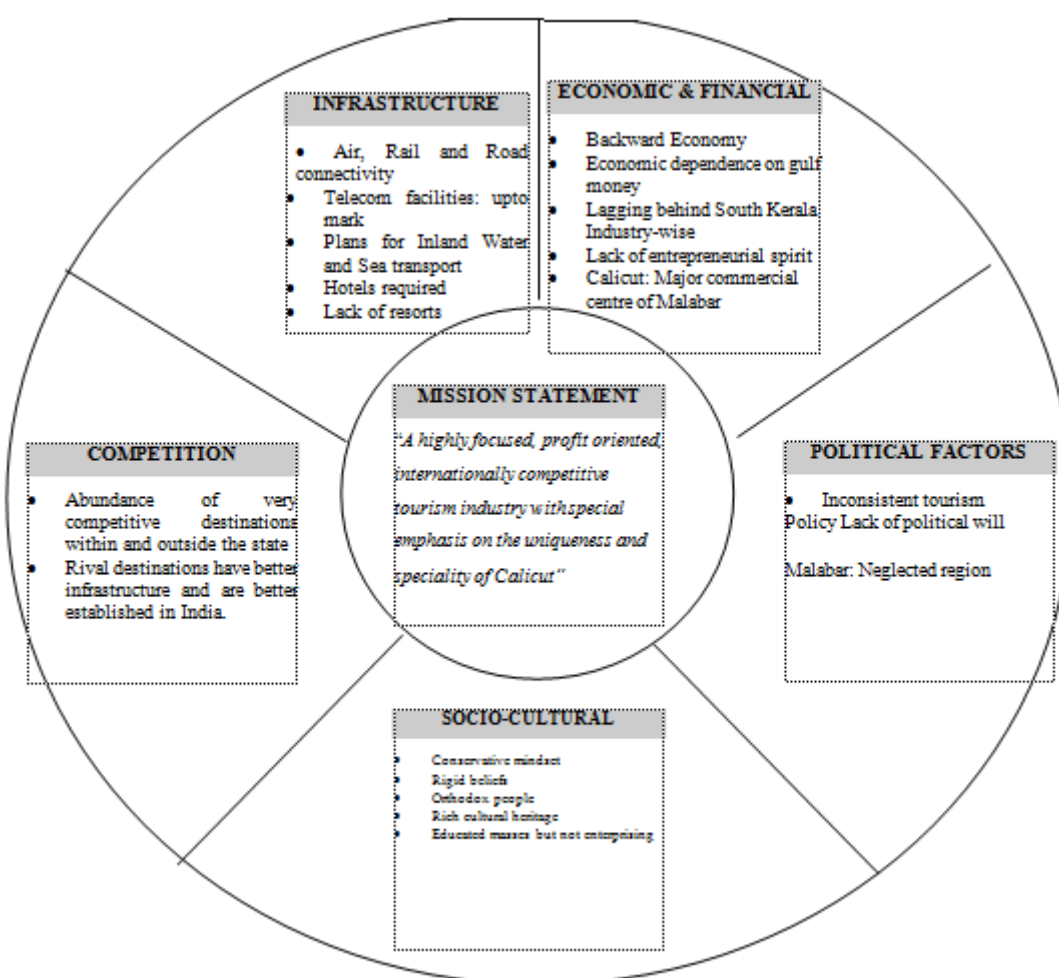


Figure 3

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