

Role of Travel Agencies in Promotion of Domestic Tourism

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Introduction:

Travelling is an ancient phenomenon. Ancient travellers were usually traders, pilgrims and military men. Today's travellers have varied interests like Family Vacation, Business Travel, Religious Travel, Adventure Travel, Group Travel, Spa Vacations and Wellness Travel, Food and Wine, Wildlife Encounters, Sports Travel and so on. Hence it has shown a tremendous growth year after year. Tough digital platforms are readily available for travellers to plan and book their itineraries; travel agents have been a reliable intermediary for tourists. The travel agency business started first by Thomas Cook and American Express Company, in 1845.ⁱ

“Indian policy makers had traditionally neglected tourism industry as it was considered to be a luxury segment benefiting only few. Indian economy depended a lot on agriculture, the government policies had always aimed to develop agriculture and other allied areas. Tourism was always viewed as an industry serving the elite instead of being accepted as a means to provide employment with good “multiplier effect”. **In 1955, the first Planning Commission of India had placed tourism industry 269th in its priority list.** Tourism was considered as an easy way to correct foreign exchange shortage. Consequently hotel rooms, food and beverage, handicrafts and many other services in most of the tourist destinations in India had traditionally been overpriced.ⁱⁱ

“After decades of political indifference, the Indian government started focusing on the tourism industry towards the end of 2002. The Tenth Five Year Plan acknowledged the potential of the Indian Tourism industry as a huge employment generator and foreign exchange earner for the nation and proposed definite initiatives to give a boost to the tourism industry.”

In India travel agency business really started after independence and travel agents in India had set an apex body called Travel Agents Association of India in 1949. Travel agency in India is now a major trade activity generating direct and indirect employment.

Travel agents play an important role in the promotion of tourism. Travel agents provide all facilities to the travellers by arranging the specified services. An agent arranges travel services from suppliers like airlines, steamship companies, railways, bus companies, hire car firms, hotels and sightseeing operators. Until recently the travellers were more dependent on travel agents for planning their itineraries. A

successful itinerary is not possible without the assistance of travel agents. Agent packages and processes all components of travel to present them to the tourists.ⁱⁱⁱ

India's tourism potential is huge. India's culture and diversity has so much to offer in terms of the heritage, architecture and experience that can be explored. Today's India is cosmopolitan, tolerant and vibrant country. India has a treasure of heritage sites, hill stations, caves, churches, mosques, temples, forts, national parks, wildlife sanctuaries, beach-lined Coasts, old monuments and art. Festivals of India are also major attractions for the tourists' especially foreign tourist. India has attractions that can be visited throughout the year depending on the theme of tourist's holiday.

In 2016, India was visited by 9 million tourists. The World Travel & Tourism Council calculated that travel and tourism directly and indirectly generated \$208 billion, or 9.6% of India's GDP, in 2016, and supported over 40 million jobs, 9.3% of the country's total employment. There has been a continuous increase in domestic tourist visits, with the compound annual growth rate (CAGR) of domestic tourist visits to all states/Uts from 1991 to 2017 being 13.1%. The year 2017 witnessed a growth of 2.3% in domestic tourist visits over the year 2016.^{iv}

Considering all these facts of Indian travel scenario and increasing flow of tourists visiting every year, travel agencies can play an important role in promotion and growth of Domestic Tourism. The research paper will try to find out efforts taken by travel agencies in promoting tourist destination in India.

The relevance of the study is to identify the impact of promotion of tourist destination in India by travel agents.

Objectives of the study:

1. To study the various promotional tools used by travel agencies in promoting tourist destinations in India
2. To understand the challenges faced by travel agencies while promoting tourist destination in India.

Research Methodology:

With reference to the theory of Marketing the common Promotion tools were listed down. Promotional tools were surveyed and the top promotional tools were identified, which were commonly used by the selected sample size. Convenience sampling is used for the research considering the limited time available for research. The researchers have used both primary and secondary data sources to collect information. Structured questionnaire were designed by researchers to obtain the primary data related to the research topic. In order to make the questionnaires effective Likert-scale questions are designed. However, researchers have collected the secondary data through books, research articles, industry literatures and online reports of various research and government organizations.

Theoretical Background:

Types of Travel Agents:

According to their level of operation, travel agents may be of following types

1. Independents - These are usually local travel agents and they don't form a nation-wide chain. They typically have one retail unit.
2. National Multiples - These are nation-wide chains with branches within the different regions of the country. They design packages and sell them to the purchasers either directly, or through retail units, thus acting as marketing intermediaries.
3. Regional Multiples - These agencies have variety of branches in one region - basically performing an equivalent functions at the National multiples but on a smaller scale.
4. Business Travel Agents – In today's world of globalisation, travel - both national and international, for business purposes became common. While most travel agencies handle both vacation tourists and business tourists, some travel agencies may concentrate on business travel only.

According to their functions of travel agents they can be classified as follows,

1. Inbound tour operators - These tour operators handle incoming foreign tourists directly by providing various ground services like transfers, transportation, accommodation, entertainment, sightseeing, shopping, currency, documentation, insurance services etc. They often collaborate with foreign tour operators. They contribute valuable exchange earnings.

2. Outbound tour operators - These operators concentrate on designing and marketing multinational tours. They typically sell package holiday of foreign countries to the people of his own country.
3. Ground operators - These operators provide various services and arrangements at particular destination. They are also called reception operators, destination management companies or handling agents.^v

Functions of Travel Agents:

The Travel Agents and Tour Operators act as intermediaries between the vendors and therefore the end consumers. They handle vacation travel and business travel. Their diverse functions are as follows,

1. Selling package tours is a foremost function of the travel agents. The travel agencies design predefined packages and sell them to the customers. In fact, certain agencies have developed a vacation supermarket concept where customers select tours from brochures on a rack and book them from a counter.
2. Every step of booking tickets, on trains, aero planes or ships, arranging for transfer and car hire is the next job of the agency. A strategic co-ordination with the bottom operator is required to make sure smooth transactions.
3. In case of cancellation of trains or flights, delays, loss of luggage etc., the travel agency represents the client and it's their responsibility to juggle around the tour schedule to form up for the delay and to pay compensation.
4. Organizing sightseeing tours, excursions and shopping trips is another function of the travel agent. During this regard they need to inform the tourists of the varied entry fees and design the tour consistent with their specifications.
5. The agent offers a good choice of accommodation to the tourists like hotels, motels, resorts etc. They arrange for bookings and reservations. This often includes arrangements for food also.
7. Travel agents are primarily information agents. It's their responsibility to provide the customers with complete information regarding transport, transfers, accommodation, sightseeing, meals shopping also as any regional specialties.
8. The agency also arranges for necessary documentation and insurance. The travel agency must inform the tourist of the regulation and arrange for the Vaccination with proper documentation.^{vi}

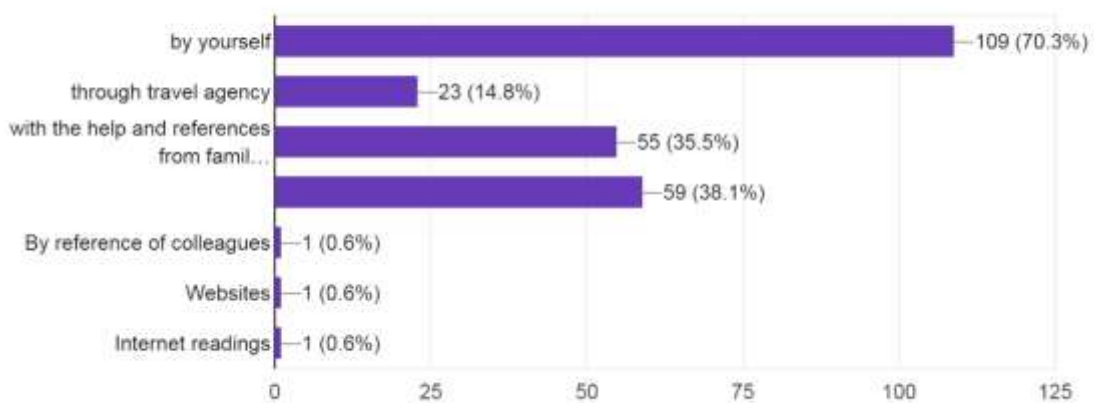
Data Analysis and Interpretation:

1. Data collected from Tourist with the help of Questionnaire:

The researchers have done convenience sampling and shared the designed questionnaire to more than 200 tourists. With the help of this researchers could able to collect the data from 155 tourists as a respondent for the research. The researchers were able to analyze the following from data collected from domestic tourists.

How do you plan your domestic travel?

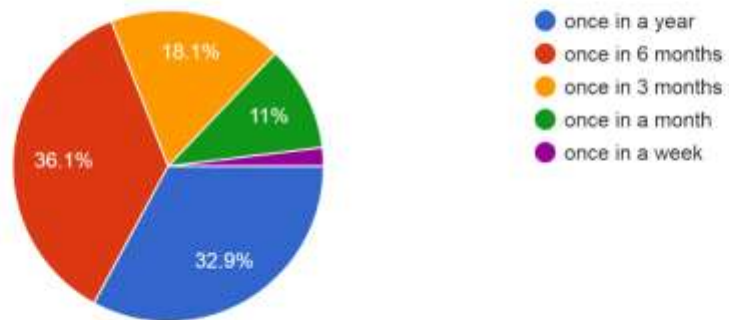
155 responses



Most of the tourists are planning their domestic trips on their own or with the help and references from family members and friends. Only 15% of the respondents planned their domestic travel through travel agency and surprisingly less than 2% of them done it through websites or internet readings.

How often do you travel?

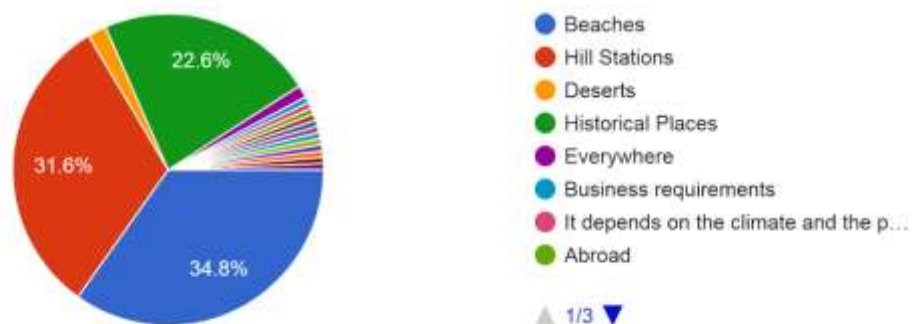
155 responses



The data collected reveals that it is necessary for all individuals to travel at least once in a year and get a break from their daily busy schedule to get rejuvenated. Around 33% of tourists travel at least once in a year, 36% of them travel once in 6 months, and 18% of them once in 3 months. From the data collected, it is clear that most of the tourists are travelling more than once in a year. Apparently, there is scope for travel agencies to tap these tourists and promote domestic tourism by offering customised packages understanding the needs of tourists.

Where do you prefer to go often when you travel?

155 responses

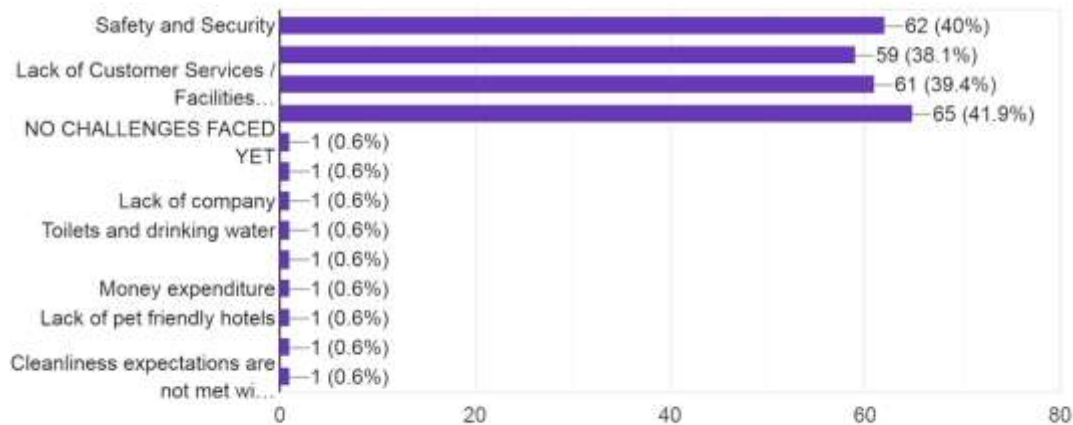


There are many domestic tourist destinations available to travel, but almost 35% of the tourists prefer to visit beaches as a first preference in selecting domestic tourist destinations. Approximately 32% of tourists would like to visit hill stations often when they

travel and the next popular domestic tourists destinations are historical places which are preferred by nearly 23% tourists.

What are the challenges you face in a Travel?

155 responses



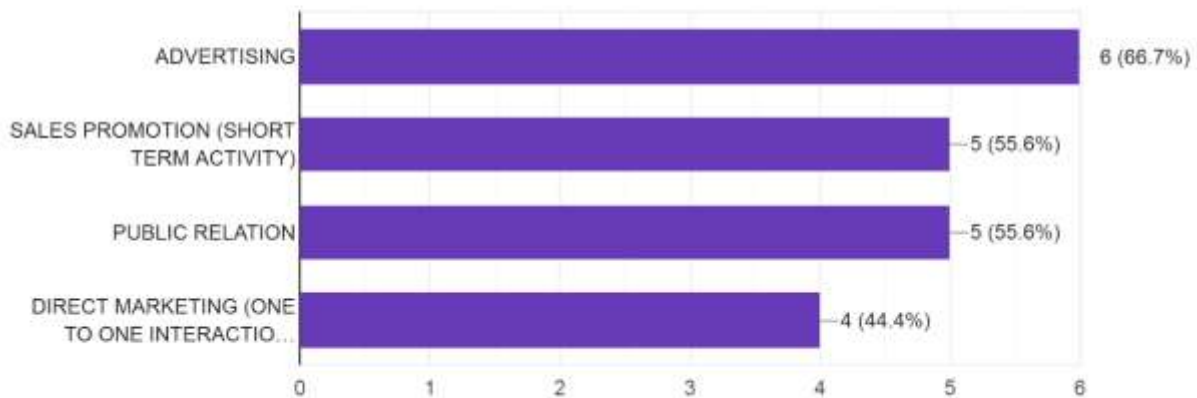
There are certain challenges which tourists face in domestic travelling. Lack of Information on Domestic Tourism is a major challenge faced by almost 42% of tourists followed by the issue of safety and security faced by 40% of tourists while travelling and at accommodation place. Lack of services/ facilities available and lack of availability of timely transportation facility are other challenges faced by tourists in domestic travelling.

2. Data collected from Travel Agencies with the help of Questionnaire:

The researchers have done convenience sampling and shared the designed questionnaire to more than 15 travel agencies. With the help of this researchers could able to collect the data from 9 travel agencies as respondents for the research. All of these 9 respondents are similar in their operation style and catering to both international as well as domestic tourism market. It is necessity for research to obtain the first hand information as a primary data from travel agencies those are at same level.

WHAT ARE THE PROMOTIONAL TOOLS USED BY YOUR AGENCY FOR PROMOTION OF DOMESTIC TOURISM?

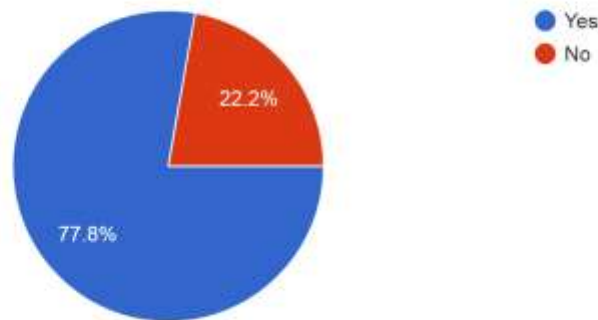
9 responses



All these travel agencies are using various promotional tools for promoting domestic tourism. Advertising in various forms is the most preferred promotional tool and 67% of travel agencies are advertising in some or the other forms to promote domestic tourism. Promoting the domestic tourism with the help of short term sales promotion activities and public relations is the second preferred way of travel agencies and almost 56% of travel agencies are using short term sales promotional as well as public relations for the same in addition to advertising. Less followed promotion tool is one to one interaction as a direct marketing strategy by travel agencies, which is followed by 44% of travel agencies as an added attempt to promote domestic tourism.

DO YOU TAKE SPECIAL EFFORTS IN PROMOTING DOMESTIC TOURISM?

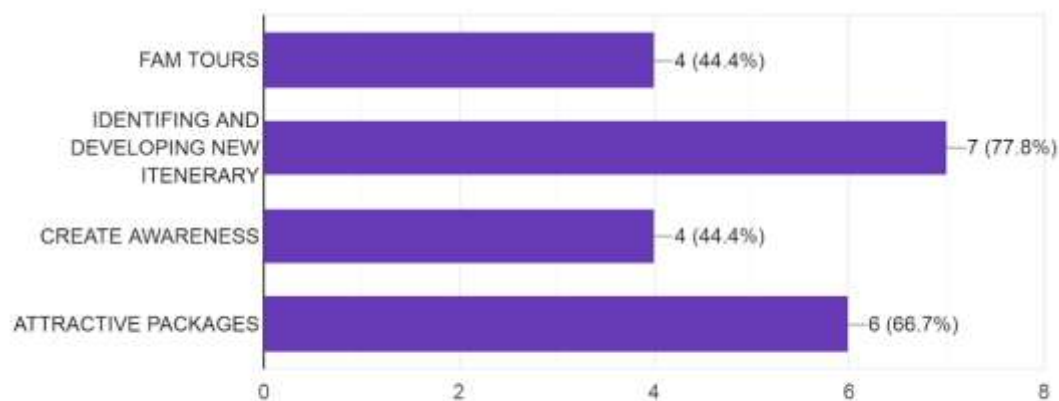
9 responses



Almost 78% of travel agencies are taking special efforts in promoting domestic tourism which includes marketing with the help of social media, print media and television advertisements. Some of the travel agents are also promoting the domestic destinations at various events and exhibitions along with presenting attractive PPT slide presentations with special offer prices.

WHAT ARE THE EFFORTS TAKEN BY YOUR FRATERNITY (TRAVEL AGENCIES TOGETHER) TO PROMOTE DOMESTIC TOURISM?

9 responses

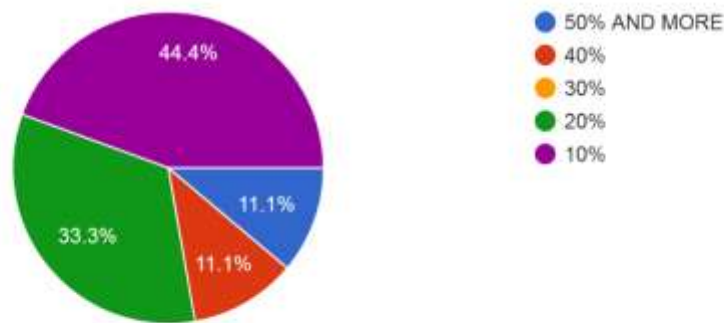


There are various efforts taken by travel agencies together to promote domestic tourism which includes participation in FAM tours by their staff (**FAM Trip** stands for “**familiarization trip**” and it is a **trip** exclusively for **travel agents** that are provided by suppliers or **travel operators**). Other efforts taken by travel agencies include identifying and

developing new itinerary, creating awareness about domestic destinations which are not much known and developing attractive packages for domestic tourism. It highlights the significant role of travel agencies in promotion of domestic tourism.

WHAT IS YOUR MONTHLY BUDGET FOR MARKETING DOMESTIC TORISM?

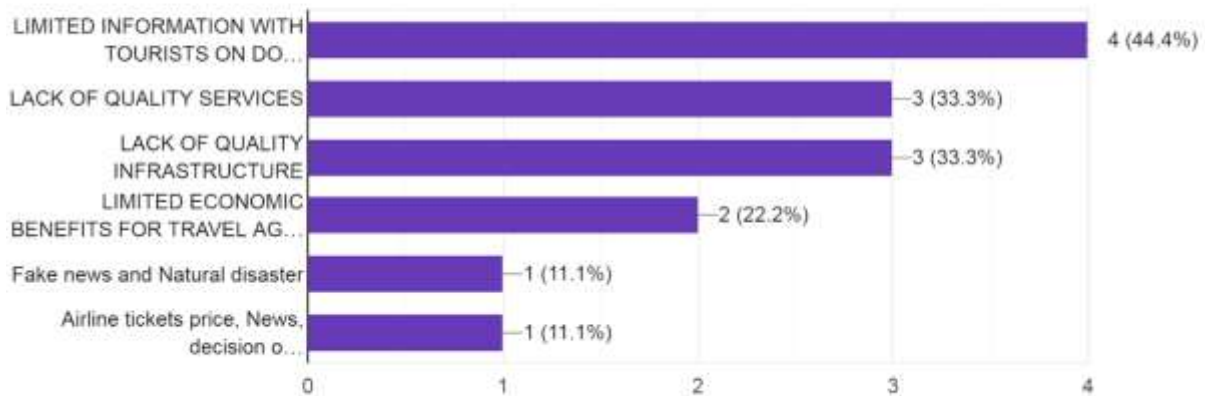
9 responses



All of these respondent travel agencies are having a specific allotted monthly budget for marketing domestic tourism. Out of all respondents almost 45% of travel agencies are having minimum 10% of monthly budget for marketing domestic tourism. Next 33% agencies are having 20% of monthly budget for marketing domestic tourism, followed by 11% agencies are having 40% and 11% agencies are having 50% monthly budget for the same. It suggests the importance of marketing in today's world due to the cutthroat competition in market.

WHAT ARE THE CHALLENGES FACED IN PROMOTION OF DOMESTIC TOURISM?

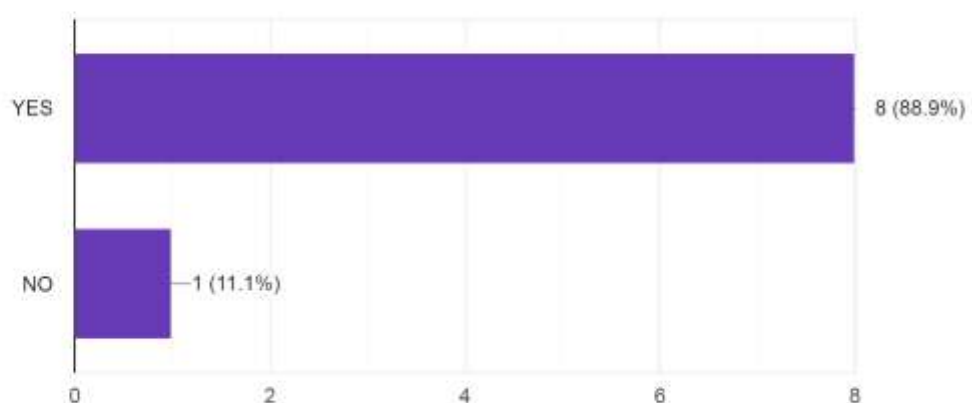
9 responses



There are many challenges faced by travel agencies in promotion of domestic tourism such as limited information with tourists on domestic tourist places, lack of quality services and infrastructure available in domestic sector, limited economic benefits for travel agency and even fake news, natural disasters along with the high fluctuations in airline tickets prices in domestic segment.

DO YOU CATER MORE TO DOMESTIC TOURISTS?

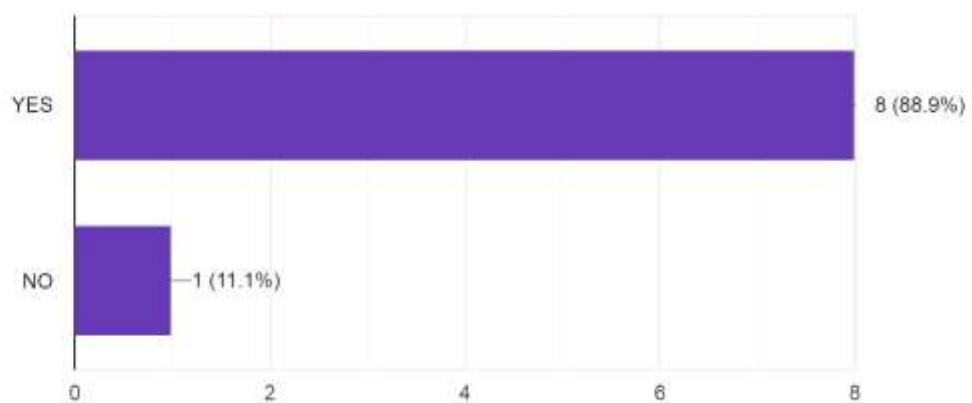
9 responses



Almost 90% of the travel agencies said they are catering more to the domestic tourists as compare to international tourists. This pattern is prevailing as the demand for domestic tourism is more consistent throughout the year rather than fluctuate demand by international tourists. Further, most of the travel agencies accepted that they promote domestic tourism more as it is more profitable.

DO YOU PROMOTE DOMESTIC TOURISM MORE AS IT IS MORE PROFITABLE?

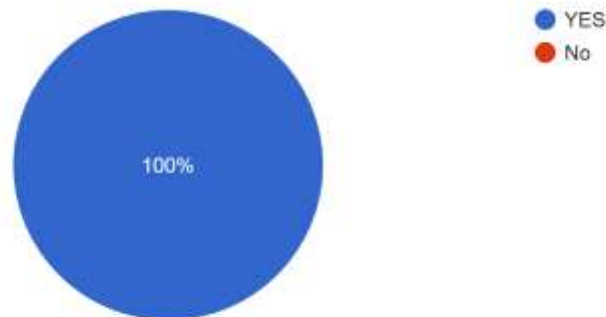
9 responses



The data collected from the travel agencies reveals that, family vacations is the topmost reason for opting domestic tourism by the people followed by religious tourism, leisure trips and business trips in Indian scenario. Tourists are not much bothered about easy access or affordability while selecting the domestic destination for their travel. Other reason for opting out domestic tourism is targeting a niche sectors in domestic tourism which is visiting historical places / museums, visit to recreation parks, fairs and attending events.

DO YOU GET BUSINESS THROUGH REFERENCES BY YOUR EXISTING CUSTOMERS IN DOMESTIC TOURISM?

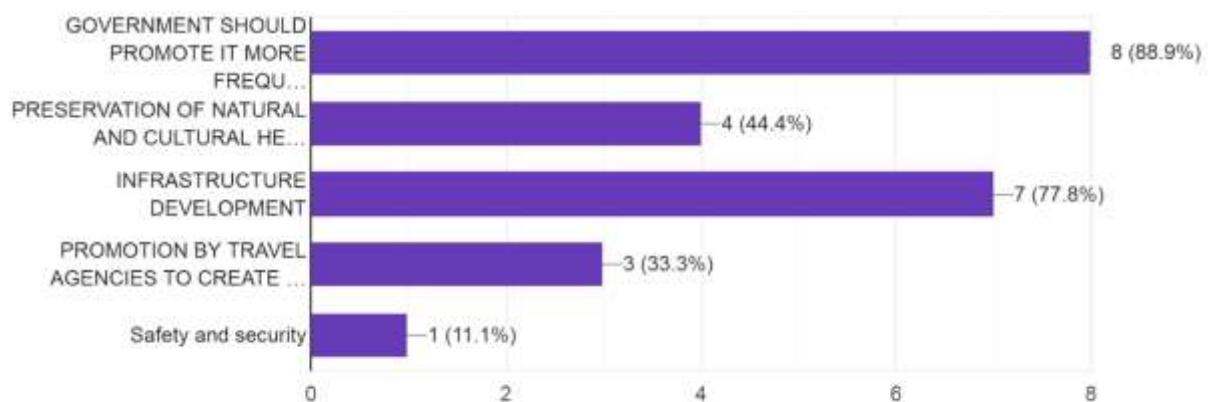
9 responses



All travel agencies are getting business through referrals in domestic tourism due to various reasons such as competitive pricing, quality of services offered throughout the tour, brand image in the market in case of old players, good customer liaison and maintained public relations. All of the respondent travel agencies are taking customer centric efforts and it is a priority of travel agencies to provide services in such a way that they should get more number of clients through referral.

WHAT CAN BE DONE TO PROMOTE DOMESTIC TOURISM? (RECOMMENDATIONS)

9 responses



Travel agencies have few recommendations to promote domestic tourism in India. As per these recommendations government need to play an important role and promote domestic tourism more frequently and effectively. Apart from this basic infrastructure development is the necessity for domestic tourism development along with the preservation of natural and cultural heritage at tourist places. Travel agencies are also willing to create awareness amongst general public which can help in promotion of domestic tourism.

Findings and Conclusion:

1. Most of the tourists are planning their domestic trips on their own or with the help and references from family members and friends. In this scenario they also have to face certain challenges in domestic travelling. Lack of Information on Domestic Tourism is major challenge faced by tourists followed by the issue of safety and security while travelling and at accommodation. Lack of services/ facilities available and lack of availability of timely transportation facility are also the challenges faced by tourists in domestic travelling. Here the travel agencies can fulfill the gaps by offering various packages with guide or escorts wherever required, safe and secure accommodation with better services/ facilities and other assistance as per the requirement.
2. The data collected reveals that it is necessity of all individuals to travel at least once in a year and get a break from daily busy schedule to get rejuvenate. Travel agencies can work on the requirements and expectations of tourists and promote domestic tourism in accordance more efficiently.
3. There are many tourist places available to travel but most of the tourists prefer to visit beaches as a first preference in selecting domestic tourist destination. Hill stations are the next popular amongst domestic tourists followed by historical places. Travel agencies can play an important role in promoting many other places which are not much known but if promoted in right way, tourist will appreciate. Many tourist destinations in India have in and around attractions which are not promoted and known to general tourist (places to see when visiting a particular destination) need to be promoted.
4. Travel agencies are promoting domestic tourism and making special efforts for the same. Almost 90% of the travel agencies are catering more to the domestic tourists as compare to international tourists. Most of them are doing so because there is a high

demand in the market for services to domestic tourists throughout the year. Offering domestic tourism services are more profitable for travel agencies than catering to the international tourists.

5. As a fraternity various efforts taken by travel agencies together to promote domestic tourism which includes arranging FAM tours for their staff, identifying and developing new itinerary, creating awareness and developing attractive packages for domestic tourism.
6. Due to the killing competition in market in today's world travel agencies have a specific allotted monthly budget for marketing of domestic tourism.
7. Promotion of domestic tourism poses various challenges and opportunities for travel agencies. Limited information with tourists on domestic tourist places is an opportunity for travel agents as they can provide information and promote different destinations to the domestic tourists. Whereas , lack of quality services and infrastructure available in domestic sector, limited economic benefits for travel agency and even fake news, natural disasters along with the high fluctuations in domestic airline tickets prices are challenges faced by travel agents in promoting the domestic tourism.
8. Family vacations is the topmost reason for opting domestic tourism by the people followed by religious tourism, leisure trips and business trips in Indian scenario. Travel agencies can use this data to formulate itineraries which can fulfill the priority of tourists for opting domestic tourism. The itineraries can be planned for family vacations and religious tourism as well rather than just planning itineraries for leisure trips or business trips.
9. Easy access to destination or affordability is no more primary criterions while selecting the domestic destination for tourists now-a- days. Instead facilities at a destination, guest services, safety and security, comfortable transportation are of more concern for the domestic tourists. Hence a travel agent has a better role to play in this scenario by promoting the said facilities to the tourists.
10. In domestic tourism scenario getting business through referrals is important. Strategies such as competitive pricing, quality of services offered throughout the tour, good customer liaison and maintained public relations can help travel agencies to get business through referrals.
11. Government can play an important role and promote domestic tourism more frequently and effectively through various promotional tools.

12. Basic infrastructure development is the necessity for domestic tourism development along with the preservation of natural and cultural heritage at tourist places.
13. Travel agencies are playing an important role in creating awareness amongst general public which is helpful in promotion of domestic tourism and certainly adding more profitability for travel agencies.

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