

COMMERCIALIZATION OF TOURISM IN GOA

“Sun, Sea and Sand” - Primary Identity

Dr. N.G. Sarode, Director (MBA), Abhinav Education Society, Pune. Mob No. 8308410101

ngsarode@rediffmail.com

Lyseth M. D'souza, Assistant Professor, National Institute of Construction Management and Research, Goa. Mob No.9096662481, lyseth_d@yahoo.co.in

Domain Area : Marketing

COMMERCIALIZATION OF TOURISM IN GOA

“Sun, Sea and Sand” - Primary Identity

Abstract

Goa, the beach state of India is a perfect heaven for tourists looking out for fun and relaxation. This tiny state of India also called, “The pearl of the East”, is endowed with palm-fringed beaches, coconut groves, Gothic churches, beautiful temples, ancient mosques, crumbling forts, bubbly folk music, back waters and much more. The uniqueness of this place is the beautiful blend of Portuguese and Goan culture which is vividly seen in the cuisine, lifestyle and architecture of houses and monuments which adds to the beauty and extraordinary experience of this destination. Sun, sand and sea are a major attraction for both domestic and international tourists as Goa is blessed with a 105 km long coast line.

But unfortunately, the popular costal belt of Goa has lost its uniqueness, distinctiveness and charm with the chaotic development of hotels, resorts, restaurants, shops and establishments which have mushroomed all over the place. This haphazard development coupled with poor quality facilities, amenities, overcrowding and littering on beaches, misbehavior by hawkers, drugs and run of the mill activities has pulled down the image of Goa. The accommodations, tourist attractions and sightseeing places are commercialized to fit the budget of the masses.

Destinations compete with each other seeking to remain competitive in a global market by managing and marketing tourist experiences. Experience is recognized as a major benefit to the tourism industry. Pine and Gilmore (1998) found that differentiation in customer experience allowed firms to create more sustainable returns and to charge premium prices.

Key words: Tourism, commercialization, tourist experience

COMMERCIALIZATION OF TOURISM IN GOA

“Sun, Sea and Sand” - Primary Identity

Introduction

World over many new economies have been flourishing but life has become hectic and stressful. We are facing a new set of transformations which have made present everyday life more global, uncertain and dynamic (Tribe, 2010). More and more people from the developed as well as developing economies are looking out for a break from their jog trot life. Even the Indian economy has seen tremendous progress and companies have increased their spending on business travel. With the opening up of the Indian economy there is a sharp increase in the disposable income in the hands of the domestic tourist who now attributes greater importance to leisure time pursuits. Holbrook and Hirschman (1982) and Schmitt (1999, 2003), stated that consumers also look for pleasure, feelings and fun from products or service providers during their consumption. The evolution of tourist behaviour encourages both change and emergence of new meaning (Bouchet et al.,2004).

Travel & tourism is the largest and fastest-growing sector with more than 1000 million people travelling every year. Travel and tourism the world over is an important economic activity which has a direct impact on the country's balance of payments, social, cultural, educational, and economic sectors of national societies and international relations (Manila Declaration on World Tourism, 1980). The tourism industry is especially important to developing countries since it is the principal foreign exchange earner for 83% of developing countries (World Travel and Tourism Council,2015). According to the National Council for Applied Economic Research, tourism contributes as much as 6.77% to India's total Gross Domestic Product through direct and

indirect impact which is very close to the much touted Information Technology-Business Process Outsourcing industry, which contributes around 7.5% to the economy. This indicates the importance of tourism to the economic growth and regional development of India. Research undertaken by Tourism Satellite Accounting (TSA) predicts that demand for travel and tourism in India will increase by an appreciable 8.1 per cent p.a. in the coming decade making it the third fastest growing travel destination in the world. The capital investment in India's travel and tourism sector is expected to grow at 8.7 per cent p.a. between 2011 and 2021 (WTTC,2011).

Goa: Favourite Tourist Destination

The Readers' Travel Awards for 2014 and 2015 by Conde Nast Traveller for the favourite Indian leisure destination was Goa. In fact, way back in the late 60's Goa had made a mark on the world map as a favourite destination for the hippies. Goa is a perfect heaven for tourists looking out for fun and relaxation. "The pearl of the East"- Goa, is endowed with palm-fringed beaches, coconut groves, Gothic churches, beautiful temples, ancient mosques, crumbling forts, exotic cuisine, bubbly folk music and a large number of water bodies which add to the peace, tranquility, scenic beauty and extra- ordinary experience of this beautiful destination. This tiny state of India has a unique touch of Portuguese culture which is vividly seen in the lifestyle, culture, cuisine and architectural display of houses and monuments. Sun, sand and sea are a major attraction for both domestic and international tourists as Goa is blessed with a 105 km long coast line. Goa has a well educated, English speaking population of 1.5million people who are welcoming, sociable, civil and cooperative. Goa is ranked the best placed state by the Eleventh Finance Commission for its infrastructure and is well connected to other parts of the country and the world.

Every year Goa has seen a tremendous growth in domestic as well as international tourists. In the year 2014 Goa was able to attract 4 million tourists from the international as well as domestic market of which 3.5 million were domestic tourists while in the year 2015 it rose sharply to 5.3 million with 4.76 million domestic tourists.

Table 1. - Tourist arrival statistics in Goa (Figs. In lakhs)

Year	Domestic	Foreign	Total	Year	Domestic	Foreign	Total
1990	7.77	1.04	8.81	2003	17.25	3.14	20.39
1991	7.57	0.78	8.35	2004	20.86	3.63	24.49
1992	7.75	1.21	8.96	2005	19.65	3.37	23.02
1993	7.98	1.71	9.69	2006	20.99	3.80	24.79
1994	8.50	2.10	10.60	2007	22.09	3.88	25.97
1995	8.79	2.29	11.08	2008	20.21	3.51	23.72
1996	8.89	2.37	11.26	2009	21.27	3.77	25.04
1997	9.29	2.62	11.91	2010	22.02	4.41	26.43
1998	9.53	2.75	12.28	2011	22.25	4.46	26.71
1999	9.60	2.84	12.44	2012	23.37	4.51	27.88
2000	9.77	2.92	12.69	2013	26.29	4.92	31.21
2001	11.20	2.60	13.80	2014	35.44	5.14	40.58
2002	13.25	2.72	15.97	2015	47.56 (P)	5.42 (P)	52.98 (P)

Source : Government of Goa- Department of Tourism

Sun, Sand and Sea Tourism in Goa

Goa has been one of the favorite destinations right from the late sixties with the introduction of the hippy-trail. Foreigners flocked from far and wide to bask in the sun and enjoy a carefree life on the picturesque beaches of Goa. This attraction towards the sun, sand and sea did not end but continued for decades for both domestic and international tourists. Goa and Kerala are the only states, where beaches are the focal point of the tourism industry. Over 90% of domestic and foreign tourists concentrate in the coastal areas of Bardez, Salcete, Tiswadi and Marmagao. Tourists have a unique experience of sunbathing, relaxing and enjoying the exotic cuisines at the shacks which have flourished along the sea shores.

Kamat (2010) revealed that more than half the tourists visiting Goa are below 30 years demonstrating that they are looking for adventure and fun, while quite a large percentage who are between 50 to 60 years – mostly retired and chartered tourists are looking for peace and tranquility. The main purpose of visit is leisure for over 90 percent of domestic tourists and over 99 percent of the international tourists who are concentrated in the coastal areas (Report by Datamation Consultants (2005–2006)). Both the energetic young and peace loving old are attracted to the beautiful beaches of Goa.

The sharp growth of international tourists in the 1990's and domestic tourists in the 21st Century brought in an influx of capital into the Goan economy and along with it the negative changes in the social, cultural, economic and natural environment. There is a boom in retail business and small trade has mushroomed especially on the beautiful coastline of Goa making it cluttered and chaotic. Goa lacks planned and responsible tourism.

Growth and Decline of Foreign Tourists in Goa

Goa has undergone drastic changes since the advent of the hippy trail in the late 60's. Large number of foreigners come to Goa as chartered tourists from Eastern Europe especially Russia. In the year 2013 there were 1,128 charter flights which landed in Goa, with 895 flights (almost 80 percent) from Russia alone (Chari 2014, 1). According to Kamat (2014) foreign exchange earnings from foreign tourist arrivals in Goa could hover between Rs 8,000 to Rs 15,000 crores annually. The year 2014-15 saw a slump in chartered international tourists as the number of charter flights slipped owing to poor airport facilities and currency crisis in Russia. But Goa managed to sustain itself with a 30% increase in its tourist traffic because of the exposition of St. Francis Xavier at The Sé Catedral de Santa Catarina, one of the ancient monuments built by the Portuguese (Department of Tourism,2015). Tourists from all over the world flocked to partake and experience this extraordinary phenomenal religious celebration.

According to Travel and Tourism Association of Goa (TTAG), the year 2016 continued to see a drastic drop in charter flights due to the financial down-turn in Eastern Europe. To add to the woes of the tourism industry, Britain's Monarch Airlines called-off its charter flight services to Goa earlier this year, while the Russian airline "Transaero" which brought about 35 percent of eastern European travelers was declared bankrupt and subsequently shutdown. Goa also missed out on the joint promotion with the chartered flight operators who received excellent offers and incentives from other destinations, thus allowing operators from Sri Lanka, Mauritius, Laos, Cambodia, Vietnam, West Indies, West Africa and Egypt to pose a stiff competition for Goa.

The extensive marketing undertaken by Thailand, Singapore, China, Hong Kong, Dubai and Malaysia coupled with heavy investment in expensive facilities, tourist attractions and entertainment venues have resulted in a strong impetus to tourism. The beaches, water bodies and surroundings are clean, well maintained, hygienic and tranquil. In short these destinations

have worked towards maintaining the peace and harmony of the place. Water sports and beach activities are systematically planned and executed delivering a unique and complete holiday experience by building customer loyalty through the creation of total customer experience. These destinations have successfully implemented experiential marketing by arousing the senses of the tourists and engaging them in memorable experiences.

The stiff competition between destinations have forced the companies to engage various experiential marketing strategies and campaigns to outdo their counterparts and thereby develop loyalty by aggressively designing, continuously innovating, and managing their consumer experiences (Pullman & Gross, 2004). These destinations have become epicenters of attraction for business people, tourists and shoppers from around the world. Goa is fast losing out on the middle class, upper middle class and premium tourists who want to engage in memorable experiences as they have attributed greater meaning to the word free time. The focus is on customer experiences and lifestyles and not product performance (Holbrook,2000).

Growth and Development of Domestic Tourism

On the brighter side, the domestic tourists' inflow saw a staggering growth of 34.18 percent in the year 2015 with 47.56 lakh travelers compared to the 35.44 lakh in the year 2014. Even in the hospitality sector, such as hotels and dormitories, an occupancy rate of 72 percent was noted (TTAG). Goa ranks among the top 12 tourist destination states in India, but this number is low due to its small size. In 2012-13 the Goa Government earned Rs.135cr revenue from casinos which have opened a new avenue of entertainment, attracting tourists for a unique experience since gambling is legal only in Goa, Daman and Sikkim (The Times of India). The memorable experience of dining and gaming on a floating casino is limited only to Goa.

Tourists look at a variety of parameters when they make a choice about visiting a destination like natural attractions, monuments, culture, history, general and tourist infrastructure, social environment and overall atmosphere of the place (Beerli and Martin,2004). Goa scores high on almost all the parameters. Goa is well connected by air, rail and road to the other parts of the country. In addition, with the advent of globalization there has been a sharp increase in urban population , high disposal income and increased ownership of four wheelers which has brought about the boom in the domestic sector especially for weekends, short holidays, and celebration of special days like New Year, The Carnival, Shigmo, Sao Joao, IFFI to name a few. Goa has always been an all time favourite of domestic tourists who come in large numbers to enjoy the school vacations.

Domestic tourists go crazy with the word “ beaches”, as Kerala and Goa are the only two states in India which promote beach tourism with “sun, sea and sand” as its primary identity. Every magazine, website, movie, show describes Goa as a perfect holiday destination, with idyllic beaches, breathtaking sea and silvery sand. The experiences at the beaches of Anjuna, Baga, Vagator, Calangute, Colva, Arambol, Paloleim are vividly described which attract the masses for a breathtaking holiday experience.

This continued growth in demand has resulted in the formation of a concrete jungle on the coastal belt of Goa. There is overcrowding and littering of papers, plastics, eatables and bottles on the beaches. Goa has an acute problem of garbage disposal. To add to the misery most of the water sports and other activities are concentrated on the beaches which have polluted the sea shore. The peace and tranquility of the place is lost with hawkers and vendors pestering the tourists and roaming all over the beach to sell their wares. To top it all the entire beach area is covered with beach benches making it difficult to move or laze around on the sea shore. The

approach roads to cities and towns and especially the coastal belt of Goa suffers from acute traffic jams and large number of accidents on account of the over reliance of the beach areas as a tourist spot. The image of Goa has deteriorated as it is synonymous with drugs, sex and alcohol.

In spite of the abundance of natural resources, heritage and culture, Goa is still struggling to attract the top end tourists with high spending capacity who are looking out for activities to allure their senses by staging experiences for them. Destinations are combination of tourism products, offering an integrated experience to consumers (Buhalis, 2000), which can be used as a form of differentiation.

Government Intervention

Learning from its folly of over reliance of beach tourism, the Government of Goa initiated the marketing campaign, “Go Goa- A Perfect Holiday Destination” which attracts tourists throughout the year to experience different type of tourism like monsoon, nature, medical, spiritual, adventure, pilgrimage, yoga, farm, back water and eco tourism (De Abreu, 2008), where each type of tourism is a way to give a denomination to a new market niche for a different experience. The Tourism Department of Goa realized its mistake of over dependency on Russia for charters and started talks with other charter operators like Candor, Thomas Cook and Tui. The Government of Goa has understood the importance of experience in tourism and is already on its way in building an Oceanarium at Miramar beach, a ropeway across the river Mandovi, a family water park in Bicholim and a golf course in Tiracol village through the PPP mode. The Department of Tourism has initiated unique activities like a ride in the hot air balloon, the Amphibian and the helicopter ride for an ariel view of Goa. Numerous exclusive festivals and events are staged by private players along with the government like The Carnival, Shigmo, Sao

Joao, IFFI, The Grape Escapade, Serendipity, River Marathon, etc. which attract varied tourists of different age groups to have a memorable experience.

According to Kamat (2010), Goa needs a series of destination positioning strategies in order to compete with other destinations having the same natural assets and offerings. The Government of Goa is working on the new tourism policy which envisages overall tourism development along with engagement with private players to invest and develop facilities and infrastructure in the state.

Conclusion

Tourism is known as a service industry, or the recreation industry or the industry of experience (Barlow & Maul, 2000) where people travel for recreation, leisure, religious, family or business purposes. The relevance of the experiential paradigm in conceptualizing tourism has directed special attention to the human senses in managing and marketing tourist experiences, seeking to remain competitive in a global market (Ellis and Rossman, 2008; Mossberg, 2007; Schmitt, 1999). Experience is recognized as a major benefit to the hospitality and tourism industry. Pine and Gilmore(1998) found that differentiation in customer experience allowed firms to create more sustainable returns and to charge premium prices.

References

Barlow, J., and Maul, D., 2000. Emotional Value: Creating strong bonds with your customers. San Francisco: Berrett-Koehler Publishers.

Beerli, A. and Martin, J. D. 2004 “Factors influencing destination image”. Annals of Tourism Research, 31(3): 657-681

Buhalis, D. (2000) Marketing The Competitive Destination Of The Future, Tourism Management, 21, 97-116.

Bouchet, P., Lburn, A. and Auvergne, S. (2004), “Sport tourism consumer experiences: a comprehensive model”, Journal of Sport Tourism, Vol.9 No.2, pp.27-140

Chari, B. 2014. “Goa will get just 500 charters from Russia”. The Times of India, 24th October.

“Charter flight services in Goa hit 12-year low”. Accessed on 3/1/2017 ,retrieved from <http://indianexpress.com/article/india/india-news-india/charter-flight-services-in-go-hit-12-year-low>.

Datamation Consultants -Collection of domestic tourism statistics for the state of Goa: Final report (April 2005 to March 2006). Submitted to the Ministry of Tourism, Government of India. Retrieved from: <http://tourism.gov.in/sites/default/files/Other/03%20goa.pdf>

De Abreu, N. (2008) Tourism and Economic Development, Conference on Tourism in India – Challenges Ahead, IIMK

Ellis, G. D., and Rossman, J. R. (2008) Creating Value for Participants through Experience Staging: Parks, Recreation, and Tourism in the Experience Industry. *Journal of Park and Recreation Administration*, 26(4): 1-20.

“Favourite Indian Leisure Destination”, retrieved from <http://www.cntraveller.in/story/readers-travel-awards-2014-did-your-favourites-win/> accessed on 4/05/2016 at 4.00 p.m.

Holbrook, M. B. (2000). The Millennial Consumer in the Texts of Our Times: Experience and Entertainment, *Journal of Macromarketing*, 20 (2), 178-192.

Holbrook, Morris B. and Elizabeth C. Hirschman (1982, Sept), "The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun," *Journal of Consumer Research*, 9 , 132-140

Kamat, S.B. (2010) Destination Life Cycle and Assessment – A Study of Goa Tourism Industry. *South Asian Journal of Tourism and Heritage* , Vol. 3(2). pp 139-147.

“Manila Declaration on World Tourism , 1980”, accessed on 4/5/2016 at 4.30p.m., retrieved from <http://www.univeur.org/cuebc/downloads/PDF%20carte/65.%20Manila.PDF>

Mossberg, L. (2007) A Marketing Approach to the Tourist Experience. *Scandinavian Journal of Hospitality and Tourism*, 7(1): 59-74.

Pine, B.J. II and Gilmore, J.H. (1998), “Welcome to the experience economy”, *Harvard Business Review*, Vol. (1998, July-August), pp. 97-105

Pullman, M. E., & Gross, M. A. (2004). Ability of experience design elements to elicit emotions and loyalty behaviors. *Decision Science*, 35(3), 551-578.

Schmitt, B. (1999b). Experiential Marketing, *Journal of Marketing Management*, 15 (1-3), 53-67.

Schmitt, B. (1999b). Experiential Marketing, *Journal of Marketing Management*, 15 (1-3), 53-67.

Schmitt, B. H. (2003). *Customer experience management: A revolutionary approach to connecting with your customers*. John Wiley & Sons Inc. New York, NY

Tourist arrival statistics in Goa , accessed on 2/12/2016 at 4.00 p.m. retrieved from <http://www.goatourism.gov.in/statistics/225>

Tribe, J. (2010). *Strategy for Tourism*. Oxford: Goodfellow Publishers.

World Travel and Tourism Councils Economic Impact 2015, Ministry of Tourism - Foreign tourist arrivals to India. Retrieved from <http://www.ibef.org/download/Tourism-and-Hospitality-January-2016.pdf>