Marketing of Tourism Services in Kerala: A Case of Health Tourism

C.Arunjoythi#, Midhun.K*, S.Ramaswamy#

# Department of Economics, M.B.A.Programme, Gandhigram Rural Institute- Deemed University, Gandhigram

Abstract

Tourism is a part of service sector, which place significant role in the Indian Economy. India enters into service economy very recently due to the important role played by ICT sector, tourism sector, banking and insurance sector. In this context, it is right place to mention that the contribution of travel and tourism to GDP is 9.1 per cent in 2010. Travel and Tourism has registered progressive growth in terms of foreign exchange earnings and tourists arrivals both inbound and outbound. International tourist arrivals in India have increased from 1.6 million in 1991 to 5.58 million (provisional) in 2010, registering 8.1% annual growth. As a Gods Own Country, Government of Kerala declared tourism as an industry in 1986. Within the short-span of time, it marked foot prints in the global tourism market, with attractive tourism packages, which includes cultural tourism, eco tourism, arts tourism, heritage tourism, ayurvedic tourism, health tourism, etc., of which, the renowned health tourism, leaping towards the top position of health destination of the world, because, Kerala is a land of Ayurveda, which gives harmony to body, mind and soul, sprouted in the pristine land of India some 2500 years ago. Ayurveda, the science of life and longevity, is the oldest healthcare system in the world. Followed by the Dravidians and Aryans alike, it combines the profound thoughts of traditional medicine and ancient philosophy. Since then Ayurveda has meant for the wholesome physical, mental and spiritual growth of humanity around the world. Today, it's a unique, indispensable branch of medicine, a complete naturalistic system that depends on the diagnosis of the body's humours - vata, pitta and kapha aim to achieve the right balanced health. Kerala possesses an unbroken tradition of Ayurveda that has surpassed the many invasions and intrusions both foreign and native. For hundreds of years, the Ayurveda Vedas (practitioners of Ayurveda) were almost the only accesses for people seeking healing from all kinds of disease, especially from UK, USA, followed by France. With these backdrops, the authors have made an attempt to examine the importance of health tourism in Kerala and provided sustainable tourism strategies and policies for healthy and wealthy Kerala Economy.

Key words: Service sector, Travel and Tourism, Health tourism and Ayurveda,

INTRODUCTION

A service is an act or performance offered by one party to another. The process may be tied to a physical product, the performance are transitory, often intangible in nature, and does not normally result in ownership f any of the factors of production. Services consists transportation and public utilities, hotels and other lodging places, rail road transportation, personal services, local and garages, water transportation, miscellaneous repair services, air transportation, amusement and recreation services, health services, communication, legal services, telephone and telegraph education services, radio and television broad casting, social services and membership organisation, electricity, sanitary services, insurance and real estate, banking, military, credit agencies and tourism. Often time-based, performances bring about desired results to recipients, objects, or other assets for which purchasers have responsibility. In exchange for money, time, and effort, service customers expect value from access to goods, labour, professional skills, facilities, networks, and systems; but they do not normally take ownership of any of the physical elements involved. Service marketing is referred as the marketing of all those economic activities whose output is not a physical product or construction, it
consumed at the time it is produced and provides adds values in the forms that are essentially intangible concerns of its purchaser.

The multi-faceted development in the service sector has brought out structural changes in the economy, which is reflected in its sectoral contribution to GDP. Technological advancement, growth of trade and other service activities during the last one decade have placed the tertiary sector in the forefront of development and India is not an exception. While service sector contributes 63.2 Per cent of World GDP, its share in India and Kerala are 55.2 Per cent and 66.28 Per cent respectively in 2010. Developing economies particularly, India and China have made remarkable progress during the new regime (Government of Kerala 2011). Global tourism is a US$ 919 billion business. It has increased by US$ 67 billion registering a growth rate of 5.0 Per cent in 2010. As a service oriented industry it has to adopt the service marketing principles.

Characteristics of Service Marketing

According to Lovelock, service marketing has four characteristics. They are, (a) Intangibility i.e. cannot be touched are viewed, (b) Inseparability of Production and consumption, (c) Perishibility, i.e. unused capacity cannot be stored for future use, Heterogeneity (Variability) i.e. Services involve people, and people are all different.

Differences between tourism marketing and other services

The marketing of services dependent much on interdependence of Marketing, Operations, and Human Resources. The differences between tourism marketing and other services are,

(1) Principal products provided by recreation/tourism businesses are recreational experiences and Hospitality, (2) instead of moving product to the customer, the customer must travel to the product (area/community), (3) travel is a significant portion of the time and money spent in association with recreational and tourism experiences, (4) is a major factor in people’s decisions on whether or not to visit your business or community.

Literature Review and Methodology

Characteristics of services are persistently cited in literature: intangibility of production and consumption, heterogeneity, and perishability, the fundamental differences universally cited by authors (Bateson 1977; Berry 1980; Lovelock 1981; Rathmell 1966, 1974; Shostack 1977). The literature suggests that each unique characteristic of services leads to specific problems for services for service marketers and necessities for special strategies. Eraqi Mohammed I evaluates the views of customers related to tourism quality in Egypt. And he measured the extent to which the tourism business environment is creative and innovative. He concluded that quality can be considered as a philosophy for guiding tourism organization/destination when taking decisions related to tourism services; tourism business environment in Egypt does not support the internal customer satisfaction because the absence of a suitable system for encouraging people to be creative and innovative; and in the area of the external customer satisfaction there is still a need for things to be done such as the environmental conditions improvements, internal transport quality enhancement, increasing people awareness, and improving the level of safety and security conditions. Mohanty Chandra Prafulla attempted to study the marketing of tourism services in India, and analysing the problems of Indian tourism market and the suggestions for improving the services. The sluggish growth if Indian tourism arises from India’s inability to sell the available effective tourism resources, satisfaction should be the top priority in tourism industry. He suggested that improvement in service efficiency improves the tourism marketing services. Kaur et al studied the benefits of travelling to developing third world countries like India, Thailand, South Africa etc, for medical treatment with inexpensive vacation. As well they focused
emergence of medical tourism in India. Ilyas (2008) has stated that India is emerging as a preferred destination for the medical tourism, and it poses a big opportunity with its low cost advantage, high quality health care and an English speaking populace. Recent researches and trends guarantee that India will emerge as one of the leading nations in the health care industry in general, medical tourism industry in particular. Srinivsan Kannan studied the service marketing perspective of tourism industry in Kerala, and suggested to make the tourism a great success one has to take advantage of the modern technology to full extent.

From the reviewed literature the importance of service quality in tourism is visible, in order to improve the marketing services, a strategic policy is needed which is supplemented by this paper.

A Scenario of Health Tourism in India

India is relatively a new comer in global tourism business. Though we receive less than one percent of global tourism receipts, it has become a vibrant segment in the national economy. India being a vast and diverse country has something to offer to every-one. The beauty of ancient monuments, the beat and rhythm of its folk and classical dancers that have come down the ages almost unchanged, it’s colourful crowed bazaars, contrasting with the grandeur of the snow caped mountain top, the quiet backwater of Kerala, and above all its well-meaning charming people, these are few of the countless facets of India. All these go to make India as a Paradise for Tourists. The tourism thrives on the history of the country in fact; tourism cannot be isolated from history much less in a country like India, whose cultural heritage has a wealth of attraction. India’s glorious traditions and rich cultural heritage are linked with the development of tourism.

India’s health system can be categorized into three distinct Phases (GOI. 2005): In the initial phase of 1947-1983, health policy was assumed to be based on two broad principles: (i) that none should be denied healthcare for want of ability to pay, and (ii) that it was the responsibility of the state to provide healthcare to the people. This phase saw moderate achievements.

In the second phase of 1983-2000, a National Health Policy was announced for the first time in 1983, which articulated the need to encourage private initiative in healthcare service delivery and encouraged the private sector to invest in healthcare infrastructure through subsidies. The policy also enhanced the access to publicly funded primary healthcare, facilitating expansion of health facilities in rural areas through National Health Programmes (NHPs).

The third phase, post-2000, is witnessing a further shift and broadening of focus; the current phase addresses key issues such as public-private partnership, liberalization of insurance sector, and the government.

HEALTHCARE SYSTEMS IN INDIA

Health tourism in India is gaining popularity day by day, patients and tourists from all over the world now visit India for surgery; medical treatment and relaxation as India provides superlative medical care, increase in aged population, long waited list, world class treatment at competitive price and cost effectiveness (Aruljothi and Ramaswamy, 2011) are the main reason behind to choose India as a medical tourism destination. In addition, to that the existence of modern medicine, indigenous or traditional medical practitioners continue to practice throughout the country. Popular indigenous healthcare traditions include Ayurveda, Siddha, Unani, Homeopathy, Naturopathy, and Yoga.

The Ayurveda (meaning science of life) system deals with causes, symptoms, diagnoses, and treatment based on all aspects of well-being (mental, physical, and spiritual). These professionals, traditionally, have been inheriting the skills from their ancestors.
The *Siddha* system defines disease as the condition in which the normal equilibrium of the five elements in human beings is lost resulting in different forms of discomfort. The diagnostic methods in Siddha medical system are based more on the clinical acumen of the physician after observation of the patient, pulse and diagnosis and clinical history.

*Yoga* is a science as well an art of healthy living physically, mentally, morally and spiritually. Yoga is believed to be founded by saints and sages of India several thousand years ago. Yoga has its origin in the Vedas, and its philosophy is an art and science of living in tune with the universe. Yogis gave rational interpretation of their experiences about Yoga and brought a practically sound and scientifically prepared method within every one’s reach.

*Naturopathy* has several references in the Vedas and other ancient texts, which indicate that these methods were widely practised in ancient India. Naturopathy believes that all the diseases arise due to accumulation of morbid matter in the body and if scope is given for its removal, it provides cure or relief. It also believes that the human body possesses inherent self-constructing and self-healing powers. Naturopathy differs slightly with other systems of medicine, as it does not believe in the specific cause of disease and its specific treatment but takes into account the totality of factors responsible for diseases such as one’s un-natural habits in living, thinking, working, sleeping, or relaxation, and the environmental factors that disturb the normal functioning of the body.

*Unani* system of medicine believes that the body is made up of four basic elements viz., earth, air, water and fire, which have different temperaments i.e. cold, hot, wet and dry. After mixing and interaction of four elements a new compound having new temperament comes into existence i.e. hot-wet, hot-dry, cold-wet and cold-dry. The body has simple and compound organs, which got their nourishment through four humours, viz. blood, phlegm, yellow bile, black bile. Unani system of medicine believes in promotion of health, prevention of diseases and cure.

All these traditional healthcare systems are attracting national and international patients, and generate tourism flows. In addition to such healthcare systems, there are also faith / spiritual healers, who are largely present in rural parts of India. Some spiritual leaders use one or more of the traditional therapies, viz, Ayurveda, Yoga or Naturopathy as one of the healing modes to cure their clients. Such spiritual leaders are attracting large gathering, especially international travellers from various countries.

**Health Tourism in Kerala: A Scenario**

Natural and cultural heritage are regarded as the major capital of tourism industry and regions that are endowed with these offer immense potential for tourism development. Government of Kerala declared tourism as an industry in 1986, within a short-span time, it succeeded in leaving footprints in the international market.
Table 1
Kerala Tourism Arrival and Earnings

<table>
<thead>
<tr>
<th>year</th>
<th>Foreign tourist arrivals to Kerala</th>
<th>Foreign tourist arrivals to India</th>
<th>Per cent of Foreign tourist arrivals to Kerala</th>
<th>domestic tourist arrivals to Kerala</th>
<th>Foreign exchange in tourism (Rs. In billions)</th>
<th>Total Earnings (Rs In billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>208830</td>
<td>2537282</td>
<td>8.23</td>
<td>5239692</td>
<td>5.35</td>
<td>45.00</td>
</tr>
<tr>
<td>2002</td>
<td>232564</td>
<td>2384364</td>
<td>9.75</td>
<td>5568258</td>
<td>7.06</td>
<td>49.31</td>
</tr>
<tr>
<td>2003</td>
<td>294621</td>
<td>2726214</td>
<td>10.81</td>
<td>5871228</td>
<td>9.83</td>
<td>59.38</td>
</tr>
<tr>
<td>2004</td>
<td>345546</td>
<td>3457477</td>
<td>9.99</td>
<td>5972182</td>
<td>12.67</td>
<td>68.29</td>
</tr>
<tr>
<td>2005</td>
<td>346499</td>
<td>3918610</td>
<td>8.84</td>
<td>5946423</td>
<td>15.22</td>
<td>77.38</td>
</tr>
<tr>
<td>2006</td>
<td>428534</td>
<td>4447167</td>
<td>9.64</td>
<td>6271724</td>
<td>19.88</td>
<td>91.26</td>
</tr>
<tr>
<td>2007</td>
<td>515808</td>
<td>5081504</td>
<td>10.15</td>
<td>6642941</td>
<td>26.41</td>
<td>114.33</td>
</tr>
<tr>
<td>2008</td>
<td>598929</td>
<td>5282603</td>
<td>11.34</td>
<td>7591250</td>
<td>30.67</td>
<td>131.30</td>
</tr>
<tr>
<td>2009</td>
<td>557258</td>
<td>5167699</td>
<td>10.78</td>
<td>7913537</td>
<td>28.53</td>
<td>132.31</td>
</tr>
<tr>
<td>2010</td>
<td>659265</td>
<td>5583746</td>
<td>11.81</td>
<td>8595075</td>
<td>37.97</td>
<td>173.48</td>
</tr>
</tbody>
</table>

Source: Department of Tourism, Government of Kerala (2011)

Tourists arrivals and earnings are presented in the Table 1 which revealed that Foreign Tourist arrival to Kerala during the year 2010 was 6,59,265. It showed an increase of 18.31 per cent over the previous year. Domestic Tourist arrival to Kerala during the year 2010 was 85,95,075. It shows an increase of 8.61 per cent over the previous year. Foreign exchange earnings for the year 2010 were Rs.37.97 billion. This recorded an increase of 33.09 per cent over the previous year. Total Revenue (including direct & indirect means) from Tourism during 2010 was Rs.173.48 billion, showing an increase of 31.12 per cent over the previous year’s figure. In India, Foreign Tourist Arrival during 2010 was 5.58 million with a growth rate of 8.1 per cent as compared to the previous year. Tourism is a “high growth industry holding great potential” in the case of health tourism, Kerala has become one of the top destinations in the world. Kerala, with its world class medical infrastructure can provide high quality medical care. According to the CII-McKinney report, medical tourism industry in Kerala is expected to be worth $4 billion by 2017. This sector will bring in as much as $2 billion by 2012 as compared to an estimated $333 million in 2006-07. While medical tourists from Germany, France, Switzerland and the US prefer ayurveda treatment, those from West Asia and the UK give more importance to modern medicine.

The major specialties of Medical Tourism in Kerala are the following:

Modern Medicine: Cardiac Care, Orthopaedic, ENT, General Surgery, Cosmetic Treatment, Urology Ophthalmology, Fertility Treatment, Neuro Surgery, Dental care, etc

"Kerala has an immense potential to develop the scope of health tourism in the country. It can become the hub and one of the most preferred destinations in the world for potential health tourists," Kerala tourism has bagged many awards for excellence services viz;
Kerala selected as the 3rd best tourist destination in Asia by Smart Travel Asia
One of the three finalist international destinations in WTTC’s “Tourism for Tomorrow” awards, 2006
Kerala Tourism bagged 6 more National Awards from Govt. of India, Ministry of Tourism in the following categories:
Best innovative adventure activities
Best state-most innovative cultural initiative – Utsavam
_ Best Responsible Tourism Award
_ Best tourist friendly award – Trivandrum Golf Club
_ Best Tourist friendly port- Kochi
_ Best Tourism Film- Rhapsodies from God’s own country
_ Pacific Asia Travel Association (PATA) - 2011
_ 3 Gold Award in marketing media, marketing –secondary government destination, marketing media –public relations –for “your moment is waiting”
_ In addition to the above “your moment is waiting” bagged silver award at the New York festival, Bronze medal at Prague, Bronze medal at ABBY national creative awards ,Silver awards at Bin bang, Bangalore etc
_ Gold Award in Consumer Travel Brochure category (Kerala Tourism Them Brochure) 2008
_ UNESCO Asia Pacific Heritage Awards for Heritage Conservation, 2006
_ 7 times winner of Best Tourism State award from Govt. of India in the last eight years
_ Kerala tourism website -- http://www.keralatourism.org bagged another award for the best tourism website from PC world.
_ CNBC Travel Award
_ A survey conducted by Smart Travel Asia Travel Magazine reveals that Kerala has won the distinction of being the third popular tourist destination in Asia after Bali and Phuket in Thailand.

**Philip Kotler :Tourism Service**

Designing of a tourism service on the basis of the five product levels as mentioned by Philip Kotler are as follows:
Level 1 core benefit rejuvenation package
Level 2 generic product ayurvedic centre
Level 3 expected product ayurvedic treatments with Herbs and oils, qualified practitioner/expert, food, accommodation
Level 4 augmented product various rejuvenation Programmer (rasayna chikitsa, kayakalp chikitsa, sweda karma and others), qualified and expert practitioners, accommodation in ac rooms or cottages, multi cuisine restaurant
Level 5 potential product Gymnasium, Herbal Steam Bath, Medicated Pool, Mineral Bath, Herbal Garden, Indoor and Outdoor Games, Accommodation with treatment rooms and kitchen, Multi-cuisine Restaurant providing food of your choice or diet food as advised by the doctors, etc.

In order to promote the services, it has developed itself as a world class tourist destination;

**Kerala has successfully adopted the following measures.**
- Strong brand positioning; thinking out of the box product differentiation; model public private partnership; tremendous political support; public acceptance; and vibrant Private sector
The pioneer state Kerala, or God’s Own Country as its corporate slogan goes, has pioneered health and medical tourism in India. They have made a concerted effort to promote health tourism in a big way, which has resulted in a substantial increase of visitor arrivals into the state. Kerala and Ayurveda have virtually become synonymous with each other. However, Kerala has strongly focussed on Ayurveda and its wide array of treatments and medications, good facilities are also available in the other traditional forms of medicine as well as in modern medical treatment (Kaur Jaspreet et al 2007).
The types of medical services in Kerala:
Ayurveda, Cardiac, Dental, Transplant Surgery, Ophthalmology, Orthopaedic, Neurosurgery, Fertility Treatment, General Surgery, and Other alternative practices (naturopathy, Siddha, etc)
Ayurveda: Kerala is the only state in India where ayurveda is practised with full dedication and knowledge. The main reason for this is the climatic condition here is much suited for this Indian traditional system of medicine. Especially the cool monsoon season and the green forests enhance this
treatment much. According to Ayurvedic specialist’s monsoon season is the best season for ayurvedic treatment as our atmosphere becomes dust free and cool. Many Spa resorts are available now in Kerala and they mainly aim tourists. Foreigners also now understood the positive effect of Ayurveda and are now coming here on a large scale for spa tourism and returns happily with freshness.

Kerala, the Land of Ayurveda

Kerala possesses an unbroken tradition of Ayurveda that has surpassed the many invasions and intrusions both foreign and native. For hundreds of years the Ayurveda Vaidyas (practitioners of Ayurveda) were almost the only access for people seeking healing from every kind of disease in Kerala. The legendary eight families of Vaidyas (Ashta vaidyas) and their successors treated the entire state for centuries. Unlike the other Indian states the status of Ayurveda in Kerala is not alternative but mainstream. In fact, today, Kerala is the only State in India which practices this system of medicine with absolute dedication. Being the only resort of treatment for the people, the Vaidyars of Kerala were challenged to interpret the theories of Ayurveda and adapt them actively into effective healing systems in everyday life. Thus almost all the contemporary procedures and protocols of Ayurveda have evolved in and around Kerala. Backwater tourism and ayurveda emerged as the innovation of tourism industry, which conquer international recognition. Ayurvedic treatment and yoga are two upcoming products in this regard in the international tourism market which attracts number of tourists. Health Tourism, Kerala is leaping towards the top position of health destination of the world. Kerala has world class medical infrastructure and can provide quality health care at about 10 percent of the costs in the US or UK. Treatment plans ranges from Rs 2500 a day to Rs 65000 for 3 weeks are available

Ayurveda Centres in Kerala viz: Trivandrum, Kottayam, Kochi, Kollam, Ernakulam, Idukki, Alappuzha, Munnar, Kumily, Kumarakom, Thrissur, Kovalam, Varkala, Kottakkal, and Kappad are the main places prevailing number of Ayurvedic centres.


Cardiac: Kerala offers a world class treatment in cardiac treatment. With specialty hospitals, world class doctors and a caring nursing staff, cardiac care in Kerala has proved to be an attractive medical solution for foreign tourists. Besides it also helps that there is a quick scheduling of surgery, which is very convenient for the patients. Kerala offer advanced cardiac care procedures such as minimally invasive surgery, angioplasty, bypass surgery and interventional cardiac catheterisation with hospitals equipped with the latest equipment including Color Doppler, Echocardiography and Nuclear Scanning etc. The cost roughly comes to about one-third to half the cost of the same operation in any western country.

Dental Care: From routine dental procedures to cosmetic dentistry procedures, Kerala dentists are offering it all. with minimal cost.

Transplants: Kerala is widely emerging as the most preferred location for transplant surgeries in India. These include heart, kidney, and liver transplant. Liver transplant is estimated to be 50.0 per cent cheaper than any place in India, and almost six times cheaper than in the west. The costs of most transplant surgeries are as much as 8 -10 cheaper from that of USA and UK.

Ophthalmology: Specialized eye hospitals in Kerala offer world class eye treatments at a reasonable price. The treatment includes diagnosis of the medical condition to its treatment and follow-up care.

Orthopedic Treatment: Various diseases related to the human bones come under orthopaedics. Hospitals offer orthopaedic surgery such as hip replacement, knee replacement and Spinal surgery and treatment of fractures.

Neurosurgery: It is a highly specialized form of surgery. It is associated with the diagnosis and the treatment of disorders to the brain, spinal cord or peripheral nerves. It covers a range of surgical
procedures including brain surgery for tumours, aneurysms and head injuries, besides micro-discectomy, laminectomy, corpectomy and spinal fusion for the spine.

Fertility Treatment: It is a specialized treatment for patients who are not able to conceive naturally.

After medical checkups to determine the physiological causes of infertility, the appropriate assisted reproductive technique is prescribed. It is approximately 50-80% cheaper than the same treatment in USA. The fertility hospitals are fully equipped with best of modern operation theatres and trained gynaecologists team and support staff.

Health Tourism Strategies for Sustainable Development

- Tourism development should be based on the criteria of sustainability. It should be; economically viable; and ethically and socially equitable for local communities as well as tourists both from foreign and domestic.
- Health tourism should improve the infrastructural quality and improve the range of health tourism services and products.
- Health tourism should satisfy the needs of the tourists and they should help in preserving the lifestyle.
- Necessary measures should be implemented to create awareness of health tourism among all involved stakeholders in tourism viz tourists, tour operators, host communities, host governments, international conservation groups and academics.
- Health tourism should bring harmony between the needs of the visitor, the place and the host community.
- Health tourism should protect and maintain the traditional values through education of tourists.
- Health tourism should bring uniform health and medical pricing policies.
- Health Tourism require Public Private Participation (PPP)

**CONCLUSION**

Global competition emerging in the health care industry that determines the health tourism, Gone are the days when wealthy patients from developing countries, have long travelled to avail high quality medical care developed countries for. There is an opportunity in Indian health tourism because; it is the destiny to offer high quality treatment at low cost. In order to promote the health tourism globally, we need wide range of marketing strategies to disseminate the popular health packages.

**REFERENCES:**


10. Srinivasan Kanna, “Tourism marketing: A service marketing perspective” Munich Personal RePEc Archive MPRA. Online at http://mpra.ub.uni-muenchen.de/14031/


17. http://www.keralatraveltourism.com dated on 31/03/2012

18. http://www.modernmedicare.co.in/ dated on 31/03/2012