

Sikkim: Tourism product development with reference to seven P's framework: A CASE STUDY

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ABSTRACT

A tourism product can be defined as the sum of the physical and psychological satisfaction which it provides to tourists during their travelling and route to the destination. It aims at enhancing visitor experience by having strategic alliances with business stakeholders like hotels, airlines, travel agencies etc. Countries have taken brand building initiatives to promote their destinations as a 'brand' to attract more tourists. In 2002, India adopted its most successful marketing campaign "Incredible India" with the objective of revamping brand India as a tourist attraction with an integrated marketing communication effort. Some of the places in India are worldwide famous but there are others which deserve better promotions. North eastern states in India are not successfully marketed despite its splendid natural beauty. This paper explores the concept of tourism destination brand identity from the services marketing perspective. The primary objective of this case is to develop the marketing mix (Seven P's) framework for Sikkim to make it as one of the best destinations in the India. The case study also develops new brand name, logo, tagline for Sikkim tourism. This case study deals with marketing of Sikkim through seven marketing mix elements: Service product, pricing, promotion (communication), place (distribution), service processes, people and physical evidences.

Keywords: Destination branding, Tourism, Marketing Mix for services (7 P's)

Background

Indian tourism industry is witnessing a strong period of growth, at the stage of speeding up economic empowerment and the transformation. As India opened its gates towards a more open economy, tourism has evolved into a highly structured industry with the potential to earn immense revenues. Tourism has a multiplier effect on people involved in catering, transportation, shops, travel agencies, proprietors of tourist business and entrepreneurs supporting the tourism industry.

Tourism contributes more than 6.23% to India's GDP of \$1 trillion, and provides employment to 53 million people directly or indirectly. Foreign tourist arrivals to India were 522,000 in December, 2008. According to World Tourism Organization estimates, India will lead in South Asia with 8.9 million arrivals by 2020. India witnessed more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits as per the travel and tourism competitiveness report 2009 released by the World Economic Forum. India is ranked 11th in the Asia Pacific region and 62nd in overall, moving up three

places on the list of the world's attractive destinations. The report also states that real GDP growth for travel and tourism economy is expected to achieve an average of 7.7 per cent per annum over the next 10 years and the export earnings from international visitors and tourism goods are expected to generate US\$ 51.4 billion (nominal terms) by 2010. The travel and tourism sector which accounted for 6.4 per cent of total employment in 2009 is expected to generate 40,037,000 jobs i.e. 7.2 per cent of total employment by 2019.

India has been ranked the "best country brand for value-for-money" in the Country Brand Index (CBI) survey conducted by FutureBrand, a leading global brand consultancy. India also claimed the second place in CBI's "Best Country Brand for History", as well as appears among the top 5 in the best country brand for authenticity and art & culture, and the fourth best new country for business. According to World Travel and Tourism Council, India will be one of the tourism hotspots in future. The Indian travel and tourism industry ranked 5th in the long-term (10-year) growth and is expected to be the second largest employer in the world by 2019. The tourism industry

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in India generated revenue about US\$100 billion in 2008 and it is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate.

Countries have taken brand building initiatives to promote their destinations as a 'brand' to attract more tourists. During 1990s, Asian countries like Malaysia, Thailand and Singapore took up the task of promoting tourism in their countries through destination branding strategies.

In the late 1990s, India realized the significance of branding initiatives and took structured branding exercises. In 1997, India launched the campaign of "Eternally yours". Print Media was extensively used to execute the campaign and the campaign was designed by Oasis advertising agency. In 2002, The 'Incredible India' campaign was launched by the Government of India, to promote India as a tourist destination. This campaign was designed by Ogilvy & Mather. The major objective of this campaign is to revamp brand India as tourist attraction with 360 degree marketing campaign. The 360 degree marketing concept looks holistically at all of the touch points surrounding the consumer.

In India, the most popular tourist destinations were:

1. The Golden Triangle Delhi, Agra and Jaipur.
2. Goa- Beach destination.
3. Kerala- Destination for natural gifts.

The above destinations attracted most of the foreign and domestic tourists. Branding campaigns of those places were the key instrumental in attracting the tourists. Those places have crafted marketing strategies through careful execution of brand building exercises. Branding slogans were designed for those places. The excellent examples of destination branding campaigns are Kerala Tourism's "God's Own Country" and Goa Tourism's "Go Goa". Destination branding campaigns have largely facilitated in increasing the brand equity and knowledge about those places. Destination branding is the process of developing favourable brand image of the place through selection of brand element (logo, tagline, color etc) mix which will give the unique identity. The objective of the destination branding is to capture the essence of the destination, in a unified manner, and can be consumed simultaneously at a symbolic

and experiential level. Countries have taken brand building initiatives to promote their destinations as a 'brand' to attract more tourists.

Objective of the Study

Some of the places in India are very well known and popular while there are others that deserve better promotions. Northeastern states in India are not successfully marketed despite its splendid natural beauty. The primary objective of this case is to develop the Marketing mix (Seven P's) framework for Sikkim to make it as one of the best destinations in India. This case study deals with marketing of Sikkim through seven marketing mix elements: Service product, pricing, promotion (communication), place (distribution), service processes, People and Physical Evidences.

SIKKIM: Glory of Himalayas

Sikkim is situated in north eastern parts of India. It is the least populous state in India and the second-smallest in area after Goa. The thumb-shaped state borders Nepal in the west, the Tibet autonomous region of China to the north and the east and Bhutan in the southeast. It was once a Himalayan monarchy and part of the fabled silk route to China. Its merger with India in 1975 offered a window to the world to discover the treasures of this hidden land. The state has the steepest rise in altitude over the shortest distance and has within its 7,096 sq.kms the entire climatic range, from tropical to temperate to alpine, bestowing on the land an intense natural heritage.

It is a mystical wonderland of impressive natural beauty. The panoramic perfection of the heady scent of flower-bedecked meadows, the vibrant culture and joyous festivals, the countless varieties of its flora and fauna gives fascinating holiday experience. The crowning glory of Sikkim is Mt. Khangchendzonga, the third highest mountain in the world. With magnificent snow and ice scenery it is often regarded as the undoubted monarch among the peaks of the world. The sacrosanct mountain can be viewed from every corner of Sikkim and remains an intrinsic part of the consciousness of the people. Tourism is the main thrust for state development for Sikkim. Hente, Sikkim is a prospective tourist destination owing to its culture, scenic beauty and biodiversity. The arrivals of both international and domestic tourists have been showing upward trends for the past 10 years.

Table 1. Tourists Arrival In Sikkim

Year	International	Domestic	Total
1997	8,068	116,500	124,568
1998	6,111	133,153	139,269
1999	8,563	139,065	147,648
2000	8,794	144,203	152,997
2001	7,757	146,923	154,680
2002	8,539	160,789	169,328
2003	10,954	176,659	187,613
2004	14,646	230,719	245,365
2005	16,827	241,697	258,524
2006	18,026	292,485	310,512
2007	17,837	331,263	349,100

Source: <http://sikkimtournet.com/WebForms/General/TouristArrivalStats.aspx>

Product

A tourism product can be defined as sum of the physical and psychological satisfaction it provides to tourists during their traveling and route at the destination. Tourism Product is the tourism activity or experience that a tourist participates in.

- **Destination branding:**

Travellers' images of destinations play an important role in destination choice. According to Baloglu and Brinberg (1997) Image differentiates tourist destinations from each other and is an integral and influential part of the traveller's decision making process. Destination branding is a process used to develop a unique identity and personality that is different from all competitive destinations. Destination branding is the act of selecting a consistent brand element mix to identify and distinguish a destination through positive image building.

Destination branding is a strategic approach to public relations, stating that a change of image is an ongoing, holistic, interactive and wide-scale process, requiring much more than a quick change of logo or slogan. Successful destination-brand management can be seen as an exercise of coordination of tourism product elements; such as tourism infrastructures, quality of local services, and ancillary services need to be managed in order to achieve a coherent and desired

destination-brand identity.

There are two significant factors which determine the powerful destination brand:

1. Awareness about the destination
2. Attractiveness of the destination.

The destination should score high on both parameters of awareness and attractiveness. Kerala, Goa and Agra are the destinations which score high on both these parameters. There are few destinations which are well recognized as the paramount tourist places, but have less celebrity value to attract people. Although, Jammu and Kashmir is a renowned tourist place, but it could not attract people because of the menace of terrorism. Similarly, Sikkim is the place which is high on celebrity value i.e. more attractive with spectacular natural beauty encircled with snow-capped Himalayas, but it has not been marketed well in the tourism market.

- **Brand name for Sikkim: "Serene Sikkim"**

A great brand name is one of the most powerful assets in branding and advertising. It is what makes one place different from competitive places and the emotional tug that connects destination brand with the tourists.

Since Sikkim lies in the lap of Himalayas, it has an atmosphere which is pollution free and pure thus justifying the adjective "serene" in the brand name. With its spellbinding natural beauty and its vividness in culture, it can be one of the most favourite tourist destinations. Thus branding of Sikkim as 'Serene Sikkim' will position its radiance in the best possible way. (*Serene Sikkim' brand name is coined by the authors for Sikkim tourism. Logo and Tag line also designed by the authors*).

- **Brand positioning statement for Sikkim:**

"Where Tradition Meets Eternity".

Logo



Figure 1 New logo and Tagline for Sikkim Tourism

This positioning statement explains the unexplored tradition and natural beauty of Sikkim and its propensity to welcome tourists across the world.

The Logo of the place should be noticeable and meaningful. The new logo depicts Sikkim's natural richness and Himalayan heritage. The new logo also portrays its unique gift of nature, Mt. Khangchendzonga, the third highest mountain in the world. The new tagline says "Where Tradition Meets Eternity" which relates to the eco-tourism which is one of its unique destination propositions. The logo explains the picturesque beauty of the Himalayas and the rivers breaking out from them. The bright colours in the logo signify the vivacious and open-minded approach of the people of the Sikkim. The tagline can further be extended to "Where Tradition Meets Eternity And Adventure Meets You".

Tourism Products :

Sikkim can develop unique destination proposition based on two tourism products:

- 1) Eco Tourism
- 2) Adventure tourism.

Eco Tourism

An ecotourism is the guided tour that consists of conservation and preservation of natural resources and educates the travellers something about the nature and culture of the area in which they are located. The main objective of ecotourism is to "promote responsible travel to natural areas that conserves the environment and improves the well-being of local people." Sikkim is the smoke free zone and also banned the usage of plastic bags. Sikkim tourism educates the visitors through its interactive website and also through brief session about the significance of preservation of natural resources.

Adventure Tourism

Sikkim is one of the best adventure destinations in India with its varied and undulating landscape. Trekking, Mountaineering and River Rafting are the most popular adventure sports experienced in Sikkim. Tourists can also experience the thrill of white water rafting in river Teesta that definitely will be a hair rising experience. There are no better place other than Sikkim to indulge in trekking and mountaineering. There are trek routes at altitudes as high as 14000 feet above sea level that set visitors pulse racing. Sikkim is a house for

many adventurous sports comprising of river rafting, trekking, rock climbing, skydiving etc. which makes Sikkim stand ahead of other Indian tourist spots in adventure tourism.

The ideal time to go trekking is mid February to late May and between October and mid December. The monsoon period is between June and September and the cold and harsh winter months are between December and February. No technical climbing experience is necessary as most of the treks are between 6000 and 14000 feet. All one needs is to be in fit shape. Camping and trekking equipment are available on hire from the tourism department and from reputed travel agents.

Price

Price of the tourist package has to take into account the costs involved in transportation, boarding, lodging, charges for entry to various tourist sites etc. Price bundling technique can be used to develop various tour packages which includes all other support services. Price bundling is the practice of marketing two or more services (viz. travel, Hotels etc) in a single package at a single price. Sikkim Tourism Development Corporation (STDC) could develop the combo pricing plan of Darjeeling and Gangtok (Sikkim) tour packages as Darjeeling is the nearest popular tourist attraction.

Place

In the context of services, the place denotes how and where the services are delivered and consumed by the customers. There are three options to distribute the services :

- a) The consumer has to go to service provider (e.g through Tourism services, Spa, and medical etc).
- b) Service provider has to approach the customer (e.g through Repair and maintenance and interior decoration etc.).
- c) Service provider and customer meets through online (e.g , booking tour packages through online).

The interactive website could be designed by STDC which will include the online booking facility. As the state is surrounded by Himalayan hills, there are no airports or railway stations in Sikkim. The only way to enter Sikkim from rest of India is by road using bus or jeep from West Bengal.

By Air : The nearest airport Bagdogra, near Siliguri in West Bengal, is connected by air to New Delhi, Kolkata and Guwahati. Travellers can also commute by helicopter from Siliguri to Sikkim.
By Rail: Siliguri (114 kms) and New Jalpaiguri (125 kms) are the two closest railway stations connecting Kolkata, Chennai, Delhi, Mumbai, Guwahati and other important cities in India with Sikkim.
By Road: The state is connected by road to Darjeeling, Kalimpong, and Siliguri. Bus service is offered by the Sikkim Nationalised Transport (SNT) from all major cities and towns in North Bengal to Gangtok.

People

The people interact with customers and their behaviour determines how customers evaluate a tourist destination. The people of Sikkim are very down to earth who believe in the values of honesty and integrity. Sikkim people do believe in "Athithi Devo Bhava" i.e. guest is God. The Sikkimese have an impeccable behaviour and are soft in nature, thus giving a homely feel to the tourists. The People of Sikkim consist of three ethnic groups, that is, Lepcha, Bhutia and Nepali. Communities of different hues intermingle freely in Sikkim to constitute a homogenous blend. Hindu Temples coexist with Buddhist Monasteries, Churches, Mosque and Gurudwara. These myriad Cultures have produced a quintessential Sikkimese Culture that encompasses all ways and walk of life, but has also managed to maintain their own identity. These can also be seen in various places of worship, festivals and cultural dances that are celebrated throughout the year.

The travellers will not face any difficulty as the people of Sikkim are very cooperative, be it a rickshawala, ghodawala or even a tourist operator. Sikkim tourism department should conduct training programs on customers' service and service excellence for travel agents, hotel service personnel and tourist guides who are at the front end to interact with the tourists. This will add credibility to Sikkim tourism and will gain trust especially among international tourists.

Process

The actual procedures, mechanisms and flow of activities by which the service is delivered are called service processes. In tourism, the service processes may have longer time frame and involve multiple steps.

Process will include the entire plan of gathering information about Sikkim and how to reach Sikkim, choosing the tour package, booking tickets, travel, stay and return journey. Based on the service blueprint, demand of tourist arrival and human resources requirements can be effectively estimated.

Physical Evidence

In tourism services, Physical evidence involves the tangible aspects of destination like hotels, places with rich heritage, health clubs, etc. Virtual Servicescape carries the significance to create first impression in the minds of tourists. Virtual Servicescape means experiencing the services through internet. Virtual tours can be offered through interactive website to allow customers to preview a service experience and provides tangible evidences of the services. It will communicate the experiential aspects of the services even before the real experience. The website may be made more attractive and user friendly by including the following aspects:

- Scenic beauty
- Culture
- Tradition
- Adventure sports etc.

Integrated Marketing Communication (IMC) Plan For Promoting Sikkim

Integrated Marketing communications (IMC) is the process of integrating and coordinating communications tools (Advertising, Sales promotion, Direct Marketing, Personal selling and public relations) to deliver a clear, consistent and compelling message about the place or product.

Advertising Plan

All media channels should be effectively used to communicate the essence of the brand. Priority should be given to the niche channels which are widely viewed by world travelers like Discovery channel, National Geographic and Travel & leisure. Similarly, the advertisements can be placed in special magazines which focus on tourism like Traveler and discover India. The advertisement should be placed in In-flight magazines which have more sway and frequency to attract more international tourists.

Brand Ambassador

Baichung Bhutia could be selected as brand ambassador to represent Sikkim on both national and international arena. He could be chosen because of his north-eastern origin and his achievements in sports and other reality programs.

Strategic Alliance in Promotion

Sikkim Tourism Development Corporation (STDC) can have strategic alliances with airlines and hotels who are key players in tourism business and devising special sales promotional programs. Such as:

- Tie up with Google: to create a buzz about the state as an amazing tourist destination.
- Tie up with Twitter ('shoot & tweet Contest'): Contest can be conducted for tourists to take pictures of the place, upload it on the Twitter and win exciting prizes
- Tie up with Network service providers: having tie-up with Airtel to promote Sikkim through promotional SMS(M-marketing)

Public Relations

Public relations are the most credible source than advertising. Many events/programs related to adventure tourism can be conducted. Traditional Sikkim dress like Angora Shawls and Woolen Carpets, Thonga paintings may be given to tourists as gifts to have memorable experience about the place. Choktse, the foldable table from Sikkim is one of the well known products in India and abroad. Traditional sports like archery & bamboo fight can be conducted as events and it could be promoted. The success of public relations program largely depends on the target audience (internal public and external public). Tourism events can be conducted to promote the place by targeting specific segments

Sikkim Tourism Season

It will be celebrated twice a year during months of March-May & Sept-Oct. This campaign basically will target the international tourists.

Celebrate Sikkim

This campaign will target the national tourists and the domestic tourists with special offers on traditional items. This campaign will aim at promoting the small handloom industries and

products. Huge sales can be expected from the target tourist customers leading to significant rise in economic conditions for these small firms.

Sikkim should also promote its brand by participating in the key events like International Tourism Bourse (Berlin 11-15th March 2011) and World Travel Mart (London 9-12th November 2011) which will generate great awareness.

Publicity

- Sikkim government can arrange for a holiday trip to Sikkim for the Indian cricket team which will generate huge publicity among both domestic and international tourists.
- Commonwealth games 2010 will attract a large chunk of international tourists to India. STDC could arrange a holiday trip for international sports personnel will also be a great idea.

Conclusion

Destinations need to establish a strategic vision and market-orientated strategic planning process, and to adopt a marketing perspective towards their consumers. Destinations are composite products consisting of different components (the destination mix) with diverse range of organizations and partners involved in crafting and delivering the value to the tourists. With all possible means of communication the message has to be delivered consistently across the target market. Thus proper marketing of the destinations as well as of services is required. Destination branding helps to create a unique identity for a place with clear and strong values, appealing with both rational and emotional motivations. Sikkim is indeed one of the finest places in India with virtues of rich homogenous culture and of course a truly enchanting place to visit which has huge untapped market potential. Sikkim is a place which does not have any terrorist threat and has rich natural beauty. The seven elements of the marketing mix play an important role in creating an image of the tourist destination, building awareness of the services, increasing revenues for the industry etc. This case study suggested the framework to develop a destination's brand image based on seven P's.

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