

A Study on Market Orientation Concepts of Hoteliers towards Development of Tourism and The Level of Satisfaction in Tamil Nadu

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Abstract

The hoteliers arrange a parcel of good arrangements. At the point when they are made accessible to the clients, the business will be put in a raised plane. In any case, in India, the general absence of worry for the client is very predominant. One needs to make a picture in the brains of the voyagers, to take them back to a similar inn whenever. The overall analysis has revealed that variables like Customer Satisfaction, Interaction with Customers, SWOT, Trained Personnel and Competitors Activities variables are significant at five percent and other variables like Quality Consciousness, Communication, Employee Morale Performance Monitoring, Customer Expectations and 24 Hours Security are significant at one percent and remaining variables like Market Information, Quick Decisions, Adaptive on Market Needs, Sales Promotion, Technology Absorption, Membership in Association, Environmental Scanning, Generation and Dissemination, Achieving Public Image and Other Value Added Services are not significant. The recommendations presented in the assessment will direct the issues of the hoteliers in the examination zone explicitly and all cabin business in India when all is said in done.

Keyword: Quality Consciousness, Customer Satisfaction, Employee Morale, Performance Monitoring, Communication, and Technology Absorption

Introduction

The hotel industry and tourism are the two sides of a coin. Both go together, run together, walk together hand in hand will also get advancement. On the other hand, when there is lop sided development, both the industries will get affected. The hoteliers are providing a lot of marketing techniques to promote the industry. Some are easy, some are moderate, and some are difficult. But development will occur only when there is a provision of all good services to all users. The hotelier's orient a lot of good provisions. When they are made available to the users, the industry will be placed in an elevated plane. The first part of this chapter brings to light the various marked orientation concepts applied by the hoteliers to promote the tourism industry. Marketing the products is a common aim of any business man. When the goods, once produced for sales, are sold in the respective market at a high rate, the marketers are happy and get confidence in the style or pattern or technique they use in sales. When all the goods are sold, they can withstand in the competitive market, as different types of competitions are prevailing in the markets. Many a time, it becomes impossible to sell all the goods produced by the business men. During these circumstances, they adopt different tactics of promotion of goods. It is a well-known fact that this selected industry is a service industry. These depend on selling services to hotel respondents.

Many services are intangible, and some are perishable. Hence they concentrate on rendering maximum possible services by taking into account the variable which needs more concentrations.

Statement of the Problem

The hotel industry at present has been facing a lot of challenges. With the increasing number of players and the entry of foreign chains, the one factor that needs to be focused upon is the positioning. But in India, the general lack of concern for the customer is quite prevalent. One needs to create an image in the minds of the travelers, to bring them back to the same hotel the next time. Today, even the business traveler is looking out for value for the money he is spending. Therefore, the word 'quality' has become important today. The hotel industry becomes important for the economy because it generates employment across the nation.

Review of Literature

Kohli et al. attempted to focus on orientation, and the study was entitled, "Market Orientation: The Construct, Research Propositions, and Managerial Implications," have found that the market performance and market orientation are likely to be significantly correlate with each other. The correlation co-efficient in the case is very high and is near the perfect correlation score of plus one. It indicates the importance of market orientation in all types of companies, especially in the marketing environment. Venkatesh, in his study descriptive entitled "Hotel Industry," has numerously found out that the hotel industry is going through a rough patch. The general slow down in the economy and the Asian crisis has affected this industry also. Hotels derive their income mainly from food and beverages, restaurant, and room occupancy. Room occupancy plays an important role in determining the pre-tax profits of hotels. While in cities like Calcutta and Chennai, the income derived from restaurant and rooms will be in the ratio of 0.8 to 1.0, the same in cities like Mumbai and Delhi will be 1:1. Mannet Kumar described the various aspects related to tourism development. He holds that economic activity is a means to earn foreign exchange, but he calls it as a medium of social and cultural development, generator of employment and also a promoter of good will and

friendship among the nations. Rabindra Seth, in his analytical study, entitled "Tourism: Problems and Prospects," pointed out the seven major hurdles to foster tourism growth in India. They are land and land laws, power, telecoms, roads, road transport, airports, and aviation policy. The author says that these are the most striking hurdles facing our tourism industry. Brij Bhardwaj, in his empirical study entitled "Infrastructure for Tourism Growth," has made the following remarks about the infrastructure for tourism growth. 'The steps taken so far include a grant of export house status to tourism. With this, the tourism industry will get the benefit of special import license, waiver of bank guarantee for imports and income tax exemption for reinvestment in the tourism industry which will help in building the infrastructure'. Anju and Bhatia, in their attempt on a study entitled "Marketing of Tourism as Product, Tourism, and Development," have found out that the quality of services like accommodation, food and beverage, and room service is not satisfactory. The Punjab Tourism Development Corporation is providing services to the higher strata of society and not to the lower tier of the society. Lack of technical personnel has also been one of the greatest bottlenecks in the specialized industry. Rabindra Nath and Rajat Raheja, in their earnest effort on a study entitled "Competencies in Hospitality Industry" have explained that the competencies are a combination of observable and applied knowledge, skills, and behaviors that create a competitive advantage for an organization. It can be done by proper compensation, selection, performance management, training, and succession planning. Malhotra, in his continuous effort on a study entitled "Growth and Development of Tourism in India," – speculated that special attention needs to be paid to developing social tourism to benefit the weaker sections of the society. It is imperative that fiscal and other incentives are extended to the various segments of tourism.

Objective of the Study

1. To evaluate the market-oriented concepts of hoteliers towards the development of tourism and
2. To offer suitable suggestions based on the findings of the study.

Methodology

To analyze the market orientation concepts of hoteliers towards the development of tourism and the level of satisfaction in Tamil Nadu for primary data, 150 hoteliers were randomly selected with the help of the Ministry of Tourism, Government of Tamil Nadu. Responses collected from 150 hoteliers through the interview schedule based on the convenient sampling technique adopted. The primary data were collected from the respondents from June 2019 to October 2019. The secondary data were collected from the Annual Reports of various financial and nonfinancial institutions for 2019.

Framework of Analysis

As market orientation concepts applied by hotel respondents differ from one category of experienced respondents to another type of experienced respondents, it was decided to find out the exact relationship among the three groups of respondents namely respondents with less than 20 years, 30-20 years and more than 30 years of experience in the field of hotel industry. The categories of mean, standard deviation, and co-efficient of variation were found out from the data collected through Likert's Five Point Scale Technique. The hypothesis on the twenty-one variables was framed to determine whether there existed a significant difference among the different groups and within the groups of the three categories of the respondents. 'F' test was applied, and the results were interpreted.

The Department of Tourism, Government of Tamil Nadu, offers numerous facilities to the tourists. Among the various facilities offered, provisions relating to water, lodging, conveyance, guide, and boarding were identified by the researcher to be more useful and vital in the sense that the absence of these facilities would cause many inconveniences, and hence these were used in the present study.

Data relating to the attitude of the respondents towards facilities offered by the Tourism industry were collected with the help of a pre determined and structured interview schedule. The tourists were asked to rate the given statements based on Likert's five - point scaling technique, namely strongly agree, agree, no opinion, disagree, and strongly disagree. The scores assigned to the above-said scales are 5,

4, 3, 2, and 1, respectively. The mean score on each statement obtained for the respective variable among the three age groups was calculated separately. To highlight the significant difference if any among the three age groups of the respondents regarding their attitude towards facilities offered by the Department of Tourism, the one-way analysis of variance (ANOVA) was administered.

Results and Discussion

The profile variables may also influence the overall Market Orientation among the respondents since profile is one of the important variables influencing the exponents' market Orientation and satisfaction in each variable of market orientation. Twenty one variables are included for analysis. The score on these variables and the overall market orientation are included for multiple regression analysis. The fitted regression model is,

$$Y = a + b_1x_1 + b_{2x2} + b_{3x3} + b_{4x4} + b_{5x5} + b_{6x6} + b_{7x7} + b_{8x8} + b_{9x9} + b_{10x10} + b_{11x11} + b_{12x12} + b_{13x13} + b_{14x14} + b_{15x15} + b_{16x16} + b_{17x17} + b_{18x18} + b_{19x19} + b_{20x20} + b_{21x21} + e$$

Where

- Y= Overall Market Orientation
- X₁ = Quality Consciousness
- X₂ = Customer Satisfaction
- X₃ = Market Information
- X₄ = Quick Decisions
- X₅ = Communication
- X₆ = Employee Morale
- X₇ = Interaction with Customers
- X₈ = Adaptive on Market needs
- X₉ = Sales Promotion
- X₁₀ = Performance Monitoring
- X₁₁ = SWOT
- X₁₂ = Trained Personnel
- X₁₃ = Competitors Activities
- X₁₄ =Technology Absorption
- X₁₅ = Membership in Association
- X₁₆ = Environmental Scanning
- X₁₇ = Customer Expectations
- X₁₈ = Generation and Dissemination
- X₁₉ = Achieving Public Image
- X₂₀ =24 Hours Security
- X₂₁ = Other Value Added Services
- b₁-b₂₁ = Regression Co-efficient

e = Error term

a = Intercept

The regression analysis is administered among the three categories of respondents like Less than 20

years, Below 20 and 30 years and Above 30 years category and overall respondents separately. The overall regression co-efficient is presented in Table.

Table Impact of Profile Variables on Overall Market Orientation Among the Respondents

| Sl.No. | Factor | Notation | Elasticity of Co-efficient | Standard Error | 't' Value |
|--------|--------------------------------------|-----------------|----------------------------|----------------|-----------|
| 1. | Overall scores on Market Orientation | Y | - | - | - |
| 2. | Constant | b ₀ | 20.415** | 0.861 | 52.425 |
| 3. | Quality Consciousness | X ₁ | 0.0715** | 0.016 | 5.952 |
| 4. | Customer Satisfaction | X ₂ | 0.022* | 0.123 | 3.891 |
| 5. | Market Information | X ₃ | 0.045 ^{NS} | 0.148 | 1.862 |
| 6. | Quick Decisions | X ₄ | 0.211 ^{NS} | 0.259 | 2.001 |
| 7. | Communication | X ₅ | 0.0591** | 0.299 | 4.625 |
| 8. | Employee Morale | X ₆ | 0.0644** | 0.122 | 5.015 |
| 9. | Interaction with Customers | X ₇ | 0.0956* | 0.105 | 3.892 |
| 10. | Adaptive on Market Needs | X ₈ | 0.159 ^{NS} | 0.111 | 1.510 |
| 11. | Sales Promotion | X ₉ | 0.286 ^{NS} | 0.082 | 1.950 |
| 12. | Performance Monitoring | X ₁₀ | 0.069** | 0.065 | 3.952 |
| 13. | SWOT | X ₁₁ | 0.019* | 0.029 | 2.950 |
| 14. | Trained Personnel | X ₁₂ | 0.162* | 0.031 | 4.115 |
| 15. | Competitors Activities | X ₁₃ | 0.150* | 0.040 | 4.010 |
| 16. | Technology Absorption | X ₁₄ | 0.221 ^{NS} | 0.018 | 1.6121 |
| 17. | Membership in Association | X ₁₅ | 0.114 ^{NS} | 0.134 | 1.1411 |
| 18. | Environmental Scanning | X ₁₆ | 0.142 ^{NS} | 0.131 | 1.1131 |
| 19. | Customer Expectations | X ₁₇ | 0.068** | 0.066 | 3.2611 |
| 20. | Generation and Dissemination | X ₁₈ | 0.113 ^{NS} | 0.033 | 1.1516 |
| 21. | Achieving Public Image | X ₁₉ | 0.104 ^{NS} | 0.041 | 1.3211 |
| 22. | 24 Hours Security | X ₂₀ | 0.066** | 0.113 | 3.4921 |
| 23. | Other Value Added Services | X ₂₁ | 0.101 ^{NS} | 0.114 | 1.2411 |

Source: Computed data.; * - Significant at five percent level; ** - Significant at one percent level; NS - Not Significant

It is evident from Table that, among the various variables analyzed, variables like Customer Satisfaction, Interaction with Customers, SWOT, Trained Personnel and Competitors Activities variables are significant at five percent and variables like Quality Consciousness, Communication, Employee Morale and Performance Monitoring, Customer Expectations and 24 Hours Security are significant at one percent and variables like Market Information, Quick Decisions, Adaptive on Market Needs, Sales Promotion, Technology Absorption, Membership in Association, Environmental Scanning, Generation and

Dissemination, Achieving Public Image and Other Value Added Services are not significant.

The R² has been 0.841, and the value of the F test was 2015.671.

It could be inferred from Table that the 'Quality Consciousness' was significantly influenced by the level of market orientations by hoteliers. One percent increase in the 'Quality Consciousness' made available to the respondents, keeping all other factors constant, would increase the overall market orientation of the hoteliers by 0.0715 percent from its mean level.

The elasticity co-efficient for the variable ‘Communication’ for hoteliers was 0.0591, which indicates that increasing the number of ‘Communication’ offered to respondents by one percent, there would be an increase in the overall market orientation of the respondents towards particular hoteliers by 0.0591 percent *ceteris paribus*.

The variable ‘Employee Morale’ is also one of the important inputs contributing to the factors leading to market orientations. Its co-efficient was 0.0644 and was significant at one percent level, indicating that a one percent increase in the ‘Employee Morale’ would increase the overall market orientation of the hoteliers towards particular hoteliers 0.0644 percent from the mean level.

Market orientation was also influenced by the factor ‘Performance Monitoring.’ The co-efficient of variation was 0.069, which was significant at one percent increase in the Performance Monitoring would increase the overall market orientations behavior of the hoteliers towards a particular hotelier by 0.069 percent from its mean level.

The variable “Customer Expectations” is also one of the important inputs contributing to the factors leading to market orientations. It’s co-efficient 0.068 and was significant at one percent level, indicating that a one percent increase in the “Customer Expectations” would increase the overall market orientation of the hoteliers towards a particular hotelier 0.068 percent from the mean level.

Market orientation was also influenced by the factor “24 Hours Security” The co-efficient of variation was 0.066, which was significant at a one percent increase in the 24 Hours Security would increase the overall market orientations of the hoteliers towards a particular hotelier 0.066 percent from the mean level.

The variable ‘Customer Satisfaction’ is also one of the important inputs contributing to the factors leading to market orientations. Its co-efficient was 0.022 and was significant at a five percent level, indicating that a five percent increase in the ‘Customer Satisfaction’ would increase the overall market orientation of the hoteliers towards a particular hotelier 0.022 percent from the mean level.

Market Orientation was also influenced by the factor ‘Interaction with Customers’. The co-efficient

of a variable was 0.0956, which was significant at a five percent increase in the Interaction with Customers would increase the overall market orientations concept of the hoteliers towards a particular hotelier by 0.0956 percent from its mean level.

The variable ‘SWOT’ is also one of the important inputs contributing to the factors leading to market orientations. Its co-efficient was 0.019 and was significant at a five percent level, indicating that a five percent increase in the ‘SWOT’ would increase the overall market orientation of the hoteliers towards a particular hotelier 0.019 percent from the mean level.

Market Orientation was also influenced by the factor ‘Trained Personnel’. The co-efficient of a variable was 0.162, which was significant at five percent increase in the Trained Personnel would increase the overall market orientations concept of the hoteliers towards a particular hotelier by 0.162 percent from its mean level.

The variable “Competitors activities” was also influenced by market orientation. The Co-efficient of a variable was 0.150, which was significant at a five percent increase in the competitor’s activities would increase the overall market orientation concepts of the hoteliers towards a particular hotelier by 0.150 percent from its mean level.

Limitations of the Study

The present study is confined to the hotels registered in the Tamil Nadu Tourism and Development Corporation. The impact analysis is carried out with an assumption of linear relationship between dependent and independent variables.

Summary of Findings

The regression analysis in profile variables is administered among the three categories of respondents like ‘Between 20 and 30 years’, ‘Less than 20 years’, and ‘Above 30 years’ category and overall respondents separately. The overall analysis has revealed that variables like Customer Satisfaction, Interaction with Customers, SWOT, Trained Personnel and Competitors Activities variables are significant at five percent and other variables like Quality Consciousness, Communication, Employee

Morale Performance Monitoring, Customer Expectations and 24 Hours Security are significant at one percent and remaining variables like Market Information, Quick Decisions, Adaptive on Market Needs, Sales Promotion, Technology Absorption, Membership in Association, Environmental Scanning, Generation and Dissemination, Achieving Public Image and Other Value Added Services are not significant.

Conclusion

The present investigation was embraced fundamentally to support organizers and leaders to take up certain approach choices for the advancement of the lodging business in Tamil Nadu. This examination has exposed appropriate issues looked by the hoteliers in Tamil Nadu. The proposals introduced in the examination will moderate the issues of the hoteliers in the investigation zone specifically and all lodging business in India when all is said in done.

Suggestions

- The Government can take steps to provide adequate loan facilities for the construction of new hotels, and liberal terms of finance should also be made available for renovations and modernization of facilities in the existing hotels besides, land for hotel site should also be made available at concessional prices or on a lease basis.
- The Government should take proper initiative to open more hotel management and catering institutes in various colleges and other educational institutions of the country by providing adequate research facilities and imparting proper training to the hoteliers of all classes.

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