



Kuoni Travel (India) Pvt. Ltd.

7P`s of SOTC (Kuoni Travel Group)

TOURISM INDUSTRY IN INDIA

Indian tourism industry is one of the most important export industries of the country. The performance of the tourism industry has been very encouraging which has registered an 11% increase in foreign tourist arrivals.

India tourism office at Tokyo won two international awards in Tour Expo held at Daego in Korea for excellent tourism marketing and promotion with major players such as China, Japan, Thailand, Malaysia and Canada.

About the Company

IN FLIGHT MODE

MAY 1996 | Kuoni enters India by buying a 51% stake in SOTC

MAY 1997 | Acquires 100% of SOTC, named Kuoni Travel India

MARCH 2000 | Becomes India's largest travel company with the acquisition of Sita World Travel

NOV 2001 | Acquires Tour Club, a destination manager for visitors from the Middle East

APRIL 2002 | Launches FIT Holidays for individual travellers

MAR 2003 | Enters domestic tourism with SOTC Holidays

MAY 2003 | Opens its academy



JAN 2006 | Launches its luxury holiday brand in India

JUNE 2006 | Acquires Distant Frontiers

SEPT 2008 | Launches the first 'Kuoni' flagship store in Mumbai

JAN 2014 | Puts its India operations on sale

The Kuoni Travel Group, India, is the country's largest travel and tourism company and a 100% subsidiary of Kuoni Travel Holding. Kuoni India's vision focuses on providing all travel and travel related services to travellers from, within and to India.

It was formed when Kuoni Travel Holding, Switzerland acquired SOTC (100% equity) on May 22nd, 1997. It became the largest with the acquisition of SITA world travel a fore runner in destination management and travel market.

Today it is active across every travel segment and operates a number of successful brands in India.

Service Marketing Mix of Kuoni Travel (India)

Product

Sr. No.	Benefit	Meaning	With reference to the travel and tourism industry
1	Core benefit	The fundamental benefit or service the customer is buying	Traveling
2	Basic product	Functional attributes	Ticketing, Hotel Reservation
3	Expected product	Set of attributes the buyer already expects	Customer friendliness, good food, safety
4	Augmented product	That meets customer desires beyond expectations	Prompt service, comfortable trip, spectacular sights and music
5	Potential product	The possible innovation to distinguish the offer	Totally customized tour packages. A grade service at every stage

Tourism marketing is the combination of tangible and intangible elements. The tourism product, which is mainly the destination, can only be experienced. The view of the travel location, to the destination, the accommodation and facility as well as the entertainment and the destination form the tourism product.

SOTC offers a variety of tours for all age groups, theme vacations, special packages for vegetarian and jains, tours for senior citizens etc.

Price

Pricing in tourism marketing is a complex process. Pricing includes the prices of other services like Air travel, Bus, Railways, Hotels etc. All are included in tourism package. Pricing also depends upon the geographic destination of the location.

Pricing Policy: Pricing also depends upon seasonality. It is the most important factor in pricing.

SOTC offers price sensitive tours like cost savers and premium tours which can be afforded by all classes unlike low pricing policy followed by its competitors.

Place

Destination →

Destination → Tour Operator → Travel Agent → Consumer

Destination →

Different distribution strategies are selected to reflect the company's overall objectives. Tours as a product is distributed as a travel. Internet is widely used. The middleman may be tour operators, who purchases tours in bulk and make them available to travel agents who are retailers.

Different distribution strategies are selected for tours marketing by SOTC. There are also small agents spread all over the country who also play a role of place. They act as wholesalers and also as retailers. SOTC has its own website from where information on the tours can be procured, direct booking can be done for which the payment can be made through a credit card. It also has its offices from where booking can be done.

Promotion

Advertising and sales promotion in Tourism marketing is very effective when supplemented by publicity and personal selling.

SOTC uses electronic, print and all sorts of media as tourism is a highly promoted industry. SOTC gives printed ads in newspapers, makes use of brochures to stimulate customers and motivate them to buy. They are used to demonstrate pictures and words the images and positioning of the product and the organizations.



Physical Evidence

SOTC provides its customers with a detailed brochure of the tour they have selected, a list of things to be done before going for a holiday e.g. cooking gas switch to be turned off etc and if the customer is going for foreign tour then a list of basic words like hello, water etc. in the foreign country language, this established value for money, product image, and status which must be matched when the product is delivered.

People

It plays a most important part in tourism marketing. In people, local people are very important regarding how they treat tourists. It consists of the travel agents, guides, staff, sales staff etc. of the company. The travel company also like railways, airlines etc. are also included in people.

Kuoni group employs 2900 employees through its 347 offices and caters to 3 million customers. SITA alone enjoys loyalty of its 2 lakh Indian customers.

Process

The operational process of SOTC is given in the form of sequential steps involved in the delivery of tours as a product.

- 1. Provision of travel information** → The information regarding the travel is provided at a convenient location where the potential tourists seek clarification about their proposed tour. SOTC provides information through its website, newspaper ads and in form of pamphlets.
- 2. Preparation of Itineraries** → It is a composition of series of operations that are required to plan a tour. SOTC customizes its itineraries according to customer wants and desires.
- 3. Liaison with providers of services** → SOTC has its contracts with many of the Indian companies like, HILTON etc.
- 4. Planning and costing tours** → In SOTC the tours are customized i.e. if customer cannot afford a premium package he will be given the same tour but the cost will be reduced by offering him a deluxe hotel instead of a 5 star hotel.

5. **Ticketing** → Computerized reservation system has in recent years revolutionized the reservation system for both rail and air travel. In SOTC the tours, air and rail tickets are booked online.

6. **Provision of foreign currency and insurance** → SOTC provides its customers with foreign currency and visa services.

