

WORD OF MOUTH: EFFECTIVENESS AND IMPACT AS PROMOTION TOOL FOR TOURISM INDUSTRY OF HIMACHAL PRADESH

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Abstract

Promotion is the process of marketing communication to inform, persuade, remind and influence consumers or users in favor of your product or service. There are many elements or tools of promotion - mix viz. advertising, sales promotion, publicity or public relations, events and experiences, sales force or personnel selling, internet marketing, and word of mouth marketing etc. Word of mouth or viva voce, is the passing of information from person to person by oral communication, which could be as simple as telling someone the time of day. Storytelling is a common form of word-of-mouth communication where one person tells others a story about a real event or something made up. Through the present study an attempt is made to know about the effectiveness of word of mouth as a promotional tool for tourism industry of Himachal Pradesh. The other objectives of the study are to find the impact on word of mouth on tourist decision about the choice of tourism destinations. The present study is conducted in the Shimla district of Himachal Pradesh in which responses were taken from 100 tourists which included 35 foreign and 65 Indian tourists through convenience non probability sampling method with the help of a well-designed questionnaire. In order to analyze the data and to test the hypothesis, various mathematical and statistical tools such as simple percentage method, average, standard deviation and chi - square test are used.

Key words: Rural areas, Rural Development, Sustainable Development, Rural Development Schemes.

INTRODUCTION

Word of mouth or viva voce, is the passing of information from person to person by oral communication, which could be as simple as telling someone the time of day. Storytelling is a common form of word-of-mouth communication where one person tells others a story about a real event or something made up. Oral tradition is cultural material and traditions transmitted by word of mouth through successive generations. Storytelling and oral tradition are forms of word of mouth that play important roles in folklore and mythology. Word of mouth may be defined as, "An unpaid form of promotion in which satisfied customers tell other people how much they like a business, product or service". Arndt defines word of mouth as "*an oral, person to person communication between a receiver and a communicator whom the receiver perceives as non - commercial, regarding a brand, product or service*". However it is important to point out that word of mouth need not necessarily be brand, product or service - focused. It may be organization - focused. Neither needs word of mouth face

to face, direct, oral or ephemeral. The electronic community, for example, generates virtual word of mouth is not face to face, not direct, not oral, and not ephemeral.

TOURISM INDUSTRY OF HIMACHAL PRADESH

Himachal Pradesh is one of the fastest growing states in India. Himachal Pradesh is a sub-Himalayan state and it has a varied climate that changes with the altitude. It is also known as the Land of Gods, topographic diversity and natural beauty. The rich natural resources of the state are favourably suited for investment in major sectors such as procurement of agricultural produce, hydroelectric power, cement and tourism. There are a variety of festivals celebrated by the locals of Himachal Pradesh. There are approximately 6000 temples in Himachal Pradesh Tourism is a major engine of economic growth, and source of revenue earnings as well as generator of employment in the state. As per the economic survey of Himachal Pradesh for the year 2020-21, the tourism industry contributes to 7% in the total GDP of the state. The Himachal Pradesh offers several forms of tourism viz. adventure, medical, wellness, sports, eco-tourism, films, rural and religious tourism etc., that are extremely innovative as well as appealing to its tourists. The tourism industry of Himachal Pradesh has provided a mean of leaving to a number of Himachali and non-Himachali people. The State is endowed with all the basic resources necessary for thriving tourism activity like geographical and cultural diversity, clean and peaceful environment and beautiful streams, sacred shrines, historic monuments and the friendly hospitable people. Tourism Industry in Himachal Pradesh has been given high priority and the Government has developed appropriate infrastructure for its development which includes public utility services, roads, communication network, airports, transport facilities, water supply and civic amenities etc.

Table-1: Foreign and Domestic Tourists arrival in Himachal Pradesh 2010-2020

Year	Foreign Tourists Arrived	%age Change in FTA	Indian Tourists Arrived	%age Change in DTA	Total Tourist Arrival	%age Change over the years
2010	4,53,616	-	1,28,11,986	-	1,32,65,602	-
2011	4,84,518	6.81	1,46,04,888	13.99	1,50,89,406	13.75
2012	5,00,284	3.25	1,56,46,048	7.13	1,61,46,332	7.00
2013	4,14,249	-17.20	1,47,15,586	-5.95	1,51,29,835	-6.30
2014	3,89,699	-5.93	1,59,24,701	8.22	1,63,14,400	7.83
2015	4,06,108	4.21	1,71,25,045	7.54	1,75,31,153	7.46
2016	4,52,770	11.49	1,79,97,750	5.10	1,84,50,520	5.24
2017	4,70,992	4.02	1,91,30,541	6.29	1,96,01,533	6.24

2018	3,56,568	-24.29	1,60,93,935	-15.87	1,64,50,503	-16.08
2019	3,82,876	7.37	1,68,29,231	4.56	1,72,12,107	4.62
2020	42,665	-88.85	31,70,714	-81.15	32,13,379	81.33

Source: Department of Tourism and Civil Aviation, Government of Himachal Pradesh

In the year 2010 tourists visited to the state were 1,32,65,602 out of which 4,53,616 were foreign tourists and 1,28,11,986 were Indian tourists (Table – 2). A decline of 6.30% has been observed in the year 2013 in tourists arrival to Himachal Pradesh, this decline has been observed due to more terrorist activities in Jammu & Kashmir. Himachal Pradesh is a neighbouring state of Jammu and Kashmir hence has also been impacted due to this. Another decrease of 16.08% is observed in the year 2018 in total tourist arrival as compared to the year 2017 and if separately talking the foreign tourist arrival declined by 24.29% and domestic tourist arrival declined by 15.87% in comparison to the year 2017. The major reason behind this decline in tourist arrival in the year 2018 was water crisis in Shimla. Flights and hotel bookings for Shimla are down by about 30% compared to last year in light of the worst-ever water crisis plaguing the city, according to travel operators and portals. Again an increase by 4.62% in total tourist arrival in the year 2019 has been recorded, but in next year in 2020 tourist arrival has declined due to COVID-19 pandemic both in terms of domestic and international tourists. A fall by 88.85% has been recorded in international tourists' arrival whereas a fall of 81.15% has been recorded in domestic tourist arrival.

LITERATURE REVIEW

Katz and Lazarfeld, (1955) found that a positive word of mouth is seven times more effective than newspaper and magazine advertising, four times more effective than personal selling, and twice as effective as radio advertising in influencing consumers to switch brands. (Hunt, 1975) The perceived image was proposed by Hunt from the perspective of tourists in the 1970s. He believed that the image of a tourist destination, as a purely subjective concept, is the impression that people hold on the status of non-residence. **Fiske, (1980)** observed that negative information is usually rarer than positive information and argued that this made negative information more useful (or diagnostic) than positive information because the latter could often be presumed. Baloglu & McCleary, (1999) believed that the perceived image was formed through the interpretation of the rational and emotional of the tourists, who included two dimensions: cognitive image and emotional image.

Senecel & Nantel, (2004) argued that the expert systems and discussion forums as impersonal recommendation sources because consumers are influenced in their choice of products online by recommendations posted online. **Goldsmith, R.E. & Horowitz, D. (2006)** studied that the word of mouth has a dissimilar impacting people that are without a fundamental knowledge of this part of business. When you do not have any experience in a part of business you will be more biased by someone who will tell you something positive or negative about a picky brand. **Allsop al., (2007)** found that word of mouth has an important impact on customer decisions, and al. helps to present a good post - purchase wakefulness. **Awad and Ragowsky, (2008)** studied the online word of mouth that firms use to build trust in customers and showed that value and reliability of electronic word of mouth differs in terms of gender.

Chakravarty et al., (2009) investigated effects of online word of mouth and professional opinions on product evaluations of customers and the study shows that infrequent users are affected from communications more than frequent users. **Hui, (2011)** emphasized the role of personality in the electronic word of mouth communication. The study revealed extraverted customers pay attention to customer experiences and feelings of individuals. **Fatima N., (2014)** found that the impact of word of mouth on marketing arises due to social media where people see comments of the people who did shopping from such places.

NEED FOR THE STUDY

From the literature review, it is clear that the various studies revealed different aspects related to the word of mouth. However a very few studies has been found related to the word of mouth and its effectiveness as a promotional tool for the tourism industry. Also a very few studies has been depicted the impacts of word of mouth as a promotional tool for the tourism industry. Keeping in view the various facts the present study is conducted *to know about the effectiveness of word of mouth as a promotional tool for tourism industry of Himachal Pradesh. The main emphasis of the present study is to find the impact on word of mouth on tourist decision about the choice of tourism destinations.* The present study would be helpful to reveal the facts about the effectiveness of word of mouth as a promotional tool and its impact on tourist choice behavior for tourism destinations.

OBJECTIVES OF THE STUDY

The present study have been undertaken to achieve the following objectives:-

- To find out the effectiveness of word of mouth as a promotional tool for tourism industry of Himachal Pradesh.

- To find the impact on word of mouth on tourist decision about the choice of tourism destinations in Himachal Pradesh.

HYPOTHESIS OF THE STUDY

The present study have been undertaken to test the following hypothesis:-

H₁: The word of mouth has a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh.

H₀: The word of mouth has not a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh.

H₁: The word of mouth has a significant impact on tourist decision about the choice of tourism destinations in Himachal Pradesh.

H₀: The word of mouth has not a significant impact on tourist decision about the choice of tourism destinations in Himachal Pradesh.

RESEARCH METHODOLOGY

The present study is a descriptive study, conducted in the Shimla district of Himachal Pradesh in which responses were taken from 100 tourists which included 35 foreign and 65 Indian tourists through convenience non probability sampling method with the help of a well-designed questionnaire. The attitude of the respondents was analyzed with the Likert Scale. In order to analyze the data and to test the hypothesis, various mathematical and statistical tools such as simple percentage method, average, standard deviation and chi - square test are used.

ANALYSIS AND DISCUSSION

The demographical characteristics of the respondents was collected keeping in view the six variables such as residential status, gender, age, marital status, educational qualification, occupation, and income level. The sample units were selected on the basis of convenience sampling methods. Out of 100 tourists, 35% are foreigners and 65% are Indian tourists, male were 71% and female were 29 % in the age group of 15 - 30 (55%), 31 - 45 (18%), 46 - 60 (19%), and 60 year and above (8%) tourists were. If we talk about the marital status of tourist, 45% tourists were married and 55 % tourists were unmarried. The educational status of these tourists no one was illiterate and under - metric, matriculate (5%), higher secondary (8%), graduate (47%), post graduate (36%) and any other (4%) were. And occupational status of these tourists were, that out of 100 tourists, unemployed (22%), govt. employee (20%), private employee (43%), self - employed (13%), and other (2%) were. If we talk about the

income level of these tourists, between the income level of 0 - 2 lakh (21%), 2.1 - 6 lakh (28%), 6.1 - 15 lakh (29%), 15.1 and above (29%) tourists were among all tourist.

Testing of Hypothesis: The testing results of the hypothesis are discussed as, for first hypothesis i.e. the word of mouth have a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh, the critical/table value of Chi – Square for 4 degree of freedom (ν) and 0.05 level of significance (α) is found 9.488 and calculated value for Chi - Square was 118.9. Since the calculated value for Chi-Square is greater than the table value, hence the null hypothesis is rejected. Hence concluded that the word of mouth have a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh, because word of mouth is a personal media of communication where a personal touch of a human being can be felt. Also word of mouth has a greater reliability and authenticity because it reflects real life observations of a person who is providing his or her observations to others about a tourism destination where he or she has already visited.

Majority of the tourists with the weighted average score of 3.84 are agree that the word of mouth have a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh. Whereas 4% tourists are disagree and 2% are strongly disagree that the word of mouth have not a significant positive effect as promotional tool for the promotion of tourism industry of Himachal Pradesh.

For second hypothesis i.e. the word of mouth has a significant impact on tourist decision about the choice of tourism destinations in Himachal Pradesh, the critical/table value of Chi – Square for 4 degree of freedom(ν) and 0.05 level of significance(α) is found 9.488 and calculated value for Chi - Square was 81.2. Since the calculated value for Chi-Square is greater than the table value, hence the null hypothesis is rejected. Hence, concluded that the word of mouth has a significant impact on tourist decision about the choice of tourism destinations in Himachal Pradesh, because it is very difficult to draw the real opinion about the tourism destinations with the help of other promotional tools such as advertising and publicity as compare to word of mouth. And word of mouth is the real life observation of a tourism destination and it reveals the reality of the other person about a particular tourism destination.

Majority of the tourists with the weighted average score of 4.15 are agree that the word of mouth has significant impacts on tourist decision about the choice of tourism

destinations in Himachal Pradesh. Whereas 2% tourists are disagreeing and 1% are strongly disagree that the word of mouth has not a significant impacts on tourist decision about the choice of tourism destinations in Himachal Pradesh.

About 47 % of the tourist stated that positive word of mouth impacts more on their behavior, 40% tourist stated that both type of word of mouth impacts equally on their behavior. On the other hand 6% tourists stated that negative word of mouth impacts on their behavior more, while 7 % stated that there is no impact of either positive or negative word of mouth on their behavior with respect to tourist choice decision for tourism destinations. On the basis of weighted average score of 2.93 it can be stated that both negative and positive word of mouth impact on the behavior of tourists with respect to tourist choice decision for tourism destinations.

Majority of tourists, about 46 % stated that they attracted towards Himachal Pradesh tourism due to the word of mouth they received from others about Himachal Pradesh and 32% tourists are attracted by the information available on internet about Himachal Pradesh Tourism. Whereas 14% attracted due to events and experiences, 3% due to advertisement made on various online and offline platforms and 5% tourists are attracted by any other way.

Other information about the tourist includes the frequency of visiting, tourists mostly visits with, purpose of visiting, arrangement of the tour, and what kind of arrangement generally they do in the tour. Out of 100 tourists, majority of the tourists about 66% tourists has visited first time to Himachal Pradesh, 12% have visited second time, 8% have visited third time and 14% have visited more than three time or they have not exactly remember which time they have visited to Himachal Pradesh. Majority of the tourists about 60% has visited with their family, 25% of the tourists have visited with their friends, 5% has visited with their colleagues or co - workers and 10% of the tourists has visited with any other persons. The major purpose of the tourists behind visiting to Himachal Pradesh is to see the natural beauty of Himachal Pradesh that is stated by 45% of tourist. About 10% tourists has visited for the fun, 9% has visited to see the heritage sites of Himachal Pradesh, 27% of tourists has visited due to all above mentioned reasons, and 9% tourists has visited for any other purpose. Majority of the tourists about 81% has arranged this tour themselves, 19% of the tourists has purchased the tour package from the tour agents.

CONCLUSION

The word of mouth has a great impact on tourism industry as a promotional tool to depict the real life observations and to create a strong opinion about a tourism

destination. As according to the study, majority of the tourists considers the word of mouth of others persons about the choice of tourism destination it means the word of mouth have a greater significance with respect to tourist choice decisions. Another thing that is revealed by the study, the word of mouth impacts positively as well as negatively on the tourist behavior and leads to form an opinion about a particular tourism destination. If the word of mouth would be the positive towards the tourism destination then its value would increase and vice versa.

The word of mouth, involves a human touch and it also reflects the experience of the person who is providing a word of mouth about a particular thing. Most of the people generally, keen to know the reviews of other's about a particular thing before trying it. This represents that word of mouth can be an influential tool in order to influence the behavior of a person. In tourism industry a word of mouth can be a great promotional tool for the promotion of tourism destinations. If a tourist will receive a positive word of mouth about the tourism destinations then he will attract towards that destination, and the attraction of tourists leads to the visiting. This can be lead to the economic benefits of the people of those tourism destinations as well as that of state. Ultimately the word of mouth is contributing in the promotion of tourism industry, without incurring any promotional cost.

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