

Customer Orientation of Indian Tourism Entrepreneurs: An Empirical Analysis

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Abstract

Economic liberalization has limited the scope of employment in India. Thus, identifying alternative sources of employment generation, is the call of the hour. In the field of tourism, entrepreneurial activities can be worked as a panacea if it is possible to minimize failure in ventures. This is again possible if marketing activities can be executed with perfection as marketing is one of the major reasons for failure and strategically it is the most important function. Thus a simple executable construct has been proposed that indirectly checks the customer (market) orientation, and an empirical examination has been done with the help of customers and entrepreneurs (executives). Finally, implication of this work for the Indian tourism industry has been highlighted.

Keywords: Customer orientation, Indian, tourism, entrepreneur, empirical, analysis, competitor orientation

Background

In the post eighties, the Economic policies of the Governments of developing nations have induced sea changes in the structure of their respective economy (Desai, 2005). Public sector-prone economy has started to spread its wings in the arena of privatization. As a result, withdrawal of state investment in public sectors vis-à-vis decreasing scope of employment in state-owned sectors have taken place (Roy et.al, 2008). Thus, scope of private investments, either in the large-scale sector related investments or in the form of small-scale sector related investments, has emerged as a panacea for the developing economy in respect of employment problem (Roy et.al, 2008). In this context, the roles of small-scale entrepreneurial ventures, which are more employment elastic, need to be further analyzed. Future scope of employment then logically rests with the small private sector units which are more labor intensive. Normally, service sectors compared to manufacturing sectors are more labor intensive. Here, lies the role of service entrepreneurial activities to uphold the dictum “small is beautiful” from the point of view of employment generation (Zeithaml & Bitner, 2003).

Researchers have identified a number of causes behind failures of small-scale entrepreneurial ventures. Among all these causes, one of the most prominent causes is failure in functional performance of the venture (Pelham, 2000). Functional performance of small scale players may have many facets like financial performance and marketing performance. The researchers have identified poor financial performance as the cause of failure and have also related it with marketing failures (Karan, 2008; Zimmerer and Scarborough, 2005; Berryman, 1984). On the other hand, Aaker (2005) has related underutilization of resources with the entrepreneurial failure where it is mainly due to

poor customer knowledge. Thus need for customer (market) orientation is desirable highly for success of entrepreneurial ventures.

Theoretical Framework - Need for Customer (Market) Orientation

Marketing function is strategic, so it needs central focus for any organization (Roy, 1997; Ansoff, 1979; David, 2005). Therefore, for the purpose of the present research, the authors are concentrating on the marketing arena of small scale sectors, which obviously has a significant impact on financial efficiency of the organization. Further, the definition of marketing (Kotler et.al, 2003) states four important features. These are as follows:

- i) Knowing the need-set of the targeted customer/s,
- ii) Setting offer as per the requirement of the targeted customer/s,
- iii) Communicating with an objective to promote offer or triggering latent need of the targeted customer/s or doing both and
- iv) Ensuring organizational profit through satisfaction of stakeholders including customer/s.

Hollensen (2006) has also emphasized on understanding 'need' in relation to market orientation. Hence, it may be termed as customer orientation of an enterprise (Kotler, 1977). Serving the need of the customer appropriately turns into customer satisfaction (Best, 2009). Kohli & Jaworski (1990) opined that internal factors like senior manager's orientation of an organization are the antecedents to develop market orientation of the organization. Further, 'Market Orientation', associated with some external moderating variables, generates consequences like employee responses, customer responses and finally, performances of the business. Deshpande et.al. (1993) have related 'Organization Culture' with 'Customer Orientation' and business performance in customer perception. Similarly, Diamantopoulos & Hart (1993) have tested empirically the framework provided by Kohli & Jaworski (1990) in an executive's opinion. Narver & Slater (1990) have also measured the same by redefining market orientation with other behavioral components like 'Customer Orientation', 'Competitor Orientation' by opinion of the executives. Thus, all of these approaches may fail to compare views of the executives of the organization with its customers. Ling & Greenley (2005) and Saad et.al. (2002) have also identified significant association among internal market orientation, employee motivation and external marketing success. In another study, Charles & Cheng (2005) have examined the applicability of market orientation concept for the small scale sector. Findings of that research ensure that even for small ventures, customer orientation is necessary. Bhujan & Habib (2005) have made us understand of importance of carrying out related research in the country, varied with its level of development and value system.

Discussion on existing literature has helped us learn that though efforts have been made to measure customer orientation but still it is incomplete. Since the present research work ignores the comparative assessment of executive and customer in a single frame, the authors plan to execute this in the study. Moreover, this work has simplified the measurement and thus it is executable to even small entrepreneurs who do possess small number of manpower. Moreover, there is a need to refine the 'Customer Orientation' instrument specific to the tourism industry. In India, the tourism industry is dominated by small scale entrepreneurs and the industry is labor intensive and thus employment generating (Tribe, 1995). The authors would like to propose an instrument, which is based on the fundamental concept of marketing and examine the 'Market Orientation' via customers' set of understandings both in respect of need set and communication. This indirect approach is expected to be more fact revealing.

Hypothesis – Proposed Construct:

Since the authors propose to examine an experiential service (Zeithmal, 1981) like tourism, the aspect i.e. ‘understanding/ knowing the need-set of the targeted customer/s’ comes out as one of the important parameters for our study. Many entrepreneurs may prepare the right product for the right customer group, but despite that, they may fail to let the customer know about it. Woodruffe (1995) has commented that success of a marketing programme depends on selection of the right combination of media mix vis-à-vis coverage and cost. Hence, based on a third requisite, mechanism of communication i.e. selection of media-mix is another important aspect included in our study. Considering the gap identified in the existing literature, the authors have planned to apply the developed construct/ instrument on both the groups i.e. customer/s and executives. Moreover, this comparative assessment is desirable from the point of view of criticality of resource utilization, especially for a small-scale entrepreneurial venture. It is important because, executives are not supposed to deploy resources significantly more than or significantly less than the requirements of customer/s (Aaker, 2005). The authors have also extended our study to the aspects related to the response of the customer/s i.e. ‘satisfaction of the customer’.

Further, to know whether executives/ entrepreneurs are really aware of the ‘need set’ of the customer/s, the authors have considered ‘importance assigned to various reasons vis-à-vis deciding upon a tourist destination’. More specifically, the following five, literature supported (Huimin, G. & Kavanaugh R.R, 2006) reasons are considered for developing the construct/ instrument and then applied the said construct on executives and customers:

- 1) Natural Beauty (Lee and Tideswell, 2005; Kibicho, 2006)
- 2) Historical importance (Kibicho, 2006; Frochot, 2004)
- 3) Pilgrimage (Mishra, 2003)
- 4) Scope of adventure tourism (Gupta, 2003)
- 5) Scope of village and rural tourism (Kibicho, 2006)

On the other hand, considering whether communications made by practicing entrepreneurs have really established connection with targeted customers, the authors have proposed to use ‘importance assigned to media mix’ for both executives/ entrepreneurs and customers. Since focus has been given on tourism entrepreneurs, some tourism specific media vehicles have been selected (Baloglu, 2000; Dore and Crouch, 2003). These are as follows:

- 1) Print Media
- 2) Television Media
- 3) Tourism Directory
- 4) Travelogues/ Novel

Hence, it is required that perceived importance assigned by the entrepreneur in relation to the need set and the media vehicles, stated above, should match with similar benchmarks assigned by the customer on the same variables. The authors would like to compare overall views of entrepreneurs and customer groups for the purpose of reducing individual biases. By carrying out the comparative study based on aggregation principle, the authors propose to reduce the extent of error and ensure normality under large sample approximation (Anderson, 2005). Finally, for measuring the satisfaction of the customer, the authors propose to ask customers about their overall satisfaction.

Methodology – Data Collection, Selection of Sample Units and Measurement

It has been stated that the basic objective of the present research is to examine the ‘Market orientation’ of the tourism entrepreneurs with the help of three constructs, out of which two are reason mix and media mix as desired by entrepreneurs/ executives and compare the same with a

benchmark to be provided by the present and potential customer group. The third construct is measuring overall satisfaction of customers.

For this purpose a pre-tested nomological valid questionnaire, having high reliability under test-retest has been employed for both the groups viz., entrepreneur and customer groups (Malhotra, 2005). The procedure for selection of the respondents from both the group is based on probabilistic design (Cochran, 1977) as described in what follows. For selecting the entrepreneurs, the sampling frame has been developed by merging lists available from multiple sources like West Bengal Tourism Development Corporation, two small scale business associations for tourism in an around Kolkata, West Bengal Forest Development Corporation; district yellow pages and similar directories. Geographical coverage of the study includes Kolkata, a metro city and all the districts of 'Burdwan Division' like Burdwan, Birbhum, Howrah, Hooghly, Bankura, East Midnapore and West Midnapore. From this list, which is of size 237, approximately 25% i.e., 59 entrepreneurs/organisations have been selected randomly by selecting three digit random-numbers from random number table. The standard questionnaire has been sent to these 59 selected entrepreneurs or their selected representatives. In some cases, when they so desired, mail questionnaire method has been replaced by personal interview. Continuous persuasion helped us generate high rate of response (83.05%)

For the purpose of selecting respondents from the customer group, multi-stage sampling frame (Cochran, 1977) has been deployed. In the first stage, Kolkata and each of the districts of the Burdwan division have been considered as separate cluster to understand and accommodate inter-cluster heterogeneity in respect of culture and economy. In the next stage, only urban areas of the districts and entire Kolkata have been listed for the purpose of selecting ultimate units. Rural areas have not been considered because in rural areas, ratio of tourist household in relation to all types of household is very low but the cost of survey in the rural areas is much higher. Further, each of the clusters has been divided into a number of blocks and one of the blocks has been selected by simple random sampling technique. Then the selected block has been divided into localities and one locality has been selected by simple random sampling technique. Chosen localities have been placed for complete enumerative survey of the tourist households. In this context, it is very much prudent to define tourist and tourist household, which is an important task for this present research. For the purpose of the present research, the term 'Tourist' has been defined by modifying the definition provided by tourist statistics (1999) of Government of India. Finally, 240 tourist households have been selected and all the heads of the families or their representatives have been requested for participating in the survey. In this process the authors could record 210 responses, generating the basic data for subsequent analysis.

Scheme of Analysis

The authors have decided to carry out data analysis based on a tree type structure using two sets of observations received from entrepreneurs and customer groups respectively. In the two observed sets of data, respondents have given their perceived opinion on each of the constructs in isolation. Therefore, the authors have calculated aggregate mean perceived preferences of both entrepreneurs and customers in relation to the constructs, already stated, to identify the gap, if any, between entrepreneurs and customers. It is intuitively understandable and also suggested by Moutinho (2000) that their mental framework is a multi-dimensional one. Therefore, it is necessary to know the dependence pattern in the dataset. This means, the authors like to check whether there is structural dependency or not. The corresponding statistical hypothesis may be framed as follows:

- 1) Null Hypothesis: **Observed variables are structurally independent**
- 2) Alternative Hypothesis: **Observed variables are structurally dependent**

If the null hypothesis is accepted the authors would like to employ univariate test procedure.

Otherwise, the authors would like to deploy multivariate analysis.

In the case of a two-population testing under multivariate set up, it is desirable to check whether the two populations are comparable in respect of variance and covariance matrices. Interpretation of test results is supposed to be more meaningful when variability is equal for both the populations. For that reason, the authors have planned to go for standardization of the data set and then test for the following hypothesis:

- 1) Null Hypothesis: **There is no difference in terms of co-variances of the two populations.**
- 2) Alternative Hypothesis: **There is difference in terms of co-variances of the two populations.**

It is important to mention that if the null hypothesis is rejected in favour of the alternative hypothesis, it becomes a special type of problem referred in the literature as Behrens-Fisher problem (Anderson, 2005). Alternatively, when null hypothesis is accepted, standard test, available under multivariate structure, may be carried out. For more specific understanding of the problem, our next task is to compare mean vectors of the 'media mix' and 'reason mix' of the two populations - entrepreneurs and customers. Related hypothesis in this regard may be described as follows:

- 1) Null Hypothesis: **There is no difference in terms of mean vector of the perceived importance assigned to various media mix and reason mix by the entrepreneurs and the customers.**
- 2) Alternative Hypothesis: **There is a difference in terms of mean vector of the perceived importance assigned to various media mix and reason mix by the entrepreneurs and the customers.**

If the null hypothesis is accepted it may be simply stated that there is no statistically significant gap between entrepreneurs and customer groups in respect of 'media mix' and 'reason mix'. On the other hand, if the third null hypothesis is rejected it may be reasonably inferred that there is a statistically significant gap between entrepreneurs and customer groups in respect of their viewing 'media mix' and 'reason mix'. Then, it may be followed up with further studies like testing of satisfaction of customers to check whether on an average entrepreneurs have less than required market orientation or not. This procedure starts from identifying proportion of customers who are satisfied. This proportion can be obtained from a survey on customer satisfaction. For sustainability of business we need a high proportion of satisfied customers. If the observed proportion of satisfied customers is greater than the corresponding desired proportion, no problem may arise in the near future. In the reverse case, the authors need to check for difference between observed and expected proportions. If it is found to be significant, the authors may have reasons to infer that on an average, entrepreneurs have less than required market orientations.

Thus the authors needed to carry out the following test:

- 1) Null Hypothesis: **Population proportion of satisfied customer is equal to desired value.**
- 2) Alternative Hypothesis: **Population proportion of satisfied customer is less than the desired value.**

However this desired value will be industry-specific.

In the next section, the authors propose to present the data-based analysis following the research scheme specified in the present section. This analysis includes determination of descriptive measures and test results with the above framed hypotheses.

Empirical Study and Results

To analyze the collected data under a multivariate framework, it is desirable to have a unit-free set up, especially for examining distances between characters. It is also important to assign equal importance to each character under study for each of the two cases under consideration. To meet these dual objectives, the authors have standardized all the variables in respect of scale by pre-multiplying the observation matrix with inverse of a diagonal matrix, diagonal elements being respective standard deviations. This non-singular transformation, operating on the chosen vector measure, results in the correlation matrix as the dispersion matrix and hence the dispersion matrix estimated from the correlated data, can play the role of a proximity matrix for all pairs of variables. However, to start with, one needs to first examine whether the entire analysis can be carried out marginally in case the variables under study are independently distributed.

A test for independence of the component of a multivariate normal vector can be developed based on likelihood ratio principle. Bartlett suggested that a non-monotonic transformation of the likelihood ratio statistic follows χ^2 distribution under large sample approximation (Johnson & Whichern, 2008). In view of the standardization of the variables under consideration, the test for independence can be equivalently presented as a test for equality of correlation matrix and identity matrix. This test procedure to be adopted in our analysis, addresses hypothesis 1.

The basic assumption to be made for testing for equality of two or more multivariate normal mean vectors is that the dispersion matrices of the potentially different populations are the same. It is therefore necessary to first check the tenability of equality of dispersion matrices suggested under hypothesis 2. Box's M test, based on likelihood ratio statistics is useful for the purpose. Box's test is based on χ^2 approximation to the sampling distribution of the monotonic transformation of the likelihood ratio statistics and the decision rule is to accept the null hypothesis of equality of dispersion matrices if the value of M statistics is small (Johnson & Whichern, 2008).

The test for equality of multivariate normal mean vectors, needed for examining hypothesis 3, can then be carried out using the principle of one way Multivariate Analysis of Variance. Wilk's lambda (λ) test statistics is the ratio of the determinant of the residual sum of square and product matrix and determinant of the total sum of squares and product matrix. Alternatively one may use Hotelling's Trace Statistics, Roy's largest root or Pillai's test Statistics (Field, 2005). Strength of analysis will get increased if all the test results converge to a set of decisions (Field, 2005).

First of all, the two sets of variables namely (X_1, X_2, X_3, X_4, X_5) and (Y_1, Y_2, Y_3, Y_4) need to be defined, which are as follows.

X_1 = Standardized perceived importance of 'natural beauty' as one of the reasons for selecting a tourism product.

X_2 = Standardized perceived importance of 'historical importance' as one of the reasons for selecting a tourism product.

X_3 = Standardized perceived importance of 'pilgrimage' as one of the reason for selecting a tourism product.

X_4 = Standardized perceived importance of 'adventure tourism' as one of the reasons for selecting a tourism product.

X_5 = Standardized perceived importance of 'village and rural tourism' as one of the reasons for selecting a tourism product.

Y_1 =Standardized perceived importance of 'print media' as one of the vehicles of promotion vis-à-vis tourism.

Y_2 = Standardized perceived importance of 'television media' as one of the vehicles of promotion vis-à-vis tourism.

Y_3 = Standardized perceived importance of ‘tourism directory’ as one of the vehicles of promotion vis-à-vis tourism.

Y_4 = Standardized perceived importance of ‘travelogue/ novel’ as one of the vehicles of promotion vis-à-vis tourism.

Here, X set of variables stands for ‘reason mix’ and Y set of variables stands for ‘media mix’. Moreover, each of these variables can be measured both for executives and customer groups. As it is mentioned in the scheme of analysis, Table 1a and Table 1b describe the basic measures like ‘Mean Vector’ and ‘Dispersion Matrix’ for customers and entrepreneurs/ executives respectively.

Note: All of the following tables are based on the empirical results of the survey done by the authors. Therefore, source has not been mentioned.

Table 1a: Mean Vector and Dispersion Matrix for Customer vis-à-vis Reason Mix

Variables	Mean Vector	Dispersion Matrix				
		X_1	X_2	X_3	X_4	X_5
X_1	4.8523	1.000	-.097	-.068	.075	-.007
X_2	2.2812	-.097	1.000	.192	-.087	-.066
X_3	1.4710	-.068	.192	1.000	-.132	-.085
X_4	1.1908	.075	-.087	-.132	1.000	.290
X_5	.8782	-.007	-.066	-.085	.290	1.000

Table 1b: Mean Vector and Dispersion Matrix for Entrepreneur vis-à-vis Reason Mix

Variables	Mean Vector	Dispersion Matrix				
		X_1	X_2	X_3	X_4	X_5
X_1	7.3774	1.000	.128	.151	-.421	.038
X_2	3.0914	.128	1.000	-.016	.026	.062
X_3	2.4080	.151	-.016	1.000	-.069	.057
X_4	1.0070	-.421	.026	-.069	1.000	.450
X_5	.9505	.038	.062	.057	.450	1.000

As mentioned earlier, the authors would first like to test for independence among X_1 , X_2 , X_3 , X_4 and X_5 for each source separately by Barlett’s test of sphericity. It may be seen from Table 2 that, these variables are interdependent for both the groups i.e., customer and entrepreneur groups. To have a common approach for subsequent study the authors have pooled the two groups of data and carried out the same test of sphericity (see Table 3). The pooled data upholds the fact that the subsequent analysis should be carried out in the multivariate domain because the variables under study are

interdependent.

Table 2: Bartlett's Test of Sphericity vis-à-vis Reason Mix

	Tourism Customer	Tourism Entrepreneur
Likelihood Ratio	.000	.000
Approximate Chi-Square	34.288	25.643
Degrees of Freedom	14.000	14.000
Significant Probability Value	.002	.029
Concluding Remark	Variables are interdependent	Variables are interdependent

Table 3: Bartlett's Test of Sphericity-pooled vis-à-vis Reason Mix

	Tourism Customer and Tourism Entrepreneur-Pooled
Likelihood Ratio	.000
Approximate Chi-Square	38.721
Degrees of Freedom	14.000
Significant Probability Value	.000
Concluding Remark	Variables are interdependent

The next task is to check for equality of two dispersion matrices. Table 4 provides the Box's test result. Since the probability value is as high as .124 the authors accepted the null hypothesis that dispersion matrices are identical.

Table 4: Box's Test of Equality of Covariance Matrices vis-à-vis Reason Mix

Value for Box's M Statistic	22.294
Value for F statistic	1.428
Degrees of Freedom 1	15.000
Degrees of Freedom 2	29935.247
Significant Probability Value	.124
Concluding Remark	Covariances are equal

Thereafter, the authors have carried out the test for equality of two mean vectors (see in Table 5) arising out of two groups. All the test statistics i.e. 'Wilks' lambda', 'Hotelling trace', 'Roy's largest root' and 'Pillai Trace' indicate that there is a significant difference between the two mean vectors. Thus, the authors may conclude that there is a marked difference between the customers and entrepreneurs in respect of perceived importance assigned to different reasons for selection of tourism product.

Table 5: Multivariate Tests vis-à-vis Reason Mix

Measure for Testing	Value	F statistic	Hypothesis Degrees of Freedom	Error Degrees of Freedom	Significant Probability Value	Concluding Remarks
Wilks' Lambda	.557	62.868 ^a	5.000	250.000	.000	Difference is Significant
Hotelling's Trace	.443	62.868 ^a	5.000	250.000	.000	Difference is Significant
Roy's Largest Root	1.257	62.868 ^a	5.000	250.000	.000	Difference is Significant
Pillai's Trace	1.257	62.868 ^a	5.000	250.000	.000	Difference is Significant

In a similar way, Table 6a and Table 6b describe the basic measures like 'Mean Vector' and 'Dispersion Matrix' for customers and entrepreneurs/ executives respectively.

Table 6a: Mean Vector and Dispersion Matrix for Customer vis-à-vis Media Mix

Variables	Mean Vector	Dispersion Matrix			
		Y ₁	Y ₂	Y ₃	Y ₄
Y ₁	1.7569	1	0.470	0.106	0.152
Y ₂	1.6099	0.470	1	0.025	0.153
Y ₃	1.4539	0.106	0.025	1	0.075
Y ₄	.8926	0.152	0.153	0.075	1

As mentioned earlier the authors would first like to test for independence among Y_1 , Y_2 , Y_3 and Y_4 for each source separately by Barlett's statistics. It may be seen from Table 7 that, these variables are interdependent for customer group, but are nearly independent for entrepreneur group. To have a common approach for subsequent study the authors have pooled the two groups of data and carried out the same test of Sphericity (see Table 8). The pooled data confirms the fact that the subsequent analysis should be executed in the multivariate domain because the variables under study are interdependent.

Table 6b: Mean Vector and Dispersion Matrix for Entrepreneur vis-à-vis Media Mix

Variables	Mean Vector	Dispersion Matrix			
		Y_1	Y_2	Y_3	Y_4
Y_1	3.1806	1	0.223	0.000	-0.098
Y_2	2.4687	0.223	1	0.265	0.093
Y_3	2.5843	0.000	0.265	1	-.113
Y_4	.9428	-0.098	0.093	-.113	1

Table 7: Bartlett's Test of Sphericity vis-à-vis Media Mix

	Tourism Customer	Tourism Entrepreneur
Likelihood Ratio	.000	.014
Approximate Chi-Square	60.934	8.143
Degrees of Freedom	9.000	9.000
Significant Probability Value	.000	.0520
Concluding Remark	Variables are interdependent	Variables are interdependent

Table 8: Bartlett's Test of Sphericity-Pooled vis-à-vis Media Mix

	Tourism Customer and Tourism Entrepreneur-Pooled
Likelihood Ratio	.000
Approximate Chi-Square	63.418
Degrees of Freedom	9.000
Significant Probability Value	.000
Concluding Remark	Variables are interdependent

The next task is to check for equality of two dispersion matrices. Table 9 provides the Box's test result. Since the probability value is as high as 0.356 the authors accept the null hypothesis that dispersion matrices are equal.

Table 9: Box's Test of Equality of Covariance Matrices vis-à-vis Media Mix

Value for Box's M Statistic	11.382
Value for F statistic	1.102
Degrees of Freedom 1	10.000
Degrees of Freedom 2	33866.233
Significant Probability Value	.356
Concluding Remark	Covariances are equal

Lastly, the authors have applied the test for equality of two mean vectors (see Table 10) arising out of two groups. All the test statistics i.e. 'Wilks' lambda', 'Hotelling trace', 'Roy's largest root' and 'Pillai Trace' indicate that there is a significant difference between the two mean vectors. Thus one may conclude that there is a marked difference between the customers and entrepreneurs in respect of perceived importance assigned to different media mix for selection of promotion of tourism product.

Table 10: Multivariate Tests vis-à-vis Media Mix

Measure for Testing	Value	F statistic	Hypothesis Degrees of freedom	Error Degrees of freedom	Significant Probability Value.	Concluding Remarks
Wilks' lambda	.678	29.788	4.000	251.000	.000	Difference is Significant
Hotelling's Trace	.475	29.788	4.000	251.000	.000	Difference is Significant
Roy's largest root	.475	29.788	4.000	251.000	.000	Difference is Significant
Pillai's Trace	.322	29.788	4.000	251.000	.000	Difference is Significant

For testing the third aspect of the 'Market Orientation' i.e. customer satisfaction the authors have constructed a trinomial distribution of satisfied, indifferent and dissatisfied customers. Customers responded 1 to 5 on likert-type scales. Using response score of the customer, the authors have grouped them as (5, 4), 3 and (1, 2) and labeled them as *satisfied*, *indifferent* and *dissatisfied* customers respectively, under the trinomial set up. Next to that, the authors have calculated proportion of satisfied customers to total customers. The authors have also carried out the same according to income of the customers. The desired value for satisfaction proportion is selected as 0.80 that means it is desired to have at least 80% of satisfied customers in the tourism industry. Based on selected desired value, the authors have calculated standard Z statistics and compared with tabulated Z value at $\alpha=0.05$. It is found

that in all the cases (see Table11) H_0 is rejected in favor of H_A . Therefore, one can conclude that tourism industry is dominated by entrepreneurs who have failed to ensure customer satisfaction. Combining all three inferences, the authors claim that tourism entrepreneurs are *not* in line with the market orientation in the true sense of the term.

Table 11: Customer Satisfaction

	Response score on Overall satisfaction	Income			
		Less than Rs3 Lacks /annum	Rs3-5 Lacks /annum	More than Rs3 Lacks /annum	Total
Dissatisfied	1	0	0	0	0
	2	1	2	0	3
Indifferent	3	14	25	20	59
Satisfied	4	38	52	44	134
	5	5	4	5	14
Total		58	83	69	210
Ratio of satisfied to total respondent of the category		43/58= 74.137	56/83= 67.469	49/69= 71.014	148/210= 70.476
Z value for the hypothesis $H_0: P=.80$ $H_A: P<.80$		-2.1374	-4.5647836	-3.26055	-3.4417
Tabulated Z value for $\alpha=.05$		-1.6449	-1.6449	-1.6449	-1.6449
Concluding remarks		H_0 is rejected in favor of H_A	H_0 is rejected in favor of H_A	H_0 is rejected in favor of H_A	H_0 is rejected in favor of H_A

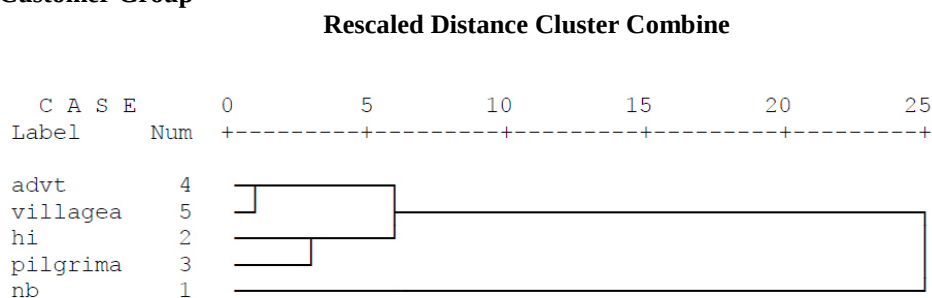
Discussion – Managerial Implications

It is very clear from the descriptive statistics cited in the previous section that entrepreneurs have over-emphasized in most of the reasons and in each of the media vehicles. Further, not ignoring interdependence among the media vehicles essential for communicating tourism consumer, it is also observed that there is a significant gap between entrepreneur and customer groups. Thus, considering both these aspects it may be logically concluded that the chance of resource wastage is

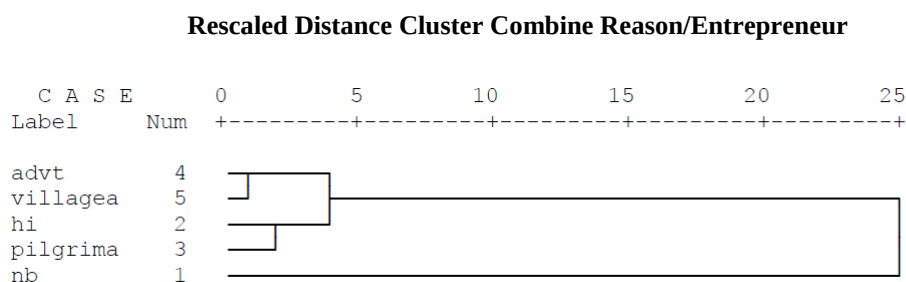
very high. Most interestingly, in spite of excess usage of resources, it has failed to secure satisfied customers. Therefore, entrepreneurs are maneuvered by both ways. On the one hand they lose resources and on the other hand they fail to earn profit. Hence, it is essential to know the root cause/s behind these one sided deviations. It may be intuitively understood that there might be difference between views of entrepreneurs and customer groups in terms of their preferences for media vehicles. Consequently, the perceived views of each group have been studied separately to highlight the viewing process of each group through proximities among the reason mix and the media mix. Naturally, cluster analysis is the ideal technique for this purpose so that one can carry out unsupervised grouping of reason mix and media mix. There are different techniques for clustering and the authors have opted for the ‘Agglomerative Hierarchical Cluster Analysis’ (Hair et.al, 2006) for this study.

From the resultant dendrogram (see Figure 1), one can observe that entrepreneur group is having an equal order of proximity with customers in relation to reason mix. But for a given preference order, degree of closeness varies vis-à-vis reason mix on each pair of reasons between entrepreneurs and customers. These show the basic difference in the perceived orientation between the studied groups.

Figure 1: Dendrogram Exhibiting Unsupervised Grouping of Perceived Importance of Customer Group

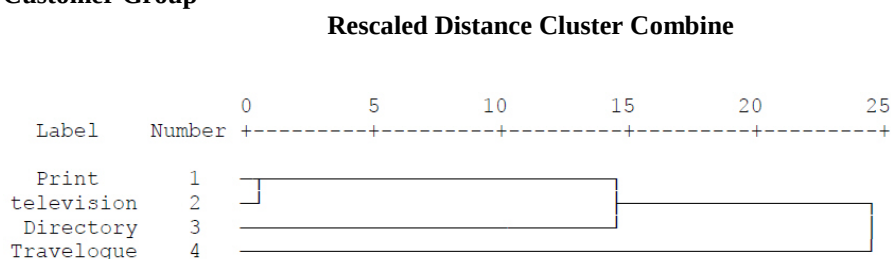


Dendrogram Exhibiting Unsupervised Grouping of Perceived Importance of Entrepreneur Group

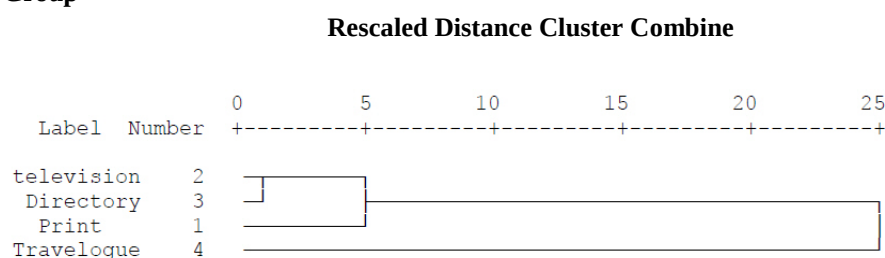


From the next dendrogram (see Figure 2), one can observe that entrepreneur group has a close proximity between importance of television as a vehicle for communication and importance of tourism directory as a vehicle for communication. On the other hand, after analyzing aggregate views of customers from the corresponding dendrogram, the authors have observed close proximity between importance of television as a communicating vehicle and importance of print media as a vehicle for communication. The only similarity of views lies in assigning of least importance on travelogue, mostly left isolated from the other three vehicles for communication. These show the basic difference in the perceived orientation between the studied groups.

Figure 2: Dendrogram Exhibiting Unsupervised Grouping of Perceived Importance of Customer Group



Dendrogram Exhibiting Unsupervised Grouping of Perceived Importance of Entrepreneur Group



It may be noted from the above analysis that, in the tourism sector, entrepreneurs have adopted a market orientation, which is exhibiting some mismatch with the expectations of the customers of this sector. This mismatch, as revealed from our study, has resulted in improper resource utilization because the operating level is not the ideal one. It has further been observed that the way of looking at the media vehicle and assignment of priorities to those media vehicles differs from the customers' way of looking at things except for the case of travelogue. Thus, the entire analyses converge to a point that highlights the need for strategic planning even for the small entrepreneurs. In addition, this planning should start from customer orientation. Though service quality has not been touched upon in our survey work, it can be safely concluded that a mismatch in customer orientation in respect of communication will definitely have its resultant effects on the service quality. Just like over-designing a product is not desirable as it utilizes more resources but offers very little additional satisfaction, over-utilization of resources for communication and providence of service may have little additional impact on the minds of the consumer. Since entrepreneurial activities induce change in the economy in a more pronounced way, it should be nurtured with utmost care and efficiency based on research findings. The authors therefore suggest specific courses of action as enlisted below for ensuring small to remain beautiful. On a regular basis:

- 1) Undertaking of marketing research activities
- 2) Consortium formation to be initiated by Government for minimization of cost for carrying out research and for information sharing
- 3) Installation of internal marketing drives for employees who deal with customers.

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