Tourism industry is considered as the largest and most flourishing industry in the world. Most countries recognize this dynamic industry as the main factor for improving substructures. According to Fay-Sola (2000), Tourism is an impressive agent in the world especially in developing countries where using other forms of economy as production and natural derivation are not economic. Nowadays, a new type of tourism is appearing which replaces traditional tourism, and includes inventions and more specialities, which is based on tests and experiences.

Tourism is the complex of relations, connections and phenomena, accompanying a journey and stay of people in places which are not their permanent or prolonged residence and unconnected with their labour activity. Industry of tourism is one of the most dynamically developing sectors of economy. In obedience to information of WTO, in the last twenty years the average annual rates of growth of foreign tourism were 5.1 %, and average annual rates of growth of currencies receipts from international tourism 14 %. In 2010 the amount of international journeys probably will grow to 937million USD. Many highly developed countries, such as Switzerland, Austria, France, built the considerable stake of the welfare on profits from tourism. In essence tourism confesses one of the profitable industries of economy, finding support of the state.

Tourism consists of wide dimension: from trade and transport to financing and mediation of the different fields. Here are hotels and restaurants, laundries and barber-shops, educational and sporting establishments, tourist firms, radio and the TV stations, consulting firms, medical establishments, museums, cinemas and theatres.

In the tourism industry, marketing is a process that never stops. It is essential that we have some understanding of what this process was all about. There are two terms that are central to this process and that need to be understood: market and marketing. Traditionally a market was a place where consumers went to exchange goods, services, or money. This definition puts emphasis on the place of the transaction, not on the consumer. Think about the following terms: roadside markets, farmers’ markets, the market place, and supermarkets. They are all places where people go to buy and sell.

The Essence of Marketing:

Marketing experts have expanded this definition to include the consumer. A market now refers to potential customers who share a specific need or want and who might be willing to exchange something to satisfy that need or want. In other words, a market is a group of consumers who have similar needs or wants and who are willing to buy or sell something to fulfill them. There are many markets for tourism businesses.
but it is impossible for any one business or community to reach them all. We need to select one or more specific markets, e.g. married couples, single parents, family groups, elderly couples, campers, or first time visitors that you want to use your goods or services. These are called target markets. Marketing is the process of managing the exchange of goods, services, and money to satisfy the needs of consumers, or the market.

Marketing in tourism was activity on planning and development of tourist goods and services, sale, advancement of goods and services, stimulation of demand and pricing. This activity helps to move forward commodities or services from a producer to the user with the purpose of receipt maximal income at the most effective satisfaction of needs.

### Table 1: Tourist Visit in Orissa

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic</th>
<th>% Change</th>
<th>Foreign</th>
<th>% Change</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>3100316</td>
<td>7.3</td>
<td>22,854</td>
<td>-3.7</td>
<td>31,23,170</td>
</tr>
<tr>
<td>2002</td>
<td>3413352</td>
<td>10.1</td>
<td>23,034</td>
<td>0.8</td>
<td>34,36,386</td>
</tr>
<tr>
<td>2003</td>
<td>3701250</td>
<td>8.4</td>
<td>25,020</td>
<td>8.6</td>
<td>37,26,270</td>
</tr>
<tr>
<td>2004</td>
<td>4125536</td>
<td>11.5</td>
<td>28,817</td>
<td>15.2</td>
<td>41,54,353</td>
</tr>
<tr>
<td>2005</td>
<td>4632976</td>
<td>12.3</td>
<td>33,310</td>
<td>15.6</td>
<td>46,66,286</td>
</tr>
<tr>
<td>2006</td>
<td>5239896</td>
<td>13.1</td>
<td>39,141</td>
<td>17.5</td>
<td>52,79,037</td>
</tr>
<tr>
<td>2007</td>
<td>5944890</td>
<td>13.4</td>
<td>41,880</td>
<td>7</td>
<td>59,86,770</td>
</tr>
<tr>
<td>2008</td>
<td>6358445</td>
<td>6.9</td>
<td>43,966</td>
<td>5</td>
<td>64,02,411</td>
</tr>
<tr>
<td>2009</td>
<td>6892510</td>
<td>8.38</td>
<td>45,684</td>
<td>3.9</td>
<td>69,37,1948</td>
</tr>
<tr>
<td>2010</td>
<td>7591615</td>
<td>10.16</td>
<td>50,432</td>
<td>10</td>
<td>76,42,047</td>
</tr>
</tbody>
</table>

*Source: orissatourism.gov.in*

**Figure 1 : Growth of Domestic Tourism (in Odisha)**
The above figure shows, from the past ten years how the tourism industries grow both in terms of foreign and domestic tourists incoming to Odisha. There is a significant improvement in both the cases.

**ENVIRONMENT OF TOURISM ENTERPRISE**

A tourism enterprise operates in constantly changing terms, conditioned by a variety relations folded inside it, and also with other economic subjects. The collection of these relations makes the concept of marketing environment. It greatly determines the character of firm activity and must be detail examined in the process of conducting marketing researches.

In order to define marketing strategy and to conduct it in life, marketers must know about:

1. internal environment of tourism enterprise, its potential and progress trends;
2. external environment, its features and place occupied by an enterprise in it.

**An internal environment** (microenvironment) is a part of general marketing environment which is situated into an enterprise and is controlled by it. It contains that potential which enables the firm to function, exist and survive.

An internal environment is analysed by following directions:

- **personnel** (their potential, qualification; selection, teaching and advancement; jobs evaluation and stimulation; saving and maintenance of relations between workers, etc.);
- **organization of management** (communication processes; organizational structures; norms, rules, procedures; distributing of rights and responsibility; hierarchy of submission);
- **finances** (maintenance of liquidity, providing of profitability, creation of investment possibilities);
- **marketing** (strategy of tourist products: price strategy; sale strategy; communication strategy).
The purpose of internal environment research is getting a clear understanding of strong and weak sides of tourism enterprise. Find out strong sides serve as a base for competitive activity and must be extended and strengthened. Weak sides must become the object of the most intent attention. It is necessary to get rid of majority of them.

External environment analysis

An external environment is examined as a complex of two independent subsystems:

- macro environment
- direct surrounding

**Macro environment** creates the general conditions of the tourism enterprise environment. Each tourism firm feels the influence of the macro environment and can not manage it. The study of demographic factors of macro environment takes important place at the analysis of markets possibilities of tourism enterprise. Marketing must examine questions about the quantity of population, placing it, age structure and so on.

**Economic** factors are no less important as demographic. It is not enough only to know how much of targets audiences a firm has. It is also important to define how many and what services they will want to acquire. A lot of factors influence on the solvent process of population, among them: level of economic development of a country, wages rate, inflation and unemployment. It is necessary to take into account high dependence of demand on tourism services from the level of profits.

Marketing Researches

In the conditions of strong competition every enterprise, regardless of its size and type of activity, it uses the certain instruments of marketing for gaining the successful functioning and satisfaction of market demand. Organizations working in the field of tourism abroad (hotels, tourism operators, tourism agencies, transporting companies) widely apply market researches and often use such traditional market approaches as market segmentation and positioning of product. Thus scientists studying marketing in tourism, and also practical workers in this sphere try to explore the clients’ requirements and his behaviour.

The process of market research is a connective link between organization and market. It includes collection, analysis and interpretation of information which help managers get to know problems and possibilities of marketing of tourist services and thus make reasonable decision.

The Public Relations in Tourism

Public relations are directed on the study of the public opinion and forming of benevolent attitude towards a tourist enterprise and its activity. The main reason of rapid and wide distribution of public relations at the last years is that circumstance, that mutual misunderstanding between tourism firm and its target market is very expensive for both.

General purpose of public relations is establishment of bilateral intercourse for the exposure of common opinions or interests, and also achievement of the mutual understanding, based on the truth, knowledge and complete information.

Main aims of public relations in tourism are following:

- Establishment of the mutual understanding and confiding relations between a tourism enterprise and public;
• Providing of fame to the firm;
• Creation and confirmation of firm’s image;
• Popularization of tourism product and tourism on the whole;
• Denial of the unclear and (or) unfavourable information;
• Providing of support from the side of different target markets.

Innovation Approach in Tourism

It is probably fair to say that most sectors of economic activity have undergone strong technological changes moving towards IT–based flexible manufacturing with global outsourcing, creating the “.com” or “new economy”, as the creative destruction of existing institutional arrangements and patterns of exchange in order to create new wealth through innovation.

In the past decade, destination management has also only barely adjusted to completely change environmental and competition structures and processes. Existing destination strategies can no longer satisfy market requirements.

There are various definitions of the term “innovation” which means the creation of something new. The diversity of definitions lies in the different purposes of examining this phenomenon. Probably the most useable definition is distinguished by five areas in which companies can introduce innovation:

1. Generation of new or improved products.
2. Introduction of new production processes.
5. Reorganisation and/or restructuring of the company

Potential areas for innovation in tourism

In today’s saturated markets customers look for experience rather than destination driven products. Hence, in the future it will be important to create a rewarding tourism experience through innovation and product development instead of offering singular tourism elements. New holiday forms offering experience will become the main motive for the holiday decision. The creation of experience should cover “entertainment”, “educational”, “aesthetic” and “escapist” elements and/or product features. Experience in this context means content, i.e. the nucleus of the holidays.

The destination acts as a stage and the different tourism companies as actors on this stage. Continuous learning and the acquisition of knowledge from the customers will become essential.

On the economics of innovation and product development behaviour in Tourism

There are three factors which determine the level and pace of innovation actively in tourism:

• Supply and supply–related determinants.
• Demand drivers.
• The level and pace of competition.

The availability of new technologies led to the development of new skills, new materials, new services, and new forms of organisation. This is especially true for the last two decades where the role of technological innovation was crucial. In tourism, technology created a new form of
business called e-tourism, which today is the biggest force in e-commerce.

**Conclusion and Recommendations:**

The state of Orissa can be a successful tourist destination if the industry is encouraged. So far, tourism has been developed by the State. The State Government should focus on the importance to develop and/or enrich tourism from an ecological and cultural point of view.

For this reason, the following recommendations are made:

- Attempts should be made to conserve the culture of the ethnic communities by empowering them through a participatory protected area management approach through proper marketing.
- There should be a crackdown on illegal encroachments of the heritage sites. Permission for construction of structures within these zones should be denied.
- The ethnic communities should be encouraged to enrich their ethnic heritage and skills so as to make their traditions more attractive rather than less in the face of change. Eco-tourism (inclusive of its ethno component) should provide an opportunity for these tribal communities to generate more income from the tourism business in a dignified manner.
- The whole approach of cultural integrity of the communities and tourism should be honoured on the basis of right perspective for the communities, not merely on income generation perspective for the State.

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*Books are for nothing but to inspire. – Ralph Waldo Emerson*