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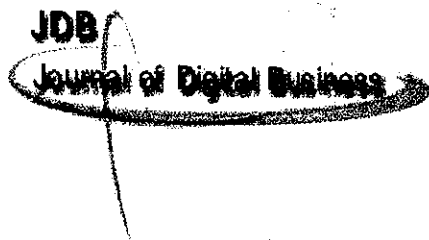
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TOURISM MARKETING IN FIJI- ANALYSING MARKETING ENVIRONMENT USING PEST FRAMEWORK

Gurmeet Singh

Abstract

This paper uses PEST framework to analyze the tourism marketing environment (external). Analysis reveals that due to political problems and adverse reporting of Fiji's stability tourism inflows to this small Island country have been negatively impacted by competing Pacific and Asian destinations offering better value than Fiji. Also prevailing uncertainty with regard to holding of elections by the interim military government is causing resentment and unhappiness to neighboring pacific countries. Global recession and prevailing economic indicators have also affected the most lucrative tourist segment. The technology indicators show that Fiji is far behind in technological aspects compared to developed world. However, compared to other South Pacific Island countries, in Fiji access to IT technology in general and telecommunications in particular has significantly improved following the opening up of the mobile telephone market.

(Word Count-132)

Keywords: Tourism marketing, Marketing Environment, Tourist destinations, PEST Framework., Fiji

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1. INTRODUCTION

Tourism is the world's largest civilian industry and fastest growing sector of the world economy. Its growth, economic significance and potential are phenomenal across the globe; although yet to be exploited to its maximum capacity. Directly or indirectly, it is all set to change business propositions in manufacturing as well as services sector. As a quasi-manufacturing activity, tourism is contributing immensely in terms of both earnings and employment across nations. The multiplier effect makes it even more potent. Be it domestic or foreign in nature, its largesse to the target destinations does not only possess economic value but also social value in evolution of civilized societies having cosmopolitan ambience of culture. In recent years tourism and hospitality has become a major economic activity as expectations with regard to the use of our leisure time have evolved, attributing greater meaning to our free time (William, 2006). Tourism as an industry, is widely recognized for its contribution to regional and national economic development of any country and has rapidly grown into the world's largest industry, surpassing autos, steel, electronics, and agriculture. (Seddigh and Theocharous, 2002; McIntosh, Goeldner, and Ritchie, 1995).

Tourism is growing in all potential places and this diverse and unprecedented growth in the tourism activities makes it as one of the most remarkable economic and social phenomena of the 21st century. A comparison of tourism statistics would suggest that there has been an extraordinary increase in the number of tourists in last 50 years. Tourism now has grown to approximately US\$ 500 billion industry with higher national, organizational and individual stakes (UNWTO, 2008). The increase is particularly significant in last two decades. As a result, tourism has become one of the largest industries in modern world economy and a great source of foreign exchange for many developing countries whose major assets are their natural resources. Its marriage with the internet seems to have resulted in manifold competencies, viz. spreading its ambit to far off destinations, longer average length of stay, information diffusion, ease in transactions etc. with modern facilities matching diverse customer needs.

The industry as a whole discerns lucrative opportunities to diverse businesses as more and more tourists claim for services. The number of international tourist arrivals has evolved from a mere 25 million in 1950 to 808 million in 2005, compounding to an average annual growth rate of around 6.8 per cent (WTO, 2006). In 2007, international tourist arrivals grew by an estimated 6% to reach figure of nearly 900 million. International tourist arrivals exceeded 6% growth in 2007 and this growth was 8% for developing countries. For 50 least developed countries this growth was 11%. The market share of developing countries has grown to 40% of worldwide international arrivals - up from 34% in 2000 (UNWTO World Tourism Barometer, 2008). Asia Pacific Region has also witnessed tremendous annual tourism growth (10%) during 2007. Middle East has also shown better growth (13%); while the Americas (5%) and Europe (4%) grew at a slower pace- slightly below the world average growth. New destinations steadily marched ahead with their market share while more mature regions such as Europe and the Americas displayed less dynamic growth. In 50 least developed countries, international tourist arrivals have increased to 13 million (an overall 110% increase) with an average 11% growth a year (WTO, 2008).