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Guest Editor

Dr. César Castañeda Vázquez del Mercado
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Editorial

We live in a world that is increasingly digital, but not yet completely digital, which makes it quite interesting. The scenario of Post Corona Virus is fostering more towards digitalization, and it is realised that the process has increased worldwide. The transition phase we can say as, from the pre-digital age to digital age and further to advancement. Just a few years later a new digital reality provides fertile ground for scholars to study a landscape that is shifting before our eyes.

Our generation is lucky to involve into it, rather participating & observing this great transformation of the century. This is the new wave of change in socio-economic world. The next generation will have very advance, not-yet-imagined, digital technology and software applications that will further transform markets, society, and everyday life. This revolution has already impacted nearly every corner of modern life. Over the past two decades, digital technologies have profoundly altered marketing and consumption, and the change will continue in both expected and unexpected directions in the time to come. Engineers and entrepreneurs, marketers, and ordinary consumers are constantly co-creating and updating the digital world. The innovations gadgets are shared and adopted around the globe at unprecedented speed. This transformation not only offer excitement and opportunity but are also daunting and overwhelming to a great many consumers, companies, and institutions, struggling to keep up with the magnitude and pace of change. We are going to see the three main features of new digital world. First, the digitalization of modern life has progressed so far and so fast that it is easy to overlook that we are still in the very early stages of this transformation. Second, the digital innovations that currently dominate consumer and commercial life. Third, these innovations have come in rapid succession, rendering pre-digital life largely unrecognizable to the new generation of digital natives. Here we can say that with the benefit of at-least 20 years of hindsight, it is now possible to see and appreciate just how rapid movement of and Digital World.

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The Wine Route of Guanajuato, Mexico Development of a Rural Tourism Product

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Abstract

Rural tourism has a long tradition linked to the cultural identity of destinations, it is mainly linked to local products such as oil, fruits, cheese, tea or wine amongst many other products. Specifically, wine is as old as human civilization, the oldest archaeological discoveries of wine production are found in Mount Zagros in the actual Iran and are 7,500 years old.¹

Known as enotourism or wine tourism this segment of rural tourism has experienced a consistent growth worldwide and, in many countries, it has been the pinpoint of development for other rural tourism products. Wine producers have an integrated production process from the strictly rural grape production to the transformation into the final product (wine), bottling, cellaring and finally packaging for sale.

A visit to a winery includes a visual, sensorial, and gastronomical experience, in touch with nature combined with pleasant architecture, in some cases ancient houses, castles or haciendas and in other cases modern rural architectural proposals. In Mexico the main producers are Baja California, Queretaro, Coahuila and now Guanajuato is increasing the production and offering a great tourism experience.

Keywords: *Winetourism, rural tourism, Guanajuato, Mexico tourism.*

Introduction

Wine tourism is a key element of some of the most successful tourism strategies implemented in many countries, the most popular wine tourism experiences are in France, Spain, Portugal, Italy, Argentina, Chile, South Africa, and the Unites States.

Tourists have various motivations to visit a winery, the main reasons are: ²

- Learn about the wine or wine region
- Participate in tastings
- Visit vineyards

¹ INRAP. Institut national de recherches archéologiques préventives. « Histoire du vin : Neolitique » <https://www.inrap.fr/dossiers/Archeologie-du-Vin/Histoire-du-vin/Du-vin-des-le-VIe-millenaire-avant-notre-ere#.YCFtDnm702w>

² Di noia, Davide Smart Agri-food: Il fenomeno dell'enoturismo e modelli di internazionalizzazione nel settore vitivinicolo; Puglia-Veneto: due regioni a confronto. Università degli studi di Padova. Dipartimento di scienze economiche e aziendali "Marco Fanno". Italia 2016. p. 63.

- Try other local products besides wine
- Lodging in the countryside.
- Thematic dining experiences
- Talking to wine experts
- Buying wine locally.

In order to discover wineries, tourists need a series of other services including the basics like transport, lodging and restaurants; but also, other tourism attractions like historical, natural, or cultural events that make the trip a complete experience. Many destinations offer Spa, castles and historical sites visits, forests, lakes or river-based activities, bicycle tours, hiking and other sports activities, concerts, or outdoors cinema along with winery visits.

This paper analyzes the profile of the wine tourist in Guanajuato and the growth in these activities, including new options to develop this tourism segment. This is the first academic approach to this niche market in Guanajuato, while other destinations like Queretaro and Baja California have published research about their market conditions and clients' profiles.

Wine tourism in Guanajuato

The estate of Guanajuato located in central Mexico has implemented several policies to increase the visibility of the wineries and the tourism income. In July 2019, the local tourism ministry, launched the "Wine routes" a new tourism product organized in 5 routes including vineyards and wineries linked to existing traditional tourism destinations.

The state has 20 vineyards with more than 350 hectares of wine grape and production facilities that generate more than 1,500 direct jobs in the region.

The wine production covers 7 municipalities namely:

- Comonfort
- Dolores Hidalgo
- Guanajuato
- León
- Salvatierra
- San Francisco del Rincón
- San Miguel de Allende

The 7 municipalities that make up the 5 tourism routes are organized as follows:

| Region and Subregion | Municipality |
|-----------------------------------|--|
| II North Subregion 4 | <ul style="list-style-type: none">• Dolores Hidalgo• Guanajuato• San Miguel de Allende |
| III Center Subregion 7 | <ul style="list-style-type: none">• Comonfort• León• San Francisco del Rincón |
| IV South Subregion 9 | <ul style="list-style-type: none">• Salvatierra |

Source: Guanajuato State Government.

The creation of wine tourism routes demands accessibility, from tourism distribution centers to the wineries, while tourists enjoy the landscapes and small villages.

Additionally, a route needs the following elements:

- Comfortable facilities
- Security for visitors
- Other activities
- Basic services like restrooms, drinking water and first aid kits.

Table 1 Wine tourism offer in Guanajuato

| Routes | Vineyards | Municipalities | Nearby destinations |
|--|-----------------------------------|--------------------------|--|
| 1 León | Guanamé (Pájaro Azul) Octágono | León | León León |
| | El Lobo | San Francisco del Rincón | León |
| 2.Guanajuato | Caminos de Vinos | Guanajuato | Guanajuato |
| 3.Salvatierra | Dos Jacales | Salvatierra | Salvatierra |
| 4 San Miguel de Allende-Dolores Hidalgo | Cuna de Tierra | Dolores Hidalgo | Dolores Hidalgo |
| | Cavas Manchón | | Dolores Hidalgo |
| | Bernat Vinicola | | Dolores Hidalgo |
| | Los Arcángeles | | Dolores Hidalgo |
| | La Santísima Trinidad | | Dolores Hidalgo |
| 5 San Miguel de Allende-Querétaro | Casa Anza | San Miguel de Allende | San Miguel de Allende |
| | Cava Garambullo | | San Miguel de Allende |
| | Bodega Dos Búhos | | San Miguel de Allende |
| | Los Senderos | | San Miguel de Allende |
| | Viñedo San Lucas | | San Miguel de Allende |
| | San Francisco | | San Miguel de Allende |
| | Puente Josefa | | San Miguel de Allende |
| | Toyan | | San Miguel de Allende |
| | Tres Raíces | | San Miguel de Allende |
| | San José La Vista | | San Miguel de Allende |
| | San Miguel | Comonfort | Comonfort y/o San Miguel de Allende |

Source: Programa Destinos México – Rutas de Guanajuato.

Wine tourist profile

Form the demand standpoint tourist’s profiles differ from one region to another, for the case of Guanajuato, the destination is highly dependent of the national market. Guanajuato’s vineyards have identified nearby markets like San Luis Potosí, Jalisco, Querétaro, Mexico City and local Guanajuato state visitors. Foreign clients include mainly the United States followed by Canada and in lesser numbers occidental Europe and South America, mainly attracted to San Miguel de Allende and visiting the wineries distributed in the countryside between San Miguel, Guanajuato capital, Dolores Hidalgo, San Luis de la Paz, Comonfort and Celaya. The

international outbound travel markets are USA, Canada, Colombia, Costa Rica, Spain, The Netherlands, and Brazil.³

Wine tourists have a higher income and education level than the average tourists. The age average of enotourists is 35 to 55 years, most enotourists travel in couples or with family. The main source of information before deciding to visit a vineyard is the internet, mainly websites and social networks.⁴

Once travelling, most wine tourists use their own car or a rental vehicle, and they prefer to stay at hotels rather than other lodging options, this is a strength for the destination since the hotel infrastructure in cities like San Miguel de Allende, Guanajuato capital, Mineral de Pozos and Dolores Hidalgo are very well developed and offer services for a wide range of customers.

During the pandemic, the wineries of the area invested in improvements both in production and services, anticipating the recovery of the market once the health crisis is over.

When tourism will recover, the competitors will be ready. According to a study made by the end of 2020 by winetourism.com with more than 1,200 vineyards worldwide, 32% of the wineries invested more than they did in 2019, 31% invested the same amounts than the previous year and only 11% diminished their investment levels, while 26% were yet unclear on their strategy.⁵

Even when wine tourism is mainly an outdoors activity involving small groups, the reopening strategies are diverse and many vineyards include hygiene and safety measures to insure the costumers' protection. Also, the pandemic accelerated the switch into a more complete digital offer for wineries including website sales of wine and reservations for visits to reach a wider market.⁶

Steps for improvement of the wine tourism experience in Guanajuato

Even when the state has a small number of wineries (20) compared to developed wine tourism destinations, the strength of the wine tourism sector is the fact that the state of Guanajuato has a large tourism offer that allows to combine a cultural or nature tourism experience with wine tastings and vineyards visits.

One first step towards higher profitability of this industry is the fact that every year new wineries open and many of them have already national presence in supermarkets and wine stores in large cities, throughout the country.

³ Secretaría de Turismo de Guanajuato. San Miguel de Allende, perfil del visitante 2019.

⁴ Arévalo P., Georgina. - La ruta turística enológica en Querétaro y Baja California, México: Un enfoque estratégico. Revista Interamericana de Ambiente y Turismo. Vol. 14, N° 2, Pág. 122-134, 2018. p. 125.

⁵ Ridoff, Niklas. Impact of Covid-19 on global wine tourism. Winetourism.com November. 2020. p. 8.

⁶ Atout France. Oenotourisme international à l'heure du Covid 19. Benchmark. Paris, Francia. 2020.

Also, wineries are willing to collaborate and work together and with other stakeholders like restaurants, hotels and local authorities to increase the presence of the wine products and visits in a large variety of sales platforms like OTAs, Travel agencies, organized tours, restaurant and hotels menus, etc.

Another element is the creation of alliances with neighbor states like Aguascalientes, San Luis Potosí and Queretaro, where many wineries are opening, and creating with them a cluster to improve labor quality, technology, promotion and wine culture in the local population, this is definitely a good strategy to build a more competitive industry in the region.

Specific actions like a wine bus, better signage and presence in all navigation platforms such as Waze, Google maps and other GPS tools is a must to make it easier for clients to reach the wineries.

Implementing marketing techniques like wineries passport or wine routes including selling points, tasting bars, participating hotels and tours leaving from the main tourism destinations, will reinforce the image and the income of the wine routes of Guanajuato.

A proper web strategy and social networks presence is key for market targeting and reaching a larger clientele, according to our research, most vineyards use only Facebook, and have little or no presence in free platforms like Twitter, Youtube, Instagram, Tik Tok or LinkedIn. Almost 28% of the existing vineyards in 2021, have no webpage. 40% have no GPS tools and 36% have no online sales. These actions are mainly a lack of promotion and marketing strategy that can be easily solved to generate better results in the short term.

Conclusions

Wine tourism has still a long way to go in Mexico since the climate conditions are optimal and the national market is growing rapidly in interest for wine and wine making. The position of Guanajuato in this market is privileged, given the high quality of the wine and the prosperous tourism industry in the state with key destinations like San Miguel de Allende, considered the top destination in the world in 2021 according to Travel & Leisure Magazine.⁷

The wineries need to work hard in their service and marketing to let the visitors know that they exist and that the experience they offer is unique, they should also take advantage of the already popular wine and cheese route in the neighbor state of Queretaro that created awareness for wine tourism in central Mexico.

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⁷ Travel & Leisure. How San Miguel Became Mexico's Most Enchanting Destination — and the 2021 World's Best City <https://www.travelandleisure.com/trip-ideas/san-miguel-de-allende-mexico-what-to-do>

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The Technological Revolution of Blockchain and International Trade

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Abstract

Today, international trade has managed to transform the lives of millions of people with the emergence of technology in the last 15 years, a process that arose and became more democratic in the 1990's and due to globalization. This caused substantial changes in consumption and life habits. And in turn the reduction of costs of communication services, education, and training. Companies had to become more productive and efficient in order to stay in the global market. Some examples of this were smartphones and smart devices, social networks like Twitter, Facebook, Instagram, Snapchat, Whatsapp, Uber, YouTube, as well as streaming companies (Netflix, HBO Go, Claro Video, Amazon Prime). These are some examples of this evolution.

In addition to what has already been pointed out, technology has brought about changes in the models of industrial and agricultural production. The adoption of new methods and cheap technologies allowed these big companies and small start-ups to make their way in new production models. One of the clear benefits is the reduction in transportation costs for both people and goods.

Introduction

The economists argued that technological changes modified production functions, pushing them to the right of the Cartesian Plane. It is valid to express this idea to describe changes in the trade volumes of an economy and international trade when technological changes arise in the markets, in communications, in transport, logistics, in the means of payment or the legal system.

For this reason, the technological changes that are taking place have had more than relevant impacts in the economy, the society and the sustainability of our civilization. This can be seen in the reduction of poverty in emerging countries, as well as the increase in life expectancy in advanced and emerging economies.

Almost inexplicably, one of the facets that is least often addressed in depth when ancient civilizations are studied is the one referring to the substantive changes that trade that translated into technological changes. It is known that in Mesoamerica cocoa was used as currency. Also, that the Phoenicians invented what is now known as money. It is known that in Mesoamerica cocoa was used as currency. Also, that the Phoenicians invented what is now known as money. Economists often rightly argue that technological changes modify production functions, but it is equally valid to express this idea to describe changes in the volumes of trade in an economy, and even in international trade, when changes in markets occur technological, in communications, in transport, logistics, in the means of payment or the legal system. Is it possible to doubt the impact on the volumes of international trade flows generated by the adoption of better merchant ships in the Mediterranean, the opening of shipping routes between Europe and New Spain, or the impact of the Manila Galleon and other merchant ships on shipping routes? And what about the impact of Singapore Island for the British Crown East

India Company? All these meant substantive changes in international trade, in the global economy and in its patterns. Likewise, the adoption of the Napoleonic code had considerable effects on the trade of Europe in the 19th century and definitely on the legal systems of several emerging nations.

Industry in the Mediterranean kingdoms and trade between them prospered largely due to the existence of these merchant-bankers, and in fact, also to the appearance of double entry records, an invention attributed to Luca Paccioli. The fact that the counterparty existed for every operation and that it was recorded in an accounting balance, constituted a substantial advance for the prosperity and expansion of industries and businesses –and continues to be a pillar of business and the business system–, since these merchant bankers (lenders) could count on documented collateral. The appearance and expansion of international banking in the 18th century in Europe, where the Rothchild family appears as the most visible player, had a decisive impact on international trade and its strong global expansion, as well as something original at the time, the foreign direct investment. The appearance and consolidation of Nation States with fiscal and trade regulation powers made their expansion less dynamic in the first decades of the 20th century, until the outbreak of the crisis of 1929. In the first years of the century, the position of restricting imports –and also exports– had devastating economic effects that led to the crisis of 1929, and well into the 1930s and 1940s. After World War II, the plan to rebuild Europe involved the establishment of international institutions to ensure that countries followed reasonable fiscal and trade policies that did not endanger international economic stability. The signing of the GATT (General Agreement on Tariffs and Trade) in 1948 through the Havana Charter, introduced new rules for international trade that constituted a boost to free trade in the most advanced countries, while Latin America embraced the policy of import substitution (MISI) of Raul Prebisch and the Asian countries, closed their economies in line with the Warsaw Pact. The impressive advance of communications and technology in the 20th century favorably impacted the expansion of trade and business. International banks have increasingly adopted advanced technologies in order to streamline banking operations, improve their profit margins, and at the same time reduce the cost of money for their customers.

For example, in the fifties, international banking adopted better payment systems, which in fact has not stopped improving at least every 5 years with technological innovations. The appearance, in 1973, of the Society for Worldwide Interbank Financial Telecommunication (SWIFT) is very relevant, which is an international network of financial communications between thousands of banks and other financial entities, which makes financial correspondence and money transfer possible by electronic means. Likewise, the appearance of the Clearing House Interbank Payments System (CHIPS), which is an international financial clearinghouse in the United States, the CHAPS in the United Kingdom, and the Trans-European Automate Real-Time Gross Settlement Express Transfer (TARGET) with hundreds of affiliated banks, in order to achieve a robust payment system that responds to the needs of global financial markets and the demand for financial services that the growth of global trade implies. In addition to these, there are others in smaller markets, such as Hong Kong, Singapore, Tokyo and Shanghai, but which are equally important in their function of serving global trade. In addition, the appearance of the internet made bank transactions charge at an unusual speed, which is why both trade and investment grew around the world.

The international expansion of the banking industry and the growth of trade cannot be explained without each other, since in fact, there is an evident symbiosis between both. Perhaps one of the last relevant changes is the appearance of the internet, with which operating costs have been reduced since market information is increasingly symmetrical. The fall of the Berlin Wall, the debacle of socialist political systems and the free-market capitalism triumph, led to a wave of trade agreements around the world reducing customs tariffs that encouraged exports and imports around the world. Since 1973, when the system of the Bretton Woods Agreements fell, the international currency market multiplied exponentially in size and penetration in the so-called emerging economies, but also in developed countries, in line with the growth of international trade.

All the changes described have been important in the history of international trade, taking it to a degree of sophistication that is truly surprising both because of the speed at which more and more transactions occur, and because of the increasing complexity of goods and services exchanged. In addition, the facilities for entrepreneurs with small operations to evolve to more relevant volumes of trade, doing business from continent to continent, made international trade the most dynamic sector of the economy in the world. Obviously, this could not happen without a financial industry for means of payment that responds to the needs of such dynamism, as well as, related industries that serve international trade and, of course, a sufficiently large and liquid foreign exchange market.

This article will analyze an issue that will have a major impact on international trade and the way it operates in the world, this is blockchain technology and its applications.

The irruption of a computer technology based on complex mathematics, together with the extreme libertarianism attitude of a counterculture movement known as cyberpunk, is about to generate radical changes in the way in which companies and for-profit organizations operate. We refer to the blockchains from which new concepts and structures are derived, such as digital currencies (cryptocurrencies).

The term punk comes from the countercultural movement in music of the seventies in England. It refers to the attitude of independence before other musical currents that expressed as a rebellion against the musical status quo. The term extreme libertarianism (non-liberalism which is more moderate) has empathy with the punk movement in art (and cyberpunk in computer science), because they proclaim an anarchism to the state of things. Libertarianism defends absolute freedom by seeking the elimination of the government intervention in public life, and even the law. The cyberpunk movement and its libertarian attitude seek the elimination of government and trusted third parties such as established banks.

In a strict sense, the blockchain is the technology that supports cryptocurrencies. By cryptocurrencies we mean virtual assets that have been designed with complex programming of algorithms within the internet. There are professional search engines in the world who do "mining" by decoding the algorithms to obtain cryptocurrencies as if they were gold nuggets.

For several decades there has been a debate that the interests of companies are at odds with those of consumer customers, a situation that is normally resolved through the price system (supply, demand and balance). Managers of companies seek to maximize the value of

shareholders investment by extracting the greatest amount of monetary value from their consumers while consumers want more value in products for their money.

Shareholders, in turn, face an old problem: managers have strong incentives to extract as much profit as possible from the companies they work for and then distribute the residual return to their shareholders -the so-called problem of agency. Organizations have created compensation programs directly related to the value that their employees extract from consumers. Greater incentives for managers lower value for shareholders. It is well known that in the United States shareholder meetings have launched authentic revolts against executive directors, for what are considered disproportionate salary packages. If it were possible for the relations of the capitalist system to avoid the conflict of interest between participants (shareholders, clients and executive staff), then it would be possible to open up great opportunities for new ventures and also for consumers to optimize their income. Blockchain technology could begin to eradicate the agency problem and change essential notions of corporate governance as well as bring about a change in the amounts of capital needed to develop businesses. Some traditional companies could experience obsolescence in a few years, setting up new paths unimaginable just a few years ago for entrepreneurs in emerging countries that, until now, are nowhere near the line of business innovation.

A blockchain is nothing more than a database that is distributed among different participants, cryptographically protected and organized in blocks of transactions that are mathematically related to each other. The essential purpose of a blockchain is to collect, record and store information that cannot be altered, because the complexity of the cryptographic algorithms and the collective capacity of the network to ensure the irreversibility of the information that resides in the network. Nobody exercises a central power over it, unlike the databases built by governments, companies or organizations in society, and that they manage for various purposes.

A blockchain is decentralized and is not managed by a central decision maker, but is built by a community that does not have the same goals as companies or governments. The blockchain with which cryptocurrencies such as the bitcoin works, is actually an electronic ledger (a decentralized ledger DTL). This characteristic of perfect traceability means that blockchain technology is about to become an essential part of commerce, since it can reduce transaction costs and increase their reliability. Could a person who invested money legal tender in bitcoin, or a fraction of it, use it as currency to make purchases? It could be, if the business accepts bitcoin as a means of payment.

Currently, when a person decides to acquire a good or service, they essentially have these three options to pay for their purchase:

- 1) Pay in cash of legal tender accepted under the provisions of the law. That cash had to be withdrawn from a bank account of its own or by cashing a check at the bank teller.
- 2) Use bank cards issued by banks and payment method operators that act as a back office (Prosa, Visa or Master Card).
- 3) Pay the merchant by check with the promise that the document will have sufficient funds. Obviously, the business runs the risk that the money never reaches their box.

In all three options, the established financial system intervenes, by supporting the payment.

This process is onerous because banks charge commissions for the use of cards. When a business accepts the bank card, in order to convert the promissory note signed by the customer, they must pay (in Mexico) a rate of 4% plus taxes of the amount of the operation and wait 2 or 3 days for the bank to transfer that money to the checking account (which is kept in a bank). On the other hand, carrying cash to make payments is cumbersome and risky. That is, transaction costs are high. If the business accepts bitcoins (or fractions thereof), for example, the client can use an electronic wallet linked to the blockchain (the ledger of that bitcoin). This wallet could reside in a smartphone for example. The difference is that no bank intervened in the transaction and the merchant is fully certain that the payment was made. That is, the intermediaries that are costly for the trade and customers were eliminated in a transparent environment because both parts can see the electronic ledger of bitcoin.

The cryptocurrencies are a specific application of blockchain technology. They are arguably the proof of concept in the same way that email was the proof of concept for the internet. And just as the technology of the internet has proven to serve an infinity of uses, different uses for the blockchain are already in sight. One of these is smart contracts, which are intelligent and self-executing digital contracts. Smart contracts live in a system supported by a blockchain. They contain data that is supplemented by other external block data. They are not controlled by any third-party agent but by the technology itself. The objective is to grant a security of transaction that surpasses what the common laws give to the contracting parties.

The use of blockchains will change many sectors, especially the banking, insurance and financial services industries, and this will have a huge impact on international trade, which will experience one of the greatest expansions in its history with great benefits, especially for the poorest population in the world. Even though it is not yet possible to carry out quantitative measurements on the impact that blockchain may have, one can affirm that there is no doubt that it will have it and that it will not be modest. In fact, the greatest impact will lie in new ways of organizing businesses and undertakings that even today we cannot even imagine.

The impact will be huge. As the use of blockchains spreads, businesses will become eminently international. Translating into Business B2B, B2C, C2C will be a common thing without trusted third parties. Transaction costs around the world will be reduced. Subjects will go from being passive to active subjects in international trade thanks to the use of the block chain and smart contracts.

Conclusions

Although the obstacles that could arise are great, it can be concluded that international trade is one of the economic activities that will continue to have the most dynamism in the global economy, and despite its significant expansion it will grow even more as blockchains are incorporated into the economy. The foreseeable reduction in transaction costs, the gradual elimination of trusted third parties and the facilitation of complexities in international trade operations, will make it something common both for business between companies and between people, people and companies and vice-versa. It is also feasible that things as complex as incoterms (International Commercial Terms) begin to change to simpler forms for smart contracts with which millions of international trade transactions will operate.

The analysis of the historical perspective of international trade with its disruptive factors, the examination of the complexity that international trade operations normally entail, banks, trusted third parties, risks, high costs, among others, and the evident simplicity with which they can be solving these aspects for almost anyone with a computer or a Smartphone, by joining the use of blockchains, will mean a substantial change in commerce, switching from national to international almost indistinctly. Just as happened with the use of credit cards introduced by American Express several decades ago, the use of blockchain could become a permanent source of new forms of business and innovative forms of international commercial transactions. In fact, the greatest impact will lie in new ways of organizing businesses and undertakings unthinkable today.

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Market Orientation from a Cultural Vision in Hotels of Colima, Mexico

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Abstract

A high level of market orientation provides the hotel of a better sensibility about clients' perceptions and emphasizes the need of offering a better value in the offer. All these must help to increase successful results when launching new products, improving client retention rates, highly increasing sales and market share and as a result increasing profitability. This article explains a procedure to improve Market Orientation at hotels, starting from the analysis, the hotel characterization, strong and weak points of the touristic product, market and segments analysis, competitiveness analysis and market orientation degree. Planning as a second stage is about taking strategic decisions followed by the plan of action to improve the different characteristics of the market orientation, then decisions are made and applied and finally the control and feedback stage. Hotels at the Municipality of Colima show deficiencies in their market orientation.

Keywords: *Market Orientation, cultural vision, value, sales hotel*

Introduction

Hotels, like any other business, are created to generate profits and for this they need to give value to the customer. Increasingly, changes in the industry and the environment offer opportunities and threats. Marketing in business administration has been considered a functional area which focuses on customer orientation.

It is necessary to identify the weak points of the hotels, where this philosophy can be implemented, and its effectiveness measured.

According to empirical research, market orientation is associated with higher levels of performance in an organization. Applying market orientation in hotels gives us an approach to reality and allows us to better apply the concept and achieve success in terms of tourism development.

At present, the level of market orientation that the Hotels have is not identified. If their way of carrying out the activities has produced good results and if they have taken advantage of information obtained from the client. It is necessary to identify in the results the efficiency obtained from implementing the Market Orientation model. Since the studies they carry out to improve the operation are very limited.

The general objective of the research is to assess the effect on the levels of effectiveness and efficiency, the share and profitability of the hotels in Colima. The research questions are aimed at answering the following: How effective has it been to implement Market Orientation in Hotels in Colima? Have the Measurement Scales for Market Orientation been correctly implemented? What factors determine the Effect of efficiency in hotels?

Due to the growing demand for better care and service, the research will support the follow-up of a procedure in which measures are adopted to measure the effects of the hotel's market orientation.

Not to mention, effectiveness and market share will be the factors to be measured. The effects of this last factor will be obtained considering other business orientations aimed at competitiveness such as innovation and entrepreneurial orientation.

In this way, the dimensions contemplated by the cultural vision and the information systems for said evaluation will be reviewed.

Methods

To carry out the research, a lot of information was needed from various sources to gather different points of view. The most relevant characteristics of quantitative research are it studies behaviors, motivations, attitudes, characteristics, in general observable phenomena; It involves a structured research process, the interpretation of the data is objective; The results are descriptive, but they also allow testing of hypotheses and are characterized by statistical representativeness.

Procedure that allows to measure the degree of market orientation in the hotel:

Step 1: Determine indicators that measure market orientation. Customer orientation, competition and integration and coordination of functions.

Step 2: Define the importance of each indicator with the following steps, provided by Marrero Delgado (2001):

- a) Determine the number of experts to be employed in determining the relative importance of each indicator and the selection of who they will be.
- b) Determine the total preference of each indicator for each expert, that is, determine the number of times that the analyzed indicator is preferred over the rest.
- c) Determine the relative importance that each expert gives to each indicator.

Step 3. Determine the behavior of each indicator that measures market orientation in the hotel. The experts give a weighting to the behavior of each of the indicators that measure market orientation, the levels of behavior will range from 1 (strongly disagree) to 5 (strongly agree). The reliability of the instrument is determined through an Excel database.

Step 4. Define an Indicator for Market Orientation (IOM)

A scale of 1 to 5 was also determined according to expert criteria, which allows the market orientation index to be assessed.

Step 5. Determine marketing effectiveness and growth in sales / market share.

To determine marketing effectiveness, it is necessary to know: 1) the behavior of the marketing philosophy, bearing in mind whether management identifies the needs of the different issuing markets and channels their desires and whether it develops different marketing

plans for the selected market segments; 2) the level of integration and control of marketing functions and the degree to which commercial information is disseminated in the different areas of the hotel, 3) conducting market studies with the aim of knowing business trends and knowledge on the profitability of the different market segments, 4) the marketing planning that is carried out bearing in mind the contingencies, 5) the communication of the marketing approach from the management to the workers, the mentality of accepting the changes that occur. (Conde & Covarrubias, 2013).

Step 6. Assess the market orientation of the Hotel.

The main problems detected with respect to the dimensions of market orientation in each of the previous steps are exposed, seeing the relationship with a system approach of the behavior of each of the indicators, the IOM, the marketing effectiveness, the sales growth and market share.

Results

Market orientation is defined by three components: Client orientation, competitors' orientation and integration and coordination of roles or activities; it also has two decision criteria: long-term perspective and benefit target. "Market orientation has been assumed as a way to turn the marketing concept into operation" [Narver & Slater 1990, Kohli & Jaworski 1990]. In other words, the concept of market orientation started as a need to measure the concept of marketing, representing a business philosophy and an abstract concept unable to be seen directly. Different authors have tried to make this concept operative through a multidimensional interpretation known as "market orientation".

General procedure to improve market orientation

Figure 1 shows the general procedure to improve market orientation in hotels. The procedure starts with the analysis to define the hotel characterization, strong and weak points of the touristic product, analysis of the market and its segments, competitiveness analysis, and market orientation measure. Planning is about defining the strategic decisions and the plan of action to improve market orientation characteristics. The organization wants to develop the internal structure, using human and material resources to lead and coordinate the commercial activities. Execution of actions depends on the organizational design that allows effective communication and motivation of the personnel in the business. Control defines the information and evaluation of the achieved results, to be able to verify the fulfillment of the strategic decisions previously planned, to implement, if needed, the corrective actions.

If hotels are oriented to change, if they are willing to change to respond to their environment, everything inside them has to change, not changing during a social and labor transformation process not only means to get into a rut but it means to back down. However, hotels cannot change by themselves, they need a motivator agent. These agents that move hotels forward and towards change are those people that perform different activities in them. A hotel going through a change process, all people involved must follow the change route. But human beings are not machines, they have feelings, personal attitudes and individual values: opinions, beliefs, feelings, what people think about the job, the functions, the company, its organization, the organization's and own professional future. All these are questions that not necessarily have clear and convincing answers.

Good communication, good dialogue and good interpersonal relationships can help a lot. However, even being very persuasive, sometimes there are not enough arguments to convince people to change their feelings and vision of things. Changing attitudes is difficult. There are

different systems and actions that get involved in a change process, but one of the best for changing personal attitudes, due to its effectiveness, is training, naturally, training specifically oriented to make that change possible.

| | | | |
|-----------|---|-----------------------------|--|
| Analysis | <ul style="list-style-type: none"> • Hotel characterization • Product's strong and weak points • Market and segments analysis • Competitiveness analysis • Measuring Market Orientation degree | | |
| Planning | Creating strategic decisions and plan of action to improve Market Orientation | | |
| | Client Orientation | Competitiveness Orientation | Integration and Coordination of Activities |
| Execution | Execution of strategic decisions to improve Market Orientation | | |
| Control | Control and Feedback | | |

Fig. 1. Procedure for improving Market Orientation in hotels

Hotel characterization

Hotel characterization happens in two stages, the first one is about getting information analyzing documentation about location, number of rooms, length of service, services offered, hotel occupation, organization structure, main outbound markets, tour operators that commercialize the hotel and human resource structure. In a second stage, by interviewing the managerial team, information is obtained regarding the commercial strategy, competitors, functional effectiveness and business results.

Assessing product's strong and weak points

The strong points of the product are directly related to the attributes that are important for the client that make a difference. The weak points are correlated to the attributes that are perceived by the client as important but lacking quality. Figure 2 explains the procedure.

| | |
|--|--|
| Identification of attributes | Assessing product's strong and weak points |
| Assessing importance, differentiation and quality perceived about the attributes | |
| Assessing the client's attitude towards the hotel index | |
| Positioning the importance, differentiation and quality perceived about the attributes | |

Fig. 2. Procedure to define product's strong and weak points

Market analysis and its segments

The market analysis is the study of characteristics, elements and variables of the market; it is integrated basically by three factors: needs, wishes and purchasing power. The market also has limitations that have to be known to design the business strategy. These limitations however are relative and can be modified, especially those related to the use of the product. The market analysis implies defining different aspects about the market itself, such as, size, potential, consumption structure and purchasing power of the members, different segments that integrate

it, demand evolution and identification of factors that have influence on it, as well as the behavior of buyers, consumers and users.

For the market analysis there is a proposal for a procedure that includes the following stages:

- *Define the market products*: Macro-segmentation identifies inside each one of the strategic activities' units, the products and homogeneous markets, their performed functions, roles and clients. The intention is to define the reference market from a client's point of view, and not as it often happens, from the producer's point of view.
- *Identify market segments*: Identification and selection of a particular market segment to launch a distinctive service offer depends on a variety of factors; it is especially important the size of the segment, its special needs, the degree in which the needs are covered by the hotel or the competitors and if the hotel has the resources to satisfy the service requirements.

To make a market segmentation study according to Roche's criteria [1991] it has to go through the following steps:

1. *Choose the dependent variable or variable to be explained*: For hotels the suggested indicator is tourists-days for the importance it has, selecting this variable is an important point related to the problem that is studied.
2. *Obtain information about the explicative variables*: It is important to obtain the information from the outbound markets to look for the hotel's market segments.
3. *Selecting the segmentation technique*: Segmentation techniques generally try to get similar clients together based on the variable to be explained, in such a way that in the groups that are formed the individuals are as alike as possible and the groups are different among themselves.
4. *Interpreting the data*: The segmentation process must result in making one of the following basic decisions:
 - The hotel can choose to concentrate in a market segment,
 - The hotel can choose to concentrate in different segments and as a consequence design different marketing mix plans for each segment,
 - The management team can choose not to segment the market but to offer its services to the whole market.
5. *Defining main characteristics of the outbound markets*: This is attained by interviewing the business to gather information about the main outbound markets and their trip purposes, average age, gender, if they travel alone, with a couple or with the family, economic class, purchasing decision, if they request gastronomic, amusement or accommodation services, room services and communication.

Competitiveness analysis

A competitiveness analysis has as a goal, identifying the type of competitive advantage that a hotel has and measure how much this advantage can be defended, taking into consideration the competitive situation, correlations among existing forces and positions those competitors have in the market.

Competition analysis

From the hotel's point of view, competition is any other hotel that offers similar or substitute products or services to the same markets. However, from the business perspective it

is interesting to know the effect that competitors’ decisions have in the business strategy and results of the business.

What the hotel needs to know about its competition?

In this stage it is suggested that the managerial team should work to respond the following questions: Who are their competitors? What are their strategies? What are their objectives? What are their strong and weak points? What are their reaction models?

Measuring the degree of market orientation in hotels

A high level of market orientation provides the business with a better sensibility towards clients’ perceptions and emphasizes the need of offering a higher value. All this must lead to an increase on the success rates when launching new products, to improve retention rates, to increase sales growth and market share and as a final result higher profitability.

Steps to measure the market orientation degree in hotels:

- *Define the indicators that measure market orientation:* The three dimensions that measure market orientation are: client orientation, competition orientation and the integration and coordination of activities, each dimension has its own indicators.
- *Define the significance of each indicator:* Using a 0 to 10 scale in a committee of experts, the importance of each indicator is defined.
- *Define the behavior of each indicator that measures market orientation at the hotel:* At each hotel where the instrument is applied, experts give a certain weight to the behavior of each one of the indicators that measure market orientation, behavior levels will fluctuate between 1 that is complete disagreement to 5 meaning complete agreement.
- *Define an indicator for Market Orientation (IOM):* Equation 1 represents the IOM

$$IOM = \frac{1}{10I} \sum_{i=1}^I \sum_{j=1}^n (II_{ij} * CI_{ij}) \quad (3)$$

Equation No. 1 IOM

$$II_{ij} = \frac{P_{ij}}{\sum P_{ij}}$$

Equation No. 2

II – relative importance of the indicator

CI – behavior of the indicator at the hotel

In addition, based on expert criteria, a scale between 1 and 5 was defined in order to value the Market Orientation Index.

- *Defining marketing effectiveness and growth in sales / market share:* Income stated in volume or monetary units are the most direct measures of the behavioral response.

| | |
|---|-------------------------------|
| Assessing indicators that measure Market Orientation | Market Orientation Assessment |
| Defining the importance of each indicator | |
| Assessing the behavior of each indicator that measures the hotel’s Market Orientation | |
| Defining an indicator for Market Orientation (MOI) | |

| |
|---|
| Assessing effectiveness of marketing and growth in sales / market share |
|---|

Fig. 3. Procedure for measuring the market orientation degree.

Calculating the market share implies that previously the hotel has already recognized its market. When the market has been identified, market share is identified as shown in the following equation:

$$CmH = IH/ITH$$

Equation No. 3 CmH

CmH – Market share at the hotel

IH – Hotel’s income in a defined period

ITH – Total income of hotels at the destination

- *Assessing the hotel’s Market Orientation:* This is a presentation of the different problems that have been identified regarding the market orientation dimensions.

Definition of strategic decisions to improve market orientation

Once the market and its segments have been analyzed, the strong and weak points of the tourist product, competitiveness and the measure of the market orientation, the strategic decisions to improve market orientation can be suggested. They can be very diverse, and sometimes opposed, so it is necessary to identify priorities. These strategic decisions can be about gaining a competitive advantage (by product differentiation, quality, prices, costs, distribution and promotion), increasing market share (in existing or new outbound markets) or improve profitability (by increasing market share, reducing costs, increasing income, by integrations).

Strategic decisions to improve market orientation can be stated in different ways: sales data, physical units, market share and communication objectives.

Plan to improve market orientation and the implementation of actions

Results from previous stages bring the needed elements to make the plans. Action plans, as the name implies, are the way to implement actions that will make it possible to accomplish the defined and approved strategic decisions. Action plans define specific tasks and expected results, all resources needed to make them possible. They clearly delineate the term to be accomplished and the responsible personnel or functions responsible of attaining it.

To make the action plan the group has to work in a plenary session and under the facilitator’s direction, discuss all actions that have to be accomplished to implement the strategic decisions, as well as unifying the criteria about who will be responsible of each task, when it will be done and where.

Execution of strategic decisions to improve market orientation

Execution of strategic decisions implies the participation of the hotel employees. With this conscious participation, three situations are attained: 1) Involve everybody in the process. Nobody in the organization can ignore what is happening, everybody has to speak the same language, 2) Achieve real and conscious commitment from everybody. Each one of the members of the business must know their contribution to the process and how their effort is combined with others in the business to attain the results with efficiency and effectiveness, 3) Hold all personnel responsible of the attained results. The good and the bad that has been attained; it is everybody’s result and not only the senior management’s.

Control and feedback

Control is an essential part of any open system and for that reason it is subject to the alterations on the environment and as a consequence to the hotel's system. The main mission of control is to hold the system into the previously defined path, including the needed improvements to avoid deviations that may happen.

The control process has the following steps:

- Establishing the needed actions to improve market orientation, here the information of that is wanted is obtained.
- Measuring results, a response of what is happening is obtained.
- A diagnosis is done to understand why it happened.
- Corrective actions are implemented.

Market orientation in Colima hotels

Applying the instrument to measure the degree of market orientation in hotels at the Municipality of Colima to a sample of 60 workers. The result is that the client and the competitors-oriented behaviors, as well as the integration and coordination of activities are deficient, especially the following indicators: commitment to clientele, value creation for clients and the understanding of their needs, the exchange of information about competitors and the quick response to their actions, and finally the full integration with the business strategy.

The managerial team does not develop a systematic vision of marketing (suppliers, channels, competitors, clients and the environment), market studies about clients and competitors are inadequate, as well as the knowledge of the profitability of each one of the outbound markets.

Conclusion

The integration of a general procedure to improve market orientation in hotels with its associated specific procedures, logic consistency and flexibility; allow the implementation of a complex process in relatively simple way.

The procedure also includes the indicator about market orientation that measures the degree of market orientation at the hotel, to competitors and the integration and coordination of functions.

Implementation of developed procedures in hotels assumes changes in current ways of thinking and acting, that is why the importance of training or spreading the importance of market orientation and its participative approach for making business decisions.

A question that arises from the results is directed to the importance of the client, that in some participating hotels the level of orientation necessary to obtain the expected results was not detected. Since speaking of the effects that the market orientation originates, they are reflected in the organizational results, in the clients and in how it responds to the competition.

Conflict of Interest

No conflict of interest with any financial, personal, or other relationships with other people or organization related to the material discussed in the manuscript.

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Managerial Issues in Supply Chain Management (SCM) : A Case Study of Replacement of Undersluice Gate of Pashulok Barrage

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Introduction

A supply chain is a network of facilities and distribution options that begins with the procurement of materials up to rendering service packages to the end consumer. An efficient supply chain enhances the opportunity of reducing operational costs, and improving productivity along with some complex challenges regarding end-to-end integrated planning, increased availability of assets, inventory optimization and effective spend management. Ever since 1982, when Keith Oliver used the term ‘Supply Chain Management for the first time, researchers and practitioners have contributed and developed the concept to great significance. The supply chain includes not only the manufacturers and suppliers, but, also transporters, warehouses, retailers and even customers themselves. Within each organization, such as a manufacturer, the supply chain includes all functions involved in receiving and filling a customer request. These functions include, but are not limited to, new product development, marketing, operations, distribution, finance and customer service.

Defining Supply Chain Management

Lambert, Stock, and Ellram in their book *Fundamentals of Logistics Management* defined that - “A supply chain is the alignment of firms that bring products or services to market.”

Chopra and Meindl in their book *ESSENTIALS of Supply Chain Management* said that, “A supply chain consists of all stages involved, directly or indirectly, in fulfilling a customer request. The supply chain not only includes the manufacturer and suppliers, but also transporters, warehouses, retailers, and customers themselves.”

Ganeshan and Harrison at Penn State University in their article *An Introduction to Supply Chain Management* opined that, “A supply chain is a network of facilities and distribution options that performs the functions of procurement of materials, transformation of these materials into intermediate and finished products, and the distribution of these finished products to customers.”

Mentzer, DeWitt, Deebler, Min, Nix, Smith, and Zacharia in their article *Defining Supply Chain Management* in the Journal of Business Logistics elaborated that the systemic, strategic coordination of the traditional business functions and the tactics across these business functions within a particular company and across businesses within the supply chain, for the purposes of improving the long-term performance of the individual companies and the supply chain as a whole.

On the basis of the above, it can be identified that the three main contributing streams of supply chain management include –

Sourcing, procurement and supply management

This includes the strategies for procurement and purchases including supply orders made by the user organization. This activity can be termed as a set of activities, functions and

processes concerned with economic procurement and in flow of in puts into the organization and an efficient control over flow of funds.

Materials management

Material management include the functions of forecasting, inventory management, stores management, ware housing, stock keeping and scheduling. Since materials constitute almost 60 percent of the total cost of the project, it needs efficient management on the part of the authorities so that the work process is not hindered. This helps not only in the process of work to be done but timely completion of the project.

Logistics and distribution

Logistics and distribution includes all functions related to the movement and maintenance of the logistics function. It is considered and devised in view of the time and space related goods movement from the supplier to the project site. Since transportation, which is the backbone of the logistics, accounts for upto 50 per cent of total logistics cost, the efficient management of this function become an important pre-requisite of management involved in transportation process.

Background of the study

During the floods, huge objects such as boulders and wooden logs are flown with river water with heavy velocity and damage the gates of barrages. In Pashulok Barrage also, during the floods of June 2013, the gate was damaged and it could not hold the water perfectly. The water which was held at the gates of Pashulok barrage was to be diverted to the canal that carried it to the Chilla Power House. Even after multiple repairs, the problem persisted. Hence, the decision was taken to replace the gates during the closure period of fifteen days. The present study will depict the process and procurement of the supply chain during the replacement of the under-sluice gate of Pashulok Barrage, Rishikesh within the timeline of as short a period of twenty days.

Rationale of the Study

Because of the short period allotted for completing the complex task of replacement of the gate, it was a difficult task from the technical point of view and as well as from the point of view of liaisoning among various government departments and private suppliers. Though it was difficult due to various factors but not impossible. It has thrown challenges to the workforce to plan, process and complete it within the stipulated time with pre-allotted workforce and funds as approved and granted but released only after the work completes to the satisfaction of the authorities. At times, it becomes difficult to get the work done without having money in hand. Here, decision-making and planning play a very important role. Therefore, this study has been designed to provide an explanation of the process, policies and decisions made for the successful completion of the project at hand. This study will provide not only the information but insights into the vital and critical managerial skills which will help the future engineers in the departments involved in such tasks.

Objectives

The research work focuses on the supply chain management procedure of the dams, barrages and powerhouses and its limitations. The purpose of the study will be to find out the possible solutions for removing the limitations and problems in the supply chain management

procedure during the construction and manufacturing work. The various managerial issues relating to the work shall be described. The study has been based on Pashulok Barrage, Rishikesh, Uttarakhand. The following objectives have been identified to be studied in detail.

- To explain sourcing, procurement and supply management involved in completion of the replacement of gates at Pashulok Barrage.
- To explain materials management and policies devised for the same during the procedure of completion of the task.
- To highlight the problems and challenges in completion of the task
- To evaluate the estimated vs. actual timeline

Pashulok Barrage : An Introduction

The Pashulok Barrage is built on the Ganges River in south Rishikesh in Dehradun District, Uttarakhand. The main purpose of this barrage is to divert water into a canal on the east bank of the river which feeds water to the Chilla Power Plant downstream at 29°58'34"N 78°13'11"E, 4 km (2 mi) upstream of Haridwar. The power station contains four 36 megawatts (48,000 hp) Kaplan turbine-generators for an installed capacity of 144 megawatts (193,000 hp). The barrage comprises of 4 under sluice and 11 spillway bays of 18 m clear span. The barrage/head regulator gates are operated by motors installed at the steel structures. A divide wall has been provided separating the under sluice and spill way bays. A free flow channel, 1.5m wide has been provided adjacent to the divide well for which an additional pier 1.5m wide has been constructed. The under sluice and spillway bay piers are 3m and 2.7m wide respectively. The upstream floor of barrage is at 325.5 m. The crest of under sluice bays is at floor level i.e. 325.50 m. but the crest of spillway bays is one meter higher i.e. 326.50 m. Silt excluder tunnels, six in number, have been provided in first under sluice bay on the basis of model studies for excluding big boulders.

The Project

This study has been done on practical work of replacing an undersluice gate of Pashulok Barrage, Veerbhadra, Rishikesh. When original work was going on, a number of problems occurred. The work of replacing a hydro-mechanical gate of size 18500x11500 mm made of different thicknesses of steel had to be replaced within a period of 16 days. Because it was a challenging job and no further extension in time was allowed, the extension could mean a delay in running the powerhouse resulting in power generation loss, which none of the government would have allowed. It needed many preparations before starting the job. The team has to face many challenges. A lot of issues had to be solved during the work. So, this work is an ideal case study of supply chain management during the process of a real-life project under given circumstances in a government department. The proposed case has been studied for two reasons. One, the task was challenging due to a fixed timeline. Second, resources were limited. The means and methods adopted to meet the challenges within the stipulated time needed not only serious attention but innovative methods for devising supply chain management principles.

The case of replacement of barrage gates at Pashulok Barrage, Rishikesh is a representative case in the field of barrage and dam engineering. Such works are typical of its nature and unique in its kind. Barrage gates serve various purposes, mainly of holding the water against a load and diverting it to the canal to power house. This gate once damaged required immediate attention to be rectified. The problem is its weight, size and volume. It is easier to

erect and install a new gate then to replace the old one. While action plan and time line has been prepared and execution was in process, the team faced typical problems while taking out the old gate from groove. The rubber seal on the sides of the gates, which functions for smooth movement of the gate without jerks and also to stop the leakage of water, was found damaged. It developed cracks over the period of time and was almost wear out. The problem was typical of its kind because the rubber seal which functions for the smooth movement of the gate, made it difficult to move because of its damaged material. This made the gate tilt and stuck up in a wrong direction making it almost impossible to be removed. While the team was on alert 24x7, it became crucial to find a solution as early as it was needed. Loss of time was not allowed in any case. The rubber seal was difficult to be cut and removed and it became almost impossible to do so. No other method could be devised for removing the rubber seal and then the suggestion to burn it came from one of the team members. Without losing time, brain storming session was arranged on site and opinions were sought. Decision to burn the rubber seal was taken with high level of care and expertise. It was an unusual action which the expert team has not faced earlier. Another critical condition occurred when a delay in release of funds was faced by the team, though it was handled smoothly and



Image 1 : Fabrication of tier in Irrigation Workshop, Roorkee

Though, the logistics were arranged to carry the huge steel part of the gate from the workshop to the site, a very unusual problem occurred when the 80 ft long trailer (which was arranged after assessing the requirement) could not be steered while entering the gate of the Irrigation Workshop from the main road. It lacked space to turn as the main road was narrow. Hence, the decision was taken to cut 5 ft of its rear body so that it could be steered inside the workshop and the fabricated gate could be loaded for further movement.



Image 2 : Tiers unloaded at the site



Image 3 : Tiers unloaded at the site

Data Collection, analysis and findings

The replacement of the under sluice gate was planned for the reasons mentioned earlier. Once the task has been decided to take place on a definite date, execution of the task was to be planned. This required sharp vision, decision-making skills, effective communication skills and knowledge of supply chain attributes to accomplish the task within the stipulated time. Different elements of the supply chain were managed before the replacement of the gate, for example, the supply of required material and its carriage to the place of work.

- A timeline has been prepared to stick to the work schedule and for time management.
- The team of officers got ready to start the job. The team involved the authorities from the beneficiary department UJVN, Uttarakhand and executing department Erection Division, Uttarakhand Irrigation. Various meetings were arranged between the two departments to discuss the aspects of execution of the task.
- Permission for 20 days Closure of canal was sought from the respective authorities to inspect the site and start execution of the project.

Projected Time Line

Day 1 to 3 Start work of taking out the old gate from the groove. To detach the hoist system from the gate (which was crucial and required skilled workers). Getting old wire ropes out and rest the balance box on the groove.

Day 4 to 6 An extra work of replacing the sill beam was also an integral part of the project. As the old gate was to be removed, immediately the work of breaking the old concrete and taking out the old sill beam had to start. The work was supposed to go on continuously 24 x7 without break. The quick setting cement concrete was to be used and the work of fixing the sill beam was to be completed in fixed time schedule.

Day 7 to 9 Work of lowering the gate in the groove to be done. The gate has five different tiers having different heights. Lower most two tiers were to be welded on the ground and lower in the gate groove. Rest of the work of finishing the piece would be done simultaneously.

Day 10 to 12 In this period, work of third and fourth tiers to be completed. Gate had a height of 11.5 meters. Tier 3 and 4 had to be finished within 12 days.

Day 13 to 15 Lowering of the 5th tier and doing other related works.

Day 16 to 17 Joining the wire ropes with the gate and joining the balance box with the gate through wire ropes and hoists system.

Day 18 to 19 Testing the gate, making the tension in wire rope equal by adjustment in turn buckle threads.

Day 20 Gate ready to be handed over to the UJVNL.

Anticipated problems and challenges

Problem : Any of the machines may break down unexpectedly.

Solution : Machine will be repaired on the site or will be replaced which ever takes less time.

Problem : Labour may take leave without prior intimation.

Solution : 10% additional labour was deployed to meet the crisis of manpower.

Problem : Any of the labour, might fall sick or injured on site.

Solution : Primary first-aid would be kept ready on site and in case of emergency, the sick/injured would be immediately taken to AIIMS, Rishikesh which was situated adjacent to the site. Vehicles would be available twenty four hours.

Problem : Weather may not cooperate. In case of heavy rains, work may have to be stopped.

Solution : The officer-in-charge and his executive team would be vigilant about the weather forecast and the work will be planned in a way that will make either no damage or minimum damage. Extra tents would be arranged for the labour which would provide

them on-site shelter against rain. They might re-start the work as soon as the rain stopped.

Problem : The route open for the general public through the barrage has to be closed of and on as big machines were placed there. It may cause chaos and disturbance for the officers and workers.

Solution : The permissions for closing the route would be sought from the District Administration and the information would be published in newspapers for the information to the general public and hoardings would be placed on site.

Real Time Project Execution

Projected Time line Vs. Execution

Day 1 to 4 The work of taking out the old gate from the groove was started. Initially, it was planned for three days. The work went on smoothly as per the planning but on second day, suddenly one of the cranes developed a snag. It was a heavy engineering work which involved large machines and equipment. The damaged part could not be repaired on site.

The Executive Engineer took the decision to immediately procure the particular part from Delhi. Necessary enquiry was made and proper logistics were deployed to carry the part to the site. Repair personnel was kept ready. The crane was restored to work at 3 AM the third day.

This fault caused the work to halt for about sixteen hours. Now it was a big challenge to recover the loss of these sixteen hours.

Finally, on Day 4, the balance box was detached and kept on the gate groove.

Day 5 to 7 The work of replacing the sill beam was initiated as soon as the old gate was removed. Immediately, the work of breaking the old concrete and taking out the old sill beam was started. The work went on continuously without break. The quick setting cement concrete was used and the work of fixing the sill beam was completed in fixed time schedule.

Day 8 to 10 Next, the work of lowering the gate in the groove was done. The gate has five different tiers of different heights. The fabrication of these five tiers has been done in Irrigation Workshop at Roorkee. Lower most two tiers were welded on the ground and lowered in the gate groove. The finishing of these two tiers were done on site simultaneously while other work was going on. The work of finishing the remaining three pieces was done while the lower most two tiers were fixed. The workforce was increased and a part of third and fourth tier work was also completed in this duration to meet the deadline.



Image 4 : Lowering of tier 1 and 2

Day 11 to 13 In this period, the remaining work of third and fourth tiers was completed. Planning had to be changed to make up for the period lost in the beginning of the project. This was done by deploying extra work force between days 8-10. This helped the team to plan and execute the future work upto day 15 as per the timeline. Time loss was not permitted in this case.

Day 14 to 15 Lowering of the 5th tier were done and other related works were also completed as per the initial time line.

Day 16 to 17 Joining the wire ropes with the gate and joining of the balance box with the gate through wire ropes and hoists system completed as per schedule.

Day 18 to 19 Testing, making the tension in wire rope equal by adjustment in turn buckle threads were done successfully.

Day 20 Gate was handed over to UJVNL after successfully completion of the project.

Insights

A questionnaire was prepared and served to officers and supervisory cadre staff who were closely related with the project to study the underlying objectives of this research. Their answers have been summed up as follows.

Planning and execution of the project

- Important part of planning and execution was preparation of bar chart and timely execution to avoid delay in project resulting in loss of power generation.
- Inspection of the site prior to beginning the task was done to select appropriate spots for placing heavy machinery, fabricated gates and other TnP.
- To arrange accommodation for the staff and labour on site itself as the work was to be continued 24x7 in three shifts.
- Arrangement of light, drinking water, food and other necessary amenities for staff was made.
- Hydra crane was procured for shifting of the material.

- Arrangement of consumable material such as diesel for running the vehicles and cranes, welding rods and eye-protecting glasses was made.
- Two 150 tons cranes were arranged for erection work.
- Arrangements for cutting of the old gate for dismantling it and shifting its pieces to the Store of UJVN.
- Prior to starting the work, coffer dams were made to stop the water flow in up-stream and down-stream.

On-site observations

- Seeking government permissions within time as information moved through proper channel and took time.
- Dewatering from down-stream was a big challenge. Three extra generator sets were placed for continuous running of dewatering pumps to replace sill beam girder.
- Rubber seal which was fixed to support and move the gate along the groove was found damaged. This made the task much difficult and consumed the time.
- The 80 ft trailer could not enter the workshop gate as the main road was narrow.
- Public trespassing in spite of strictness was a big challenge. Guards and police were also deputed to stop public movement. In spite of prior permission from the district administration and intimation to the public, it was difficult to stop the traffic, especially two wheelers and pedestrians. People were not ready to listen to the instructions and it became difficult for the team to safeguard their lives as heavy machinery was deployed on the bridge. At times, the route had to be cleared even without its schedule.

The procedure for the procurement of material and its management

- We followed government rules and regulations for procurement of material and equipment.
- Steel plates were procured from Regional Stock yards of SAIL located at Faridabad and Ghaziabad. Tendering was not required as SAIL is a government authority.
- Bearings of required specification were procured by UJVN through suppliers and handed over to the project team.

Logistics and distribution

- A departmental truck was occupied for carrying the material to the site from the workshop and other required places.
- An 80 foot long trailer was arranged to carry the 18.5 meter long tiers of the gate from Roorkee Irrigation Workshop to Pashulok Barrage site.
- Departmental jeeps were engaged for commuting of officers and team members for site inspection and other works as needed.
- For timely completion/fitting of gates and hoist system, engaged extra heavy duty cranes for any breakdown, one truck and one jeep.
- Hired another hydra crane due to breakdown of another hydra crane to check any further breakdown.

Steps to meet the deadline

- Adherence to the timeline while facing difficulties of various nature.
- Strong decision making skills on part of the executing officers.

- Team spirit.
- Motivational attitude of the officers towards the work force.
- Above all, strong communication network.
- On-site presence of officers with the team.

Any emergency that occurred during the functioning

- Breakdown of the crane and its repair just on second day of starting of the project.

Finance management

- As per government rules and regulations.

Deployment of on-site workforce and communication network

- Out-sourcing was done for various services such as the supply of material, supply of labour and arranging logistics.
- Skilled and unskilled labour were deputed.
- The team was in communication 24x7.

SWOT Analysis

- S - Financial management, team spirit and experience of hydro mechanical works.
- W - Retirement of experienced staff in such specialized works.
- O - To accept the challenge of such huge task which will contribute to power generation for the social good.
- T – Safety measures during lowering the gate to avoid any emergency.

Supply Chain and Managerial Issues

It has been observed that the components of supply chain management – plan, source, make and deliver were taken care of. The pre-requisites of the project and other conditions were identified by the working team and orders were placed beforehand so that the material could reach the site of fabrication well in advance. The sources to deliver the material were selected on the following basis –

- Quality of the material
- Guidelines from the government

SAIL was the prominent source selected for procurement of the steel material as being a government organization, it is an authorized source for delivery of quality product. Before starting the work of replacement of the gate, the required raw material was delivered at the Irrigation Workshop, Roorkee. The fabrication work started as per the required specification and the tiers of the gate were prepared simultaneously while the work of removing the old gate at the Pashulok Barrage.

It proved that a visionary approach and knowledge of proper supply chain channels helped the team to be pro-active to achieve the deadlines.

The Finalisation Stage

Though it was a case typically technical task in nature, it required managerial skills for its execution. As the task was highly dependent on supply chain management, it became vital to look for the minutest details of supply material and logistics. Huge parts of heavy steel were to be transported from one place to another for which tremendous efforts were required not only for their safe carriage to the destination but also for the safety of persons involved in the carriage/loading/unloading works. The work was completed with commendable success even one day before the target date and handed over to UJVN. The replacement of Pashulok Barrage gate within a time slot of twenty days is an exemplary task in the following aspects.

The quality of work has been maintained to the standards and satisfaction of the authorities. No compromises were made either with the quality of material, concrete work or in the fabrication of parts at any stage. Before handing over the gate to UJVN, a quality check has been done as per the laid down standards. The quality check has been done at two levels –

Internal – Internal quality check has been done by the Irrigation Department Authorities during the fabrication and other stages. All technical standards were ensured before installation.

External – Inspection and Testing Engineers, Noida certified the quality standard as an external agency.

A team from Dams Rehabilitation and Improvement Project (DRIP), a central government organisation also inspected the site and found the progress and quality of the work satisfactory.

Conclusions and Recommendations

The above study shows that the replacement of the gate at the Pashulok Barrage was a challenging task from various aspects which has been studied thoroughly and mentioned in the report. To conclude, it is said that this research report will help various government personnel involved in such works from time to time. The decision making for the procurement of logistics and distribution plays vital role during the projection of such heavy engineering works. The officers involved therein were on high alert not only for the purpose of completion of the task but for the security of the employees and labour who were deployed there round the clock. In this project, a trail of officers from various department from the level of Dy. General Manager, Chief Engineer, Superintending Engineer, Executive Engineer, Assistant Engineer, Junior Engineer from Uttrakhand Irrigation Department and Uttrakhand Jal Vidhyut Nigam Ltd. were involved day and night and three teams of 15 specialised labour under strict supervision were deployed in three shifts as the work continued round the clock without any break. The planning and execution, organized teamwork and timely procurement of logistics made the task complete on deadline without any delay or extension. A delay or extension in the project would have resulted in the loss of power generation at Chilla Power House at the cost of Rs.80 lakhs/day. It would have been a great national loss, therefore, the team of fully dedicated officers and engineers were headed to complete it within the stipulated time with no errors or damages.

As the work has been studied as a case, it is recommended that –

- Prior to beginning the work, all the approvals and orders should be obtained from the authorities to avoid any hinderance after starting the project.
- All material to the specification should be procured in advance from the

authorized manufacturer or the supplier.

- The logistics for the carriage of the material should be arranged in advance to avoid any possible delay in project.
- Specialized and skilled man-power must be hired in time.
- Security norms must be followed strictly to avoid accidents and emergencies.
- Funds and financial approvals must be sought before starting the project.
- Proper allocation of funds must be devised with extreme care and planning.
- Training and motivation of the team must be given exclusive weightage.
- Strong Communication network must be maintained. Communication gap and miscommunication must be avoided.
- SWOT analysis of the project is a pre-requisite. This helps the working officials look for the solution for the anticipated challenges to lead successfully toward the final stage of the project.

It has been observed that good supply chain management is necessary to complete the work with full efficiency. Timeline and quality of work have to be maintained as per specified standards.

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A Review on Tourism prospects in India: Challenges and Opportunities

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Abstract

The Union Ministry of Tourism in collaboration with other central ministries, state governments and stakeholders has successfully organized "Paryatan Parv" across the country in October 2017. The 21-day program was organized with the objective of drawing focus on the benefits of tourism, showcasing the cultural diversity of the country and reinforcing the principle of "Tourism for All". Previously, in September 2017, in his Mann Ki Baat address, the Prime Minister Narendra Modi called upon the citizens to travel within India and promote domestic tourism in a big way. These two incidents cannot be seen in isolation, and in fact, indicate the government's seriousness and a comprehensive approach to promote tourism as a key driver of development. It is against this backdrop; it is pertinent to understand the status of India's current tourism sector. In this paper an attempt has been made to study opportunities for India in Tourism and challenges in realizing the potential.

Introduction

India is a land of great tourism potential. From Kashmir to Kanyakumari, from Arunachal Pradesh to Gujarat, every region has its own uniqueness and flavour - be it cold/hot desert (Ladakh/Rajasthan), rivers (Ganges and Brahmaputra), forests (Niligiri & North East), islands (Andaman and Nicobar) each landform bound to mesmerize tourists. Moreover, the wide variety in the landscape offers a range of choices to tourists from within India and the abroad.

Tourism is an important socio-economic activity. It provides enormous scope for economic development of a particular area. According to Ziffer (1989), "Tourism involves travelling to relatively undisturbed or uncontaminated natural areas with the specific object of studying, admiring and enjoying the scenery and its wild plants and animals, as well as any existing cultural aspects (both past and present) found in these areas."

In India, temple towns, historical monuments and sea beaches were traditionally sought out as tourist attractions. But now the fabric of tourism is changing rapidly as nature, heritage, and recreational destinations are gaining more importance. In this background, eco-tourism has of late become a top attraction for the tourists.

Objectives of Study:

1. To know the concept of Tourism Industry
2. To evaluate the advantages and challenges in Tourism
3. To know the future challenges in tourism Industry.

Research Methodology

Research paper is based on secondary data. Data is collected from various books, journals, articles, government reports, newspapers and websites which focus on different aspects of Goods and Services Tax.

Growth of Tourism

The root of tourism in India can be traced to pilgrimage. In the early stages, pilgrimage-based tourism was only of domestic nature but during recent years, a large number of foreign tourists have also started visiting places of pilgrimage. India has an unending choice for the tourists—a 3,500 km long and 8,848 beautiful long beaches on the sea coast, gregarious tropical forests, the great variety of lifestyle. India's share in international tourist arrivals was 0.34 per cent in 2002 and it increased to 0.49 per cent during 2005.

The increasing trend has been maintained over the last three years and international tourist arrivals touched 3.92 million in 2005. The World Travel and Tourism Council have identified India as one of the foremost growth centres in the world in the coming decade. Domestic tourism is estimated to be much higher than international tourism and has also been rising rapidly.

The Tenth Plan recognized the vast employment generating potential of tourism and the role it can play in furthering the socio-economic objectives of the Plan. Tourism is the third largest net earner of foreign exchange for the country. Tourism in India has vast employment potential. By 2015, it was expected to provide 25 million jobs.

Classification of Tourist Places in India

The famous places of tourist interest in India can be classified on the basis of their geographical location and historical and cultural importance:

(i) India has a natural landscape with a variety of attractions for tourists. There are snow-covered peaks, valleys, gorges and numerous waterfalls, lakes, and forests that attract tourists. Nature tourism is identified with the Himalayas, the Western Ghats, the Chotanagpur plateau and other places. The places of importance include hill-stations like Shimla, Kullu, Mussorie, Nainital and Udagamandalam (Ooty); national parks and wildlife reserves like the Sanjay Gandhi National Park (Mumbai, Maharashtra) Ranthambore National Park (Rajasthan), Sariska National Park (Rajasthan), Periyar National Park (Tamil Nadu), Kaziranga (Assam), Kolleru Lake (Andhra Pradesh) and Hazaribagh Wildlife Sanctuary (Jharkhand).

(ii) Adventure tourism has grown in popularity and India has enormous potential for adventure tourism. River-rafting, kayaking and mountain climbing in the Himalayas, rock climbing, skiing in the snow-covered hilly areas, boat racing in Kerala and paragliding are some favourite adventure sports of tourists.

(iii) Some famous sea beaches thronged by tourists in India include beaches of Mumbai, Goa, Lakshwadeep, Andaman and Nicobar Islands, Kovalam Beach in Kerala, Marine Beach in Chennai and the beach temples of Mahabalipuram.

(iv) India is famous for its cultural and religious tourist places that include towns and cities. Allahabad, Ajmer, Ayodhya, Badrinath, Bodh Gaya, Dwarka, Haridwar, Kanchipuram, Kedarnath, Kochi, Madurai, Tirupati, Ujjain, Varanasi and Yamunotri are places of cultural and religious tourism that are visited by numerous domestic tourists as well as tourists from abroad.

(v) India's historical monuments and archaeological sites are of interest to domestic and international tourists. The Taj Mahal, Red Fort, Jama Masjid (Delhi), Humayun's Tomb

(Delhi), India Gate (Delhi), Charminar (Hyderabad), the Gateway of India (Mumbai), Hawa Mahal (Jaipur) and places like Udaipur, Sanchi, Khajuraho, and Aurangabad attracts tourists.

Challenges

As per a report by National Council of Applied Economic Research (NCAER), tourism in India will not return to pre-pandemic levels till 2026. On similar lines, the UN World Tourism Organization has stated that international travel won't recover fully before 2024.

COVID pandemic has battered the travel industry worldwide and, of all the sectors, tourism has been the worst hit. While year 2021 ended on a promising note, with vaccination drives being carried out across the globe and people is going back to making travel plans. And then, the new variant of COVID, Omicron, disrupted all those plans.

Due to the rise in Omicron cases, countries have once again started to close their borders. Travel advisories were announced, and international tourism turned cautious.

As per the reports, foreign tourist arrivals went down 63% at the end of 2021 from the pre-pandemic levels. South Asia reported worse numbers, as it has recovered only 10% of its numbers since 2019 till September of 2021, while India was 96% below its pre-pandemic numbers till June last year.

Hotel bookings also went for a toss. South Asia reported signs of recovery in October 2020, which again suffered a setback with the second wave, and reported a downward slide again in April 2021. Reports have it that while hotel bookings started picking up in July last year, and crossed the 2019 numbers in September, but then in November, Omicron was detected, and the numbers then went down again.

Regarding India, it has been witnessed that in recent years, the number of people directly and indirectly employed by the travel and tourism industry has been steadily increasing. As per a study commissioned by India's Tourism Ministry, the National Council of Applied Economic Research (NCAER) estimated that the number might be around 3.5 crore in 2019-20 which, by the third quarter of 2020, had fallen by 18 lakhs. And then, the deadly second wave struck in 2021.

If we go by the reports of the NCAER and if we go by the most optimistic projection, inbound tourism will only be around half of what it was in 2019 by 2025. And it stated that the revival will likely be slow, and will not likely reach the pre-pandemic level before 2026-27. Airplane passenger numbers dropped by 60 per cent in 2020 as a result of the COVID-19 pandemic.

International tourist arrivals declined by about 1 billion, or 73 per cent, last year, while in the first quarter of 2021 the drop was around 88 per cent, the report said.

Developing countries have borne the brunt of the pandemic's impact on tourism, with estimated reductions in arrivals of between 60 per cent and 80 per cent.

They have also been hurt by vaccine inequity. The agencies said the “asymmetric roll-out” of COVID-19 vaccines has magnified the economic blow to the tourism sector in these nations, as they could account for up to 60 per cent of global GDP losses.

Future Plan

Global vaccination plan crucial

“The world needs a global vaccination effort that will protect workers, mitigate adverse social effects and decisions regarding tourism, taking potential structural changes into account,” said Isabelle Durant, the UNCTAD Acting Secretary-General. make strategic

“Tourism is a lifeline for millions, and advancing vaccination to protect communities and support tourism’s safe restart is critical to the recovery of jobs and generation of much-needed resources, especially in developing countries, many of which are highly dependent on international tourism,” the UNWTO Secretary-General Zurab Pololikashvili added.

Rebound amid losses

It is expected that tourism will recover faster in countries with high vaccination rates, such as France, Germany, the United Kingdom and the United States.

However, international tourist arrivals will not return to pre-pandemic levels until 2023 or later, due to barriers such as travel restrictions, slow containment of the virus, low traveller confidence and a poor economic environment.

While a tourism rebound is anticipated in the second half of this year, the report expects a loss of between \$1.7 trillion and \$2.4 trillion in 2021, based on simulations which exclude stimulation programmes and similar policies.

It has been predicted that there will be 75 per cent reduction in international arrivals. This scenario sees a drop in global tourist receipts of nearly \$950 billion, which would cause a loss in real GDP of \$2.4 trillion, while the second reflects a 63 per cent reduction in international tourist arrivals.

The third considers varying rates of domestic and regional tourism. It assumes a 75 per cent reduction in tourism in countries where vaccine rates are low, and 37 per cent reduction in countries with relatively high vaccination levels, mainly developed countries and some smaller economies.

International travellers from all countries can apply for visas in Thailand under the so-called Test & Go entry program from Feb. 1 2022. Visitors will be required to undergo two Covid-19 tests after arrival, one upon entry and another on the fifth day.

First group of foreign tourists arrive at Suvarnabhumi Airport during the first day of Thailand’s reopening campaign, part of the government's plan to jump start the pandemic-hit tourism sector in Bangkok. (REUTERS/Soe Zeya Tun)

“The resumption of this program, which is expected to bring in more foreign tourists, can help strengthen the fragile economic recovery,” said Nattaporn Triratanasirikul, an economist at the Thailand will resume a quarantine-free visa program for vaccinated visitors starting next month, as the tourism-reliant nation shifts its focus to economic recovery following an ease in new Covid-19 infections.

International travelers from all countries can apply for visas under the so-called Test & Go entry program from Feb. 1, the government said after a meeting of its main Covid task force on Thursday. Visitors will be required to undergo two Covid tests after arrival, one upon entry and another on the fifth day.

“We can no longer close our borders as the economic costs will be too high,” Finance Minister Arkhom Termpittayapaisith said. “Reopening and managing the outbreak need to go hand in hand.”

Thailand has experimented with several visa, quarantine and tourism programs over the past two years to support a sector that contributed about one-fifth of GDP before the pandemic, with 40 million foreign tourists generating more than \$60 billion in 2019.

The Southeast Asian nation suspended its quarantine-free program in late December after spikes in the omicron variant were detected among foreign arrivals and in several local communities.

While Thailand did see a jump in new cases after the Christmas and New Year holidays, the numbers are far below the peak tallies during the delta wave and have yet to overwhelm the health-care system. The halting of the entry scheme, in concert with more vaccinations and tightening of local restrictions, helped keep the situation manageable, officials said. The decision to revive the quarantine-free travel program is in line with the government’s call to treat Covid-19 as endemic and efforts to revive an industry that employs millions of people.

“The government needs to find way for the economy to run on its own, so they can reduce fiscal support,” the economist said. “They can’t afford to borrow such a huge amount of money like before.” The Test & Go program, which previously allowed vaccinated travellers from about 60 countries to skip quarantine, helped attract about 350,000 visitors in just two months before it was suspended. Narrower visa plans have involved so-called Sandbox systems, under which people could arrive and remain in specific destinations like Phuket and Koh Samui with limited restrictions.

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