

ROLE OF THE DOMESTIC AVIATION FOR PROMOTING TOURISM IN SRI LANKA

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INTRODUCTION

The drive to promote tourism in Sri Lanka is obvious and could be seen with the recent escalated activities in the industry. All governments have encouraged this endeavour in many forms. The current ‘tourist boom’ in the country is targeting to reach the pinnacle by becoming the leading tourist destination and the gateway to the South Asia¹. This optimistic approach with expectation of two million tourist arrivals in year 2016² to become the third largest national economy contributor would largely depend on better and competitive services provided to tourists; security, hospitality, diversified variety of accommodation and customer focused transportation network which currently has become one of the major concerns. Hence, an effective and efficient transportation system becomes a mandatory pre-requisite to induce a competitive advantage over other competitors.

However, the existing means of transportation facilities in the country are in pathetic flight due to poor road maintenance³ and under developed rail network⁴. Domestic aviation will provide a better option for efficient internal transportation. Speed, safety and comfort are vital features that should be capitalized in this industry even though the operating cost is relatively higher than all other modes of transportation. However, with the interest to promote ‘budget travelling’ as in many other countries could set a trend in making domestic aviation a more viable means of transportation within Sri Lanka.

Sri Lanka has not capitalized on this growing trend mostly due to the civil insurgency for more than three decades. The development of domestic aviation sector has been hindered and has shut down many opportunities due to the security situation. However, with the dawn of peace, it is believed that a kick-start to domestic aviation will be a booster to revitalize tourism in Sri Lanka.

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1. Mahinda Chintanaya (2009), The election manifesto of the incumbent President of Sri Lanka, His Excellency Mahinda Rajapakse.
 2. Ibid.
 3. Dheerasinghe, K.G.D.D (2002) policy options for reforming the transport sector. Economical Review, Vol. 28, Sep/Oct, Pp. 2-3
 4. Sri Lanka Railways http://www.railway.gov.lk/future_plan.html

Rationale of the Study

The boosting up of domestic aviation definitely has an impact on tourism in Sri Lanka. However, though these two industries are complementary in nature, their behaviours and trends are yet to be tested. Though, domestic air services in Sri Lanka began way back in 1961, unfortunately, the progress made in the industry has been relatively slow. With the recent dawn of peace, new opportunities for the economic growth have emerged to achieve the new national goal of being a Newly Industrialized Country by 2015.

Boasting of a paradise on earth with a rich culture, amazing history, and mouth watering food, breath-taking sceneries, Fun, Sun, Sea and Sand topped off with the friendliest people, will not help the county's economy, unless the basic infrastructure facilities are in place. A comfortable, convenient and reliable transport system is mandatory for the host and the guest.

Currently, the lack of proper highways to cater for the needs of tourists has created a need for an alternative mode of transportation. However as of now, there is a gap between the desired and actual levels that is steadily leading to transportation problems. Therefore, the necessity to establish a proper domestic aviation transport system to offer safe, speedy and comfortable travel is evident for the enhancement and sustainability of the Sri Lankan tourism industry.

Objectives

Specific objectives to be met in this study are identified as follows:

- a. To identify to what extent and in which ways the development of Sri Lankan Domestic Aviation would lead to promote tourism industry in Sri Lanka.
- b. To identify the most relevant factors influencing the domestic aviation to promote tourism.
- c. To identify the most suitable policy measures and marketing strategies to promote domestic aviation.

Hypothesis

The analysis of the industry in other countries shows a correlation of the domestic aviation and tourism⁵. As such, a better arranged domestic aviation would be a pre-requisite for sustainable tourism in any country to attract tourists. In this context, the following hypotheses were selected to be tested in the study.

- a. Improvements of Domestic Aviation will not have a significant impact in promoting tourism in Sri Lanka.

5. Tourism Industry and Aviation, <http://pin2spu.blogspot.com/>

- b. Improvement of Domestic Aviation will create a significant positive impact in promoting tourism industry in Sri Lanka.

Methodology and Data Collection

The study deployed both qualitative and quantitative approaches by utilising empirical research methodologies and theoretical literature.

Structured questionnaires were administered among foreign and local tourists to gather primary data. The primary data were then analysed using the Statistical mathematical models.

THEORETICAL AND CONCEPTUAL FRAMEWORK

Theoretical Appraisal

Over a period of time traditional mass tourism has changed dramatically into new forms of tourism⁶. As in the conceptual model (Figure 2.1), the set of contemporary trends have influenced to affect this change and it will continue to influence the sustainable tourism.

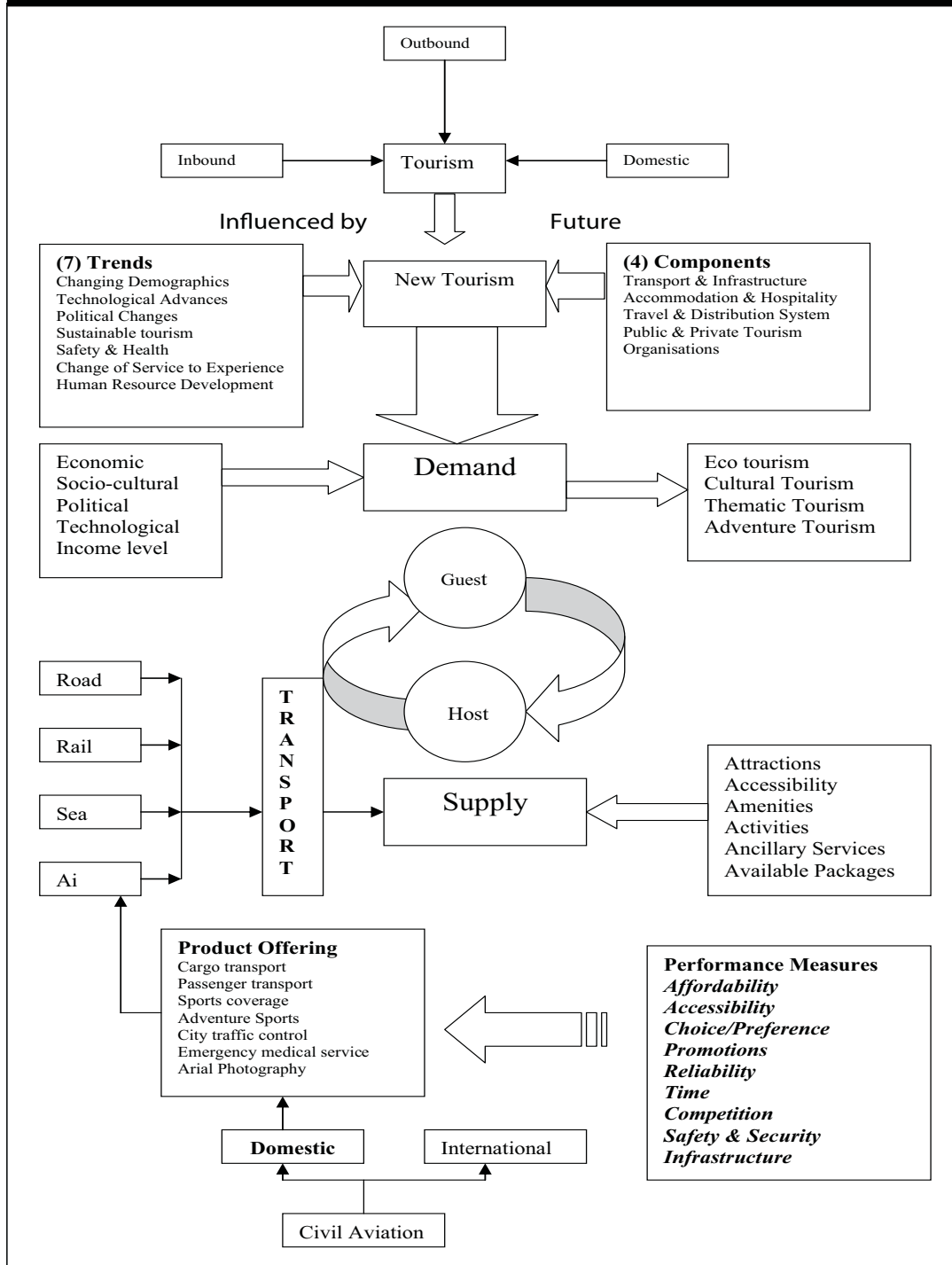
The demand generated in tourism is influenced by factors available at the originating point (Guest) and the availability of factors that guests desire at the destinations (Host). The product developed at destination is based on core components namely; attraction, accessibility, amenities, activities, ancillary services and available packages⁷. Transport is one of the main components in tourism supply chain that plays a pivotal role in all forms of tourism supply. Accessibility to destination mainly depends on the mode of transport available to the tourist. Thus, better ways of reaching the destination not only secure the future demand for the product but will also attract and retain customers. Thus, a country's capability in air transport will invariably determine the sustainability of tourism.

6. Lohmann M, New Demand Factors in Tourism, www.repository.binus.ac.id/content/G1174/G117464796.pdf

7. www.upetd.up.ac.za/thesis/available/etd-07022004-130908/.../00front.pdf

Figure- 2.1

Conceptual Model



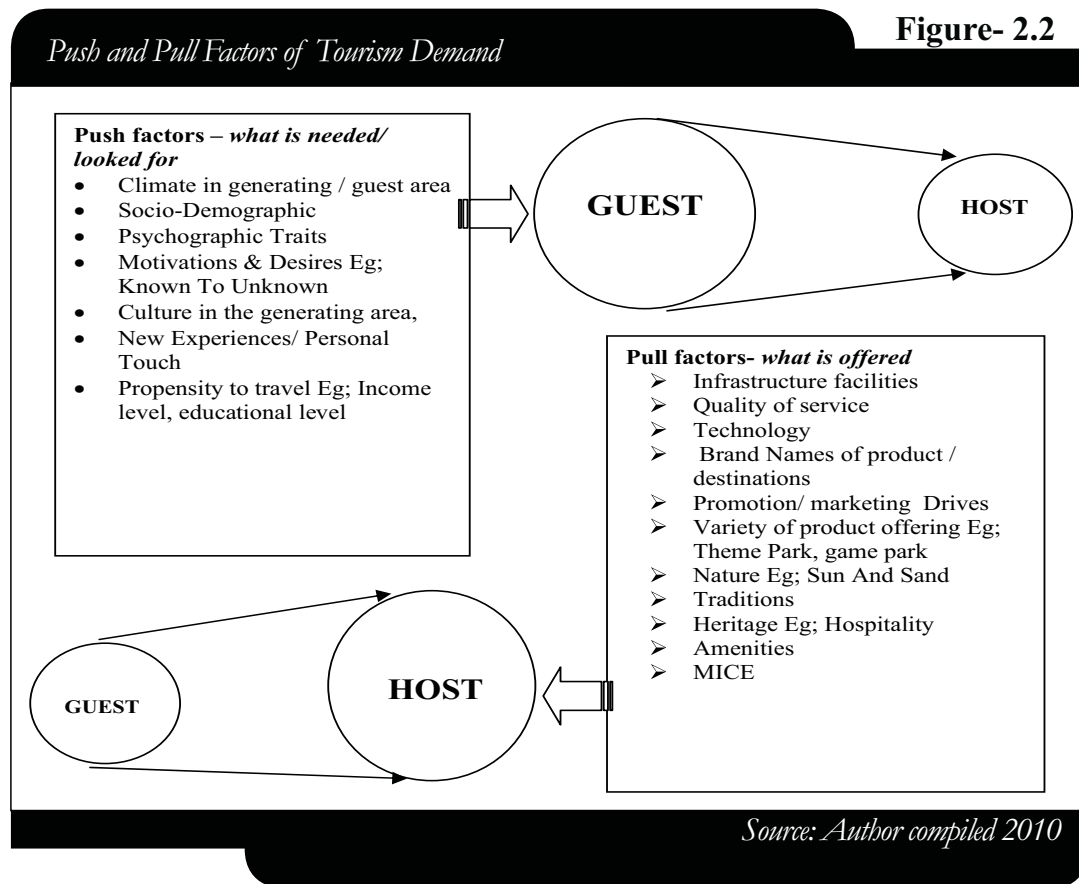
Source: Combination of the Lobmann M, New Demand Factors in Tourism and the Author

In this scenario, the supply of different products offered in terms of air transport services is essential for the future sustainability of any tourist destinations. Therefore, it is beneficial the examining of air transportation; particularly the domestic aviation performance measures developed in the conceptual model in Figure 2.1.

Theoretical Aspects of Tourism Demand and Meeting Consumer's Paradox

The emergence of new tourism has led to their demands been driven by the push and pull factors described in Figure 2.2. The tourists' attraction factors available with the host nation are considered as the 'pull' factors, while factors that a guest seeks are known as 'push' factors⁸.

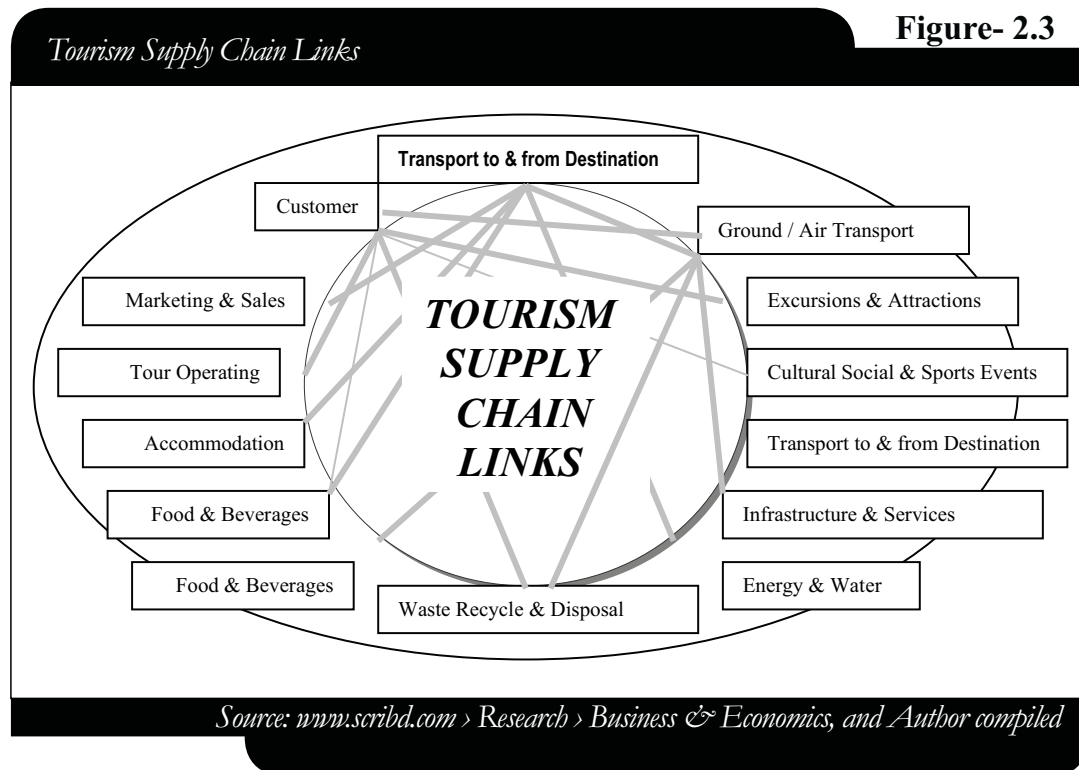
An important factor of tourism demand determination is the economic distance; on how easily and economically a tourist can reach the destination. In other words the main concerns are the time and the cost involved in reaching the desired destination.



8. www.ecoturismolatino.com/.../naturemotivationecoturismolatino.pdf

The amount of free time and disposable income of residents in tourist origin areas determines the overall volume of demand for travel, *pushing* tourists towards destinations, while the differences in climate, culture and other attractions of the destination *pull* visitors towards it. Hence, the access difficulties such as transport barriers or poor infrastructure would inhibit the tourist flow to the destination.

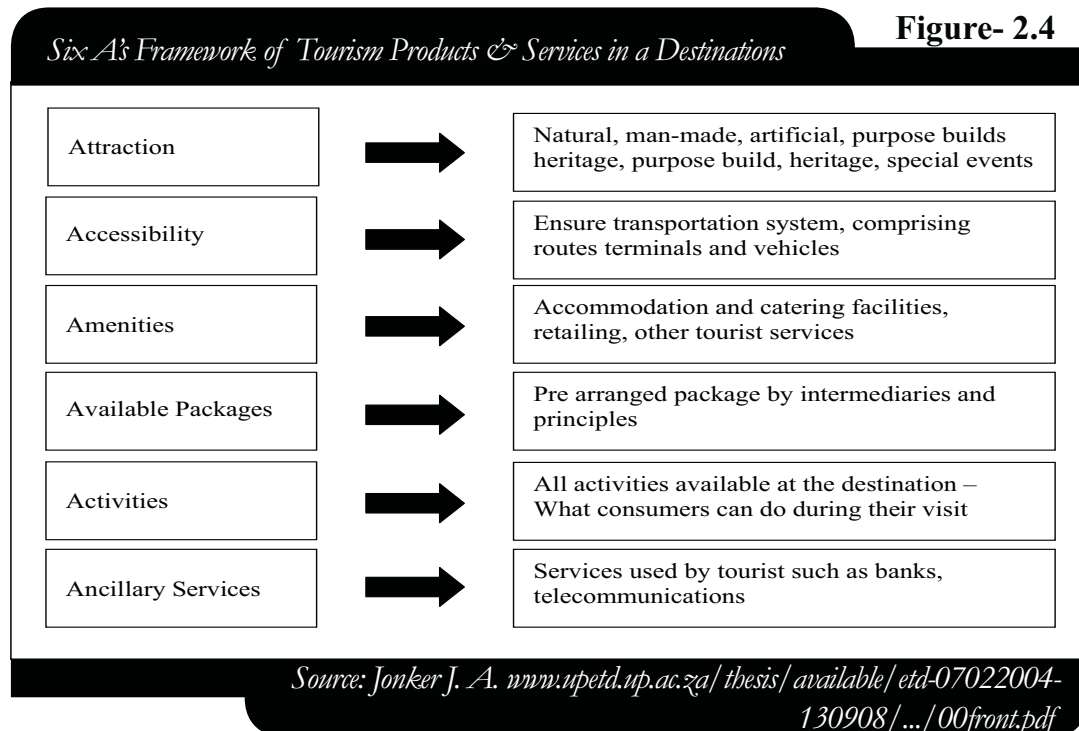
The elements of tourism supply are: attractions such as natural (land forms flora and fauna), man-made (historical and modern), cultural distinctions, accommodation, catering, entertainment, other affiliated services (provided by banks, shops, travel agents, and tour operators etc) and infrastructure development. The tourism supply chain comprises the suppliers of all the goods and services that go into the delivery of tourism products to consumers. Therefore, tourism like all other supply chains operates through business-to-business relationships. Hence, as shown in Figure 2.3, the mode of transport is a crucial component in delivering the product developed for the consumption of tourists.



Where the facilities are concerned, the entire infrastructure related to accommodations, communication, transportation is vital elements. In this context, it is essential to offer quality transport apart from other facilities. Thus, the use of air transport to facilitate their travel is the focus of this paper.

Tourism product offer at a destination has been categorised into six core component. The Figure 2.4 illustrates the six A's framework for analysis of product and service offer to tourists.

Accessibility and transport have a greater effect on tourism. A good transport system widens the dispersal of tourists and enables to reach countrywide destinations. Improving accessibility enhances the mobility. Therefore, better accessibility to any destination invariably creates high demand of tourism and determines tourist arrivals to a larger extent.



TOURISM DEVELOPMENT IN SRI LANKA

Demands for Tourism in Sri Lankan - Present Travel Trends and Future Scenario

Today's travel trends are totally different to yesterday's and so will be tomorrow's as consumer needs and wants become diverse and complex. Until recently, Sri Lanka's major product has been the three 'S'; Sun, Sea and Sand but recently turned into other products; eco tourism, adventure tourism, sports, ayurvedic therapy, culture and community tourism⁹. Most of the tourist arrivals are for leisure but there is growing "business tourism" in Sri Lanka as the industrial sector being invested heavily by foreign companies.

9. Tourism Industry and Aviation, <http://pin2spu.blogspot.com/>

Contribution of Tourism for National Foreign Exchange Earnings

Following Table 3.1 indicates the contribution of tourism industry towards the National Foreign Exchange Earnings since 2001.

Table- 3.1

Tourism Industry Contribution to the National Foreign Exchange Earnings (NFEE)

YEAR	EARNINGS(SRI LANKAN RUPEES) MILLIONS	EARNINGS(USD) MILLIONS	NFEE RANK
2001	18,863.3	211.1	5th
2002	24,202.0	253.0	5th
2003	32,810.0	340.0	5th
2004	42,666.0	416.0	4th
2005	36,377.3	362.3	4th
2006	42,585.5	410.3	4th
2007	42,519.3	384.4	4th
2008	37,094.0	319.5	6th
2009	37,506.0	326.3	6th

Source: Annual Statistical Reports 2001- 2009 Sri Lanka Tourism Development Authority

The Importance of Transport in Tourism

Transportation is an essential support service to the tourism industry for the dispersal of tourists into countrywide destinations. Lack of proper transport facilities could be due to either inadequate infrastructure or poor management of the prevalent transport network. It could also be due to non availability of alternatives to the existing systems. Congestions are a major problem in road transportation. In Sri Lanka, majority of the above conditions exist and thus the convenience, reliability, comfort and safety of tourists travel are at risk.

Substitutes for Air Transport

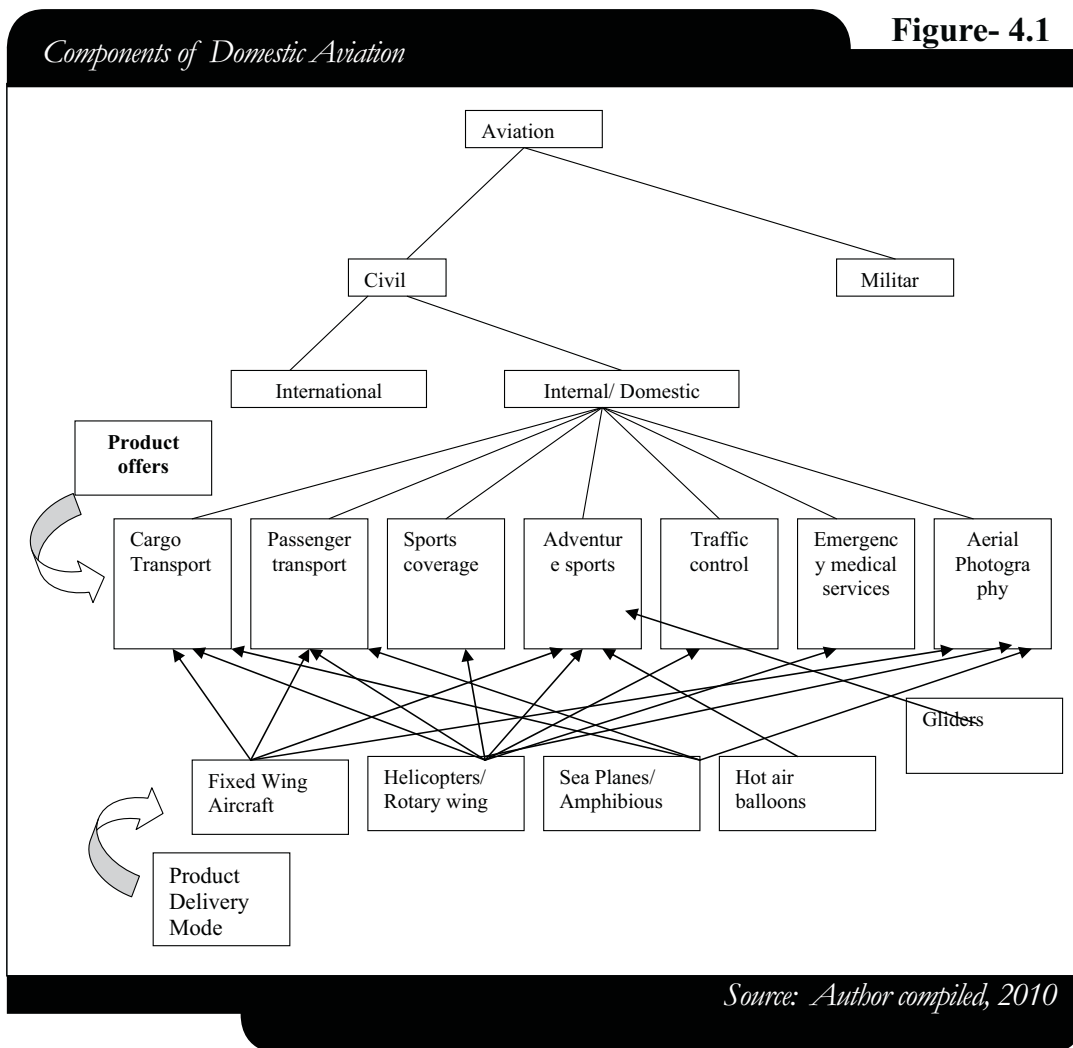
Sri Lankan Rail network is of vintage British era without developments. Road transport is congested, risky and uncomfortable. Further, an average of 2,000 fatalities per year has threatened the public safety to a greater extent. This too encourages the promotion of world's safest air transportation in our domestic skies. Among the many modes of transportations, air transportation forges ahead of all the others in terms of speed, safety and comfort¹⁰.

10. Times of India, <http://timesofindia.indiatimes.com/biz/international-business/Asia-now-worlds-biggest-air-travel-market-IATA/articleshow/5522824.cms>

SIGNIFICANCE OF DOMESTIC AVIATION TO PROMOTE TOURISM

Domains of Domestic Aviation

It is evident that domestic aviation is not confined solely to passenger transport. It also provides many other components as illustrated in Figure 4.1 Development of aviation as an industry has a catalyst effect on tourism. Therefore, prompt strategies are essential by authorities to gain competitive and comparative advantage in tourism industry.



Progress in Domestic Aviation in Sri Lanka

Air transport has undergone a series of changes in Sri Lanka due to increased demand, competition, emergence of regional groupings, technological advancements and privatisation. Aviation as a mode of transport to the island nation is indispensable as over 99% of inbound traffic was channelled through air transport¹¹.

Domestic Aviation

Though the first airplane was brought to Sri Lanka in 1911, there were no significant domestic aviation activities until 1961. Thereafter, domestic air services had flourished until the government suspended operation in 1995 due to security situation in the country.

The ‘Helitours’; the commercial arm of SLAF was authorized to carry out limited operations under stringent security measures. Such activities discouraged both the tourists and those who were interested in utilizing the limited facilities. Later, a couple of operators shared the heavy military air transport demand to the Northern Peninsula of the country. With the dawning peace, a ray of hope appeared. Today there are seven domestic operators (table 4.1) to satisfy internal air transport needs of tourists.

Table- 4.1

<i>Domestic Airline Operators</i>		
Operator	Flight Status	Aircraft Deployed
AeroLanka	Charter/schedule	Fixed wing
Air Taxis	Charter/schedule	Float Plane
Daya Aviation	Charter	Fixed wing
Deccan Aviation	Charter	Helicopter
Expo Aviation	Charter	Fixed wing
Cosmos	Charter	Helicopter
Heli-tours	Charter	Helicopters & Fixed wing aircraft

Source: Surveyed data, 2010

The Role Played by the Sri Lanka Air Force (SLAF) in Domestic Aviation

SLAF controls over 90 percent of country’s aviation related infrastructure. At present, out of the 14 airfields around the country, the majority of the airfields

11. SLTB Annual Reports.

are operated by the SLAF (Figure 4.2). The Bandaranayake International Airport (BIA) in Katunayake is controlled and maintained by Airport and Aviation Services while the SLAF share the runway facilities.

Distributions of Airports in Sri Lanka

Figure- 4.2



Source: Sri Lanka Air Force

SLAF has played a major role in domestic aviation. The expansion of Heli-tours operations can be divided into three eras; prior to the domestic air services ban in 1995, during the period of ban and after 2002. The available data are represented in Table 4.2.

Table- 4.2

Quantification of Heli-tours Domestic Aviation Demand

Year	Flying Hours	Revenue (Rs: M)	Year	Flying Hours	Revenue (Rs: M)	Year	Flying Hours	Revenue (Rs: M)
1984	501.25	45.44	1995	N/A	N/A	2003	177.3	53.04
1985	210.4	4.22	1996	N/A	N/A	2004+	163.1	29.59
1986	Not Flown		1997	124.3	40.55	2005*	81.1	15.96
1987	N/A	2.97	1998	115.4	8.51	2006	78.20	14.82
1988	N/A	5.31	1999+	245.4	25.44	2007	96.40	18.39
1989	N/A	41.14	2000	133.1	14.32	2008	44.15	7.95
1990	N/A	9.7	2001	112.3	91.1	2009	278.25	66.35
1991	N/A	5.99	2002	132.2	21.23			
1992	N/A	3.86						
1993	N/A	9.07						
1994	482.35	21.61						

* Interim value (Only up to March) N/A: Not Available

Source: SLAF History by Senaratne, 1998 and survey compiled data, 2010

The table emphasises that domestic flying activities have taken place over a considerable period. SLAF had the monopoly of providing domestic air services from 1995 until 2002. It has the competitive advantage over other operators as the Air Force owns or/and maintains most of the infrastructure. The important point is that SLAF is not in a position to meet the customer demand in full, as commercial operations are only a fraction of its operational scope. Therefore, the above Table 4.2 does not represent the entire demand of the country.

Demands for Domestic Aviation

The demand for domestic aviation has neither been quantified nor empirically derived. Therefore, the significance of the industry has been overshadowed in spite of the demand being evident in many forms.

In deriving the tourism's specific demand for domestic aviation, it is important to understand the main attractions of tourism in the country. The main attraction for tourists is the beach¹². Other attractions too are mostly away from the Commercial City of Colombo. The statistics of tourist guest nights in hotels in 2009 as in Table 4.3 shows that only 27 percent of total guest nights in Colombo while the greater Colombo area with a lesser figure of 22 percent. This

12. www.goldiholidays.com/major_attractions_sri_lanka.htm

means that 51 percent of total tourist guest nights are away from Colombo or its suburbs, which involves extensive travelling. Sometimes road access to those destinations require a full days travelling due to the countrywide poor transport infrastructure which strongly influences the demand for domestic aviation. It is evident that air transport will definitely attracts the tourists who have limited especially the businessman travellers and investors.

Table- 4.3*Foreign Guest Nights in Tourist Hotels – 2009*

Resort Region	Annual Total	%
Colombo City	758,595	26.92
Greater Colombo	602,233	21.36
South Coast	915,517	32.48
East Coast	26,025	0.93
High Country	92,720	3.29
Ancient Cities	423,397	15.02
Northern Region	N/A	N/A
All regions	2,818,487	100

Source: SLTB Annual Statistical Report 2009 Compiled by Author

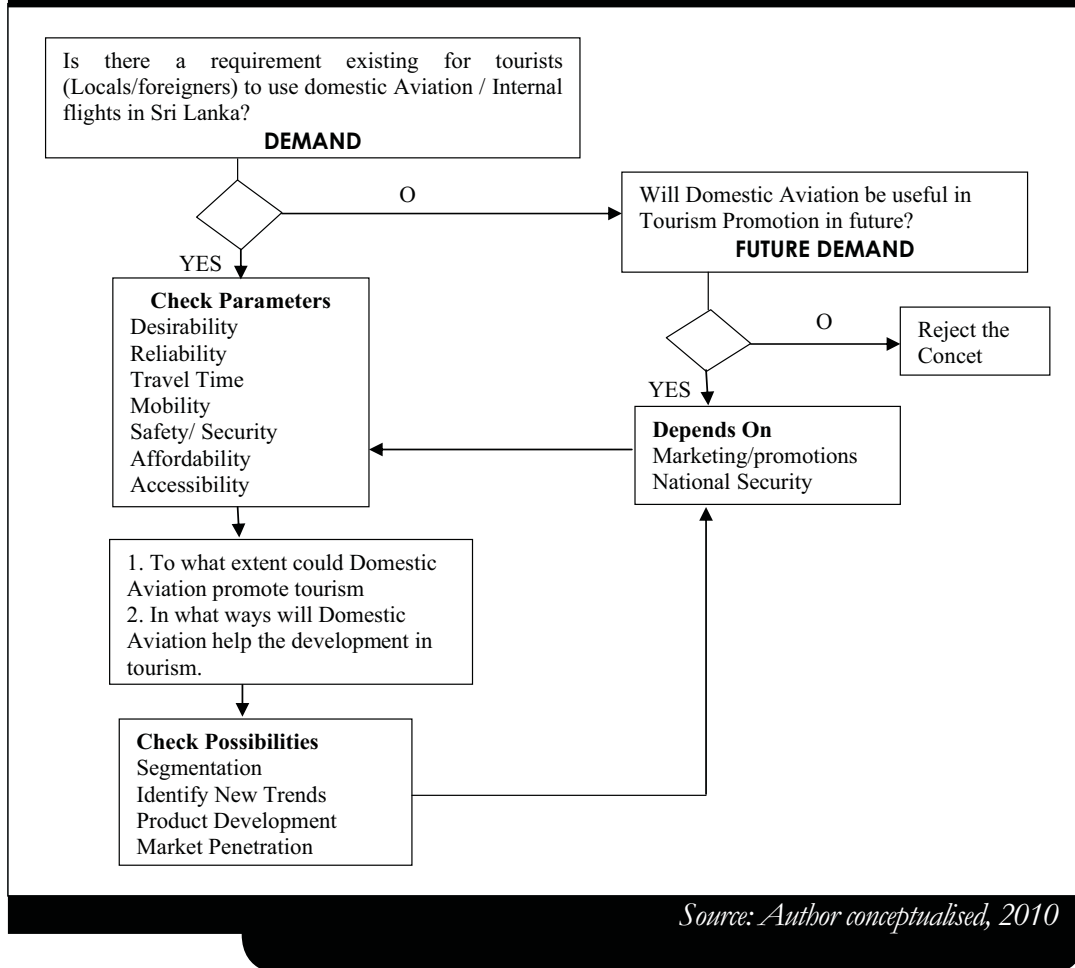
Bridge the Gap between Domestic Aviation and Tourism Demand

As discussed previously, it is strongly felt that the demand for domestic aviation has not been adequately addressed. This has created a huge gap between its supply and existing demand. The tourists' demand for a better transport system is achievable in many ways. Air transport is one of the best modes in terms of speed, comfort and safety and such factors are becoming pre-requisites in determining the tourists' attractions to any destination. Sri Lanka being one of the contenders in the region with better prospects, should strive to meet the demand for two reasons. Firstly, it helps to be in par with the regional and global competitors while the second being the unsatisfactory road and rail network in the country.

The Conceptual model in Figure 4.3 attempts to identify domestic aviation demand and its shape for the development of the tourism industry.

Conceptual Appraisal of Sri Lanka's Domestic Aviation for Tourism

Figure- 4.3



Source: Author conceptualised, 2010

Dependant and Independent Variables

Demand for domestic aviation depends on many independent driving variables which are mentioned below. These factors directly influence the tourists to select domestic aviation as a mode of transport for their travel destinations as it provides them wide variety of advantages. The applicability of these factors can be ascertained by measuring developed indicators in Appendix I.

- a. **Travel Time.** The time taken to complete a desired journey.
- b. **Desirability.** The extent to which it attracts the tourists to make use of domestic aviation instead of using other modes of transport.
- c. **Affordability.** The ability of the tourist, meeting the supply of air transport at a reasonable price.

- d. Mobility.** Reaching of the desired destinations with relative ease within a reasonable time at a reasonable cost and a choice.
- e. Accessibility.** The availability of air passage to the required destinations where tourist resorts or attractions are situated.
- f. Reliability.** The level of variability in air transportation service between anticipated and actual travel.
- g. Security and Safety.** Safety and Security is minimizing risk of uncertainty in travelling.

ANALYSIS OF RESULTS

The statistical tools; SPSS version 7.5 and Chi Square Distribution and MS EXCEL package were utilised for data recording, tabulation and data analysis.

Summary of Sample Data

Two sets of independent structured questionnaires were distributed among both foreign and local tourists. Only 100 and 50 responded questionnaires from foreign tourists and local tourists respectively were qualified to use for the data analysis.

Comparative General Outlook of Tourism Demand

Foreign Tourists Profile

The sample representation of foreign tourists implied that 55 percent on vacation, leisure or holiday and 39 percent arrived for business purposes. Further, indicated that 75 percent of tourist spent less than 14 days in Sri Lanka. Also 67 percent have visited Sri Lanka for more than once and more than 75 percent of tourists are over 40 years of age.

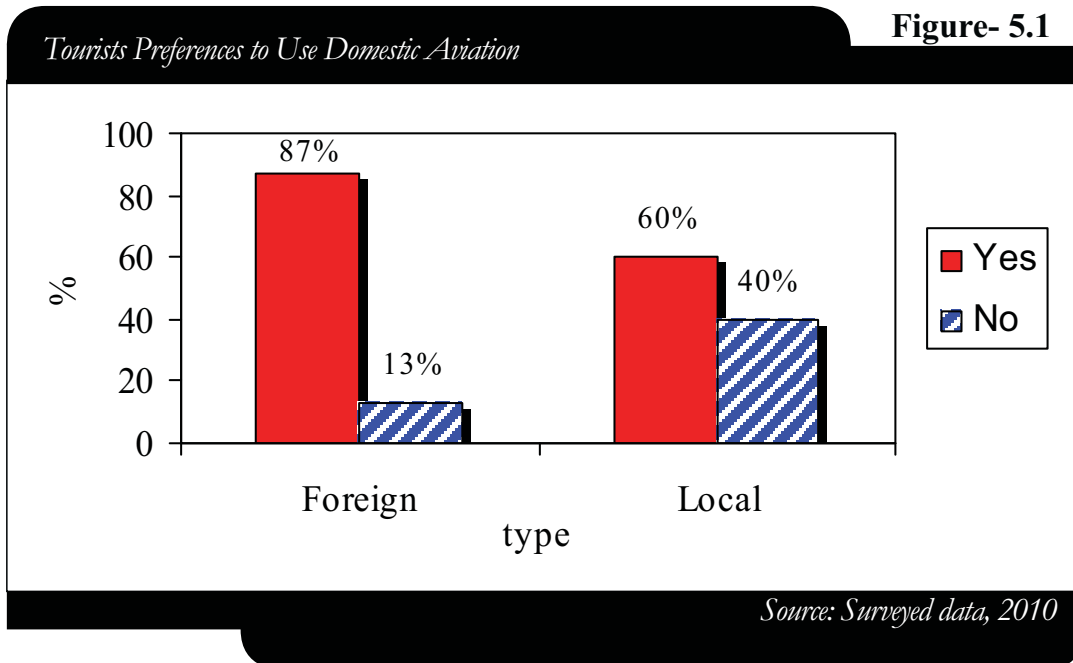
Local Tourists Profile

The sample representation of local tourists implied that majority made their trips quarterly with their families and 75 percent of them are between 30-39 years of age. Interestingly 80 percent are willing to spend extra money on air transport to that of road transport.

Summary of the New Tourism Profile

With the above details it is clearly evident that the product offering should be differentiated for both local and foreign markets.

The Figure 5.6 depicts that both the foreign and local tourists indicated higher rate of willingness to use domestic aviation.



Road Transport - The Tourist's Perceptions

As per the responses over 75 percent of foreign and local tourists are dissatisfied with the road transport and hence not conducive for the development of tourism. Though, there are several factors affect to this dissatisfaction, one of the major concerns is the time spent due to road traffic. The details are depicted in the Table 5.1. These responses, by no means, indicate future prospects in tourism. Such inconvenience in reaching desired destinations will lead to finding alternative modes of transportation. Domestic air transport would be the best alternative to overcome this issue.

Table- 5.1*Tourists' Rating on Road Travel Experiences*

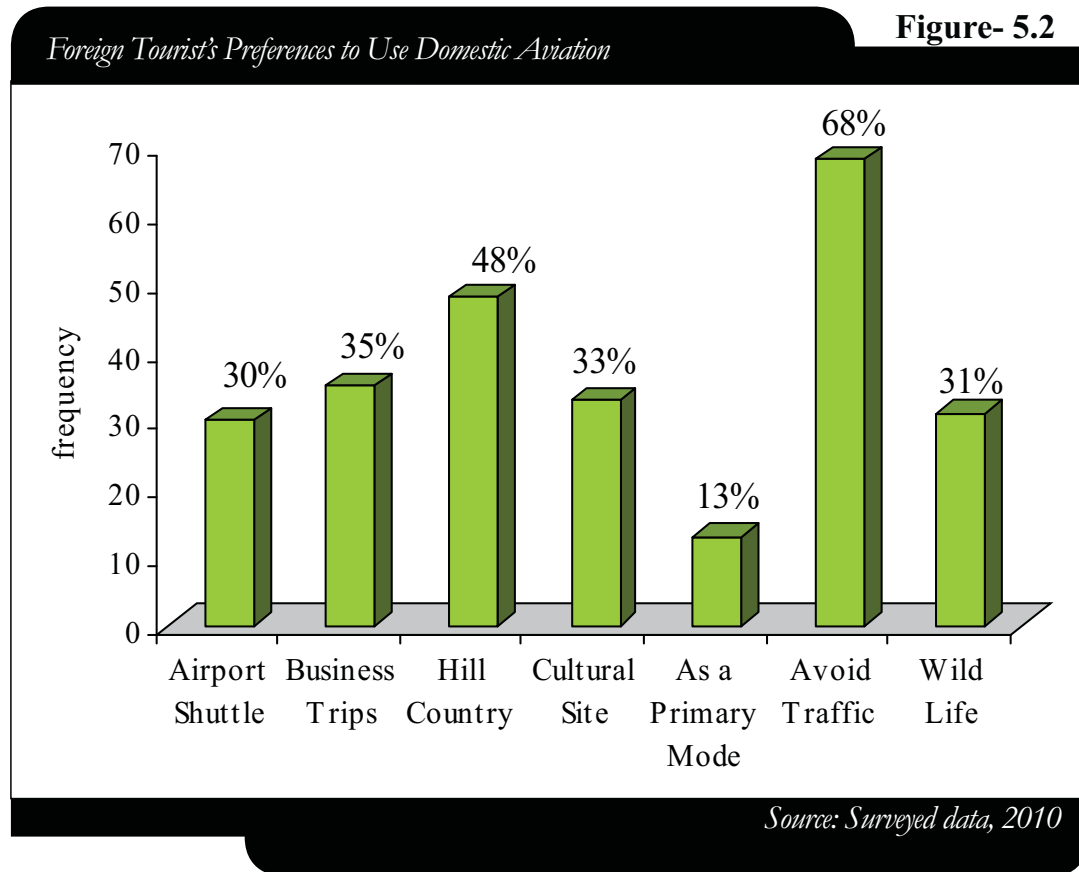
	Foreign		Local	
	Among the worst/not as good as most (%)	Same as most or better than most/Among the best (%)	Among the worst/ not as good as most (%)	Same as most or better than most/ Among the best (%)
Concern of road discipline and safety by the drivers	77	23	70	30
Your safety as a passenger	74	26	46	54
Discipline of the other motorists	72	28	80	20
Convenient to travel	72	28	52	48
Time spent due to road traffic	78	22	82	18
Road conditions	74	26	74	26

*Source: Surveyed data, 2010***Market Potentials for Domestic Aviation for Tourism Developments**

Tourists' attractions are scattered in different parts of Sri Lanka and hence require extensive travelling. Over 99 percent of the inbound tourists use air transport on their arrival to Sri Lanka through the only international airport in Katunayake which is 30 km from the commercial city Colombo. These tourists may be willing to reach the desired destination straightaway due to the time factor and other reasons. Further, it is found that passengers would stay 6-8 hours on transit at BIA. For them, a quick round trip would be a bonus. As such, to cater for such preferences, air transport would be a worthwhile and convenient option.

Figure 5.2 indicates the reasons to use domestic aviation by a foreign tourist in Sri Lanka. That amply denotes they are not satisfied with the road transport and would like to reach destinations quickly.

The foreign sample statistically indicates that they would stay in the country less than seven days which reflects the new global tourism profile, where the tourists' stays are becoming shorter. On the other hand variety of attractions scattered in many parts of the island could be reachable with ease and less time, allowing the tourists to enjoy more time on their leisure activities. Thus, the speed air transport will have a definite edge over other travel options.



In contrast local tourists prefer air transport to get new travel experience together with their families which could be a profitable venture in providing such services to locals with an aggressive marketing promotional drive

However both foreign and local tourists preferred for introducing budget air travelling probably with no-frill packages.

Present State of Domestic Aviation

According to the survey, tourists have not consumed domestic air services to reach their destinations primarily due to lack of awareness on the availability of

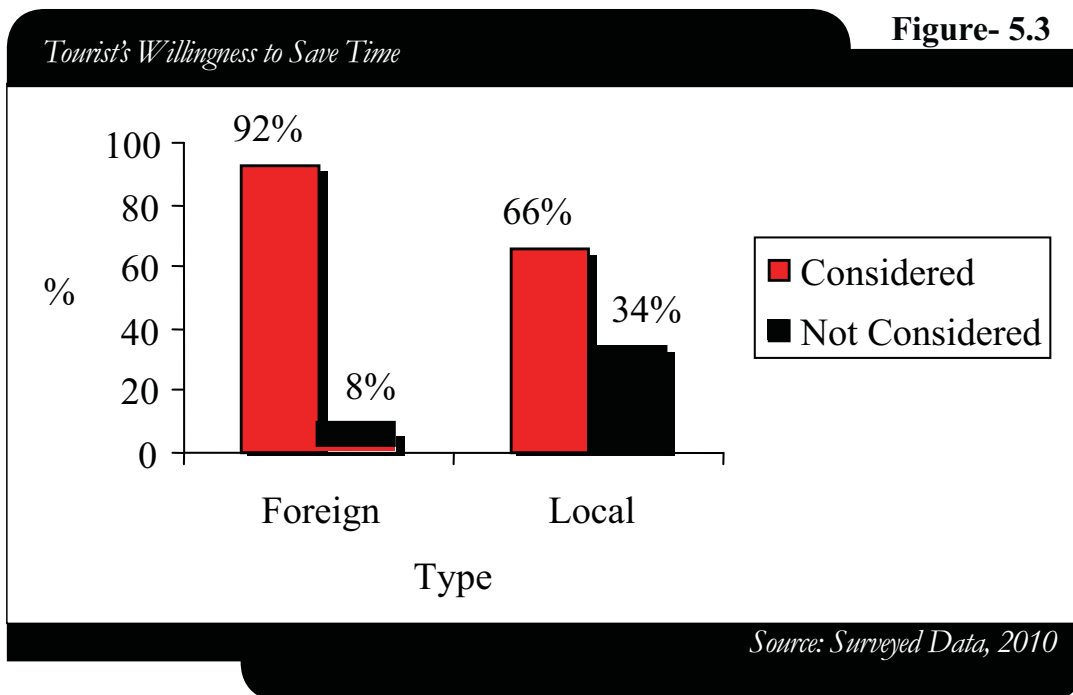
such services. Therefore, it could be determined that the poor marketing has led the industry to such a grave state. Even though, few tourists who flew helicopters were higher than any other types of aircraft, the results were not statistically significant for any prediction on the type of aircraft preferred by the tourists.

Analysis of Conceptual Model for Domestic Aviation

This study identified seven factors; Travel Time, Desirability, Affordability, Mobility, Accessibility, Reliability and Safety and Security that customers will consider in making preferences to use domestic air travel in Sri Lanka. The analyses of these parameters were measured with relevant developed indicators. The statistical analyses are mainly based on CHI SQUARE distribution as in Appendix II and the findings are indicated below.

Travel Time

Following Figure 5.3 indicates the willingness of the tourist to save time.

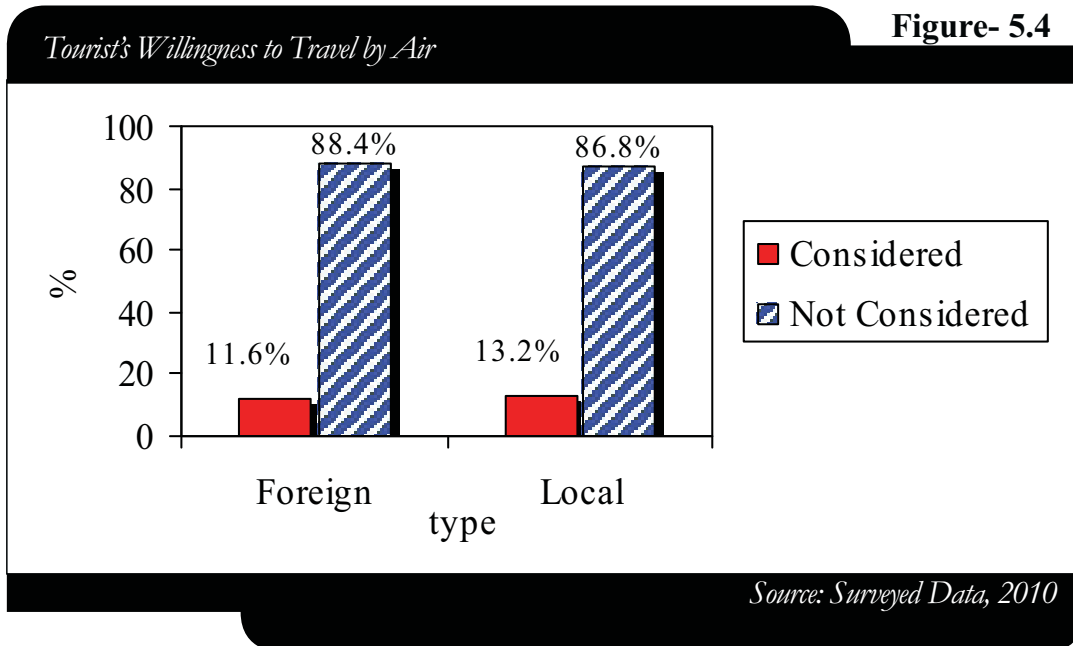


In terms of travel time, most significant factor is the tourist's willingness to save time. It clearly indicates followings as the timewasters:

- a. Adverse existing road travel conditions.
- b. Waiting time to boarding aircraft due to security checks.

Desirability

Tourists' willingness to travel by air is depicted in Figure 5.4.



As per the findings customers would as would not.

- a. Inner desire to travel by air.
- b. Travel comfort.
- c. Maintain class and prestige.

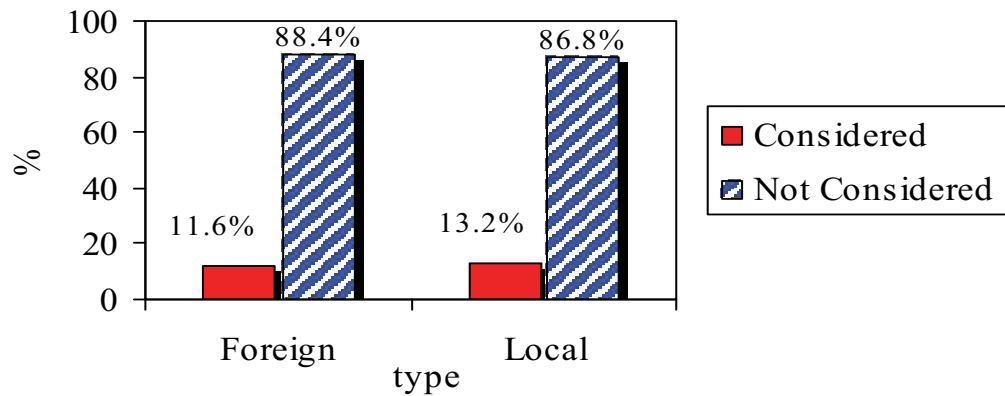
Even though, many indicators tested to ascertain desirability of tourists, the results resembles that only the willingness to spend extra money is strongly significant in their desires to choose domestic air transport. However, other factors such as poor road conditions, travel comfort etc can not be neglected even though these were statistically insignificant.

Affordability

Travellers in general seek wallet friendly air travel. Majority of people believe that travelling in an aircraft is not affordable. These figures are in figure 5.5. Hence, main consideration of the tourists to select air transportation is to be the price of air tickets.

Main Reasons for NOT considering Air Travel

Figure- 5.5



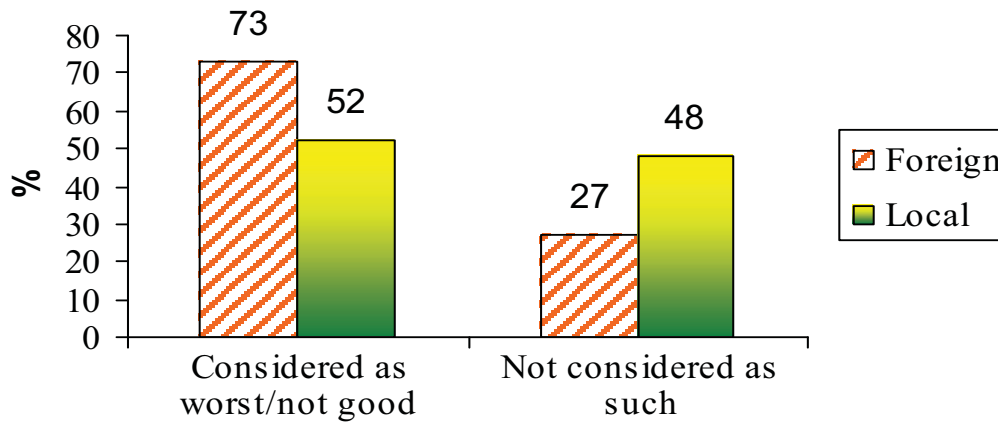
Source: Surveyed data, 2010

Mobility

The results of the tourists' consideration on travel convenience are shown in Figure 5.6.

Tourists' Consideration about the Convenience in Travelling

Figure- 5.6



Source: Surveyed data, 2010

The tourists viewed the mobility as one of the determinant factors to pick domestic air travel. As such, the bottom line is that if the tourists cannot easily reach their desired destination using a mode of transport, there is a strong possibility to satisfy such requirements through other modes of transport. One such factor, which hampers the mobility, is the peoples concern of convenience in road travelling.

Accessibility

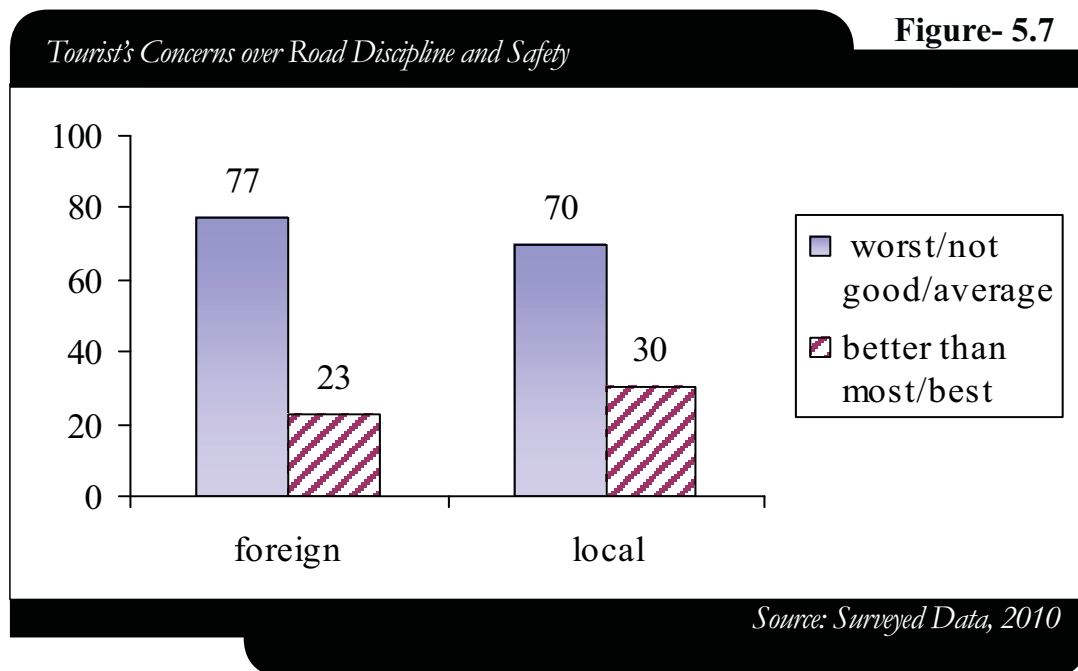
As per the analysis, it was statistically proven that difficulties in ticket bookings or reservations would be a significant/decisive factor. However, the demand for domestic aviation does not greatly depend on the non availability of aircraft or flights as any other modes of transport.

Reliability

Only 26 foreigners and 1 local have responded for the related questions. As such, responses by the locals proved to be inadequate for analysis. However, as per the foreign tourists and the statistical analysis, it is proven that overall performances rating of flights are a significant factor to measure the Reliability.

Safety and Security

Passengers concern safety and security in consuming the air travel services. Also, the insecurity and unsafe conditions of road travel enables the passenger to go for other options. The Figure 5.7 indicates the rating of the tourists over road discipline and safety concerns. This reflects over 70 percent of tourists rated road travel as unsafe and insecure. This factor will have serious impact on selecting air travel as an alternative to the road travel.



When considering the conceptual model as a whole, it is evident that the developed indicators (Appendix I) to build the relationship between the parameters for measuring the impact of domestic aviation attributes in different magnitudes. Some have negligible effect on parameters. On the other hand, some of them have not shown any statistical significance, though seen correlations among them.

Qualitative Analysis on Research Findings

Many forms of obstacles which hamper development were surfaced during the study. The main obstacles which were surfaced are:

- a. Absence of a national policy.
- b. Political instability of the country in the past.
- c. Tug-a-war between defence authorities and the Civil Aviation Authority (CAA) over de-regulation of domestic flying over security uncertainties.

Undoubtedly, those obstacles contributed to a great extent, and withheld the very important service products not being able to sell in the market.

RECOMMENDATIONS AND POLICY IMPLICATIONS

Necessity to Develop Domestic Aviation

The research finding reveals that necessity to develop domestic aviation can be broadly categorized into (1) customer demand (2) capture new niche market and (3) use as an alternate to road transport. This study proves that there is a growing demand for domestic aviation and approximately 90 percent are foreign and 60 percent local travellers would seek domestic air travel.

Road travel in Sri Lanka proved to be painful and consumers require alternative modes of transport. They were dissatisfied with the existing road network. In terms of convenience, speed and safety; air travel is preferred over others. However, insufficient supply of domestic airline operations, number of aircraft and the types of aircraft for various roles of operations would need development.

Barriers for the Development of Domestic Aviation

Even though, there is an urge for domestic air operations, the growth is curtailed by few artificial and natural barriers. This situation is further aggravated due to non availability of a national level plan for promoting the domestic aviation as an industry. Also, the severe bureaucratic administration between organisations concerned prevents a meaningful dialogue to overcome the issue. The most probable barriers are:

- a. The overall national security of the country.
- b. Limited availability of aviation related infrastructure.
- c. Cost factor.

Degree of Required Development in Domestic Aviation

Having explicitly addressed the necessity for developing domestic aviation, it is imperative to understand to what extent and in what ways the development should be progressed. It requires a multi-dimensional approach as follows;

- a. Quantification of total output to the national economy considering direct and indirect revenues, to facilitate strategic decision making, justifying the required development to the masses.
- b. Streamlining of the distribution of available facilities.
 - (1) Commencement of an air shuttle service from BIA to Colombo
 - (2) Speedy construction of the already proposed aerodrome at Mattala Hambantota.
 - (3) Development of airfields at China-bay and Koggala.
- c. Commencement of Helicopter operations for passenger transportation. Encouraging of hoteliers to build private heliports under the supervision of CAA in the outskirts of Colombo.
- d. Expansion of the scope of the float plane operations to facilitate additional flexibility to the operators.
- e. Formulation of a plan to share the facilities presently available under the supervision of SLAF.
- f. Implementation of a mechanism to utilize the ground support activities.

Influential Factors in Selecting Domestic Aviation

This study tested preferences of a tourist to select domestic air travel as a travel mode, directly and indirectly by using a model. These results are vital in formulating new strategies, introducing new products, and as a whole satisfying the consumer.

Direct Factors

The most relevant factors according to foreign tourists consideration are; (1) Saving time (2) Avoid traffic jams (3) travel comfort (4) Avoid delays in attending business meetings/travel schedule and Affordable prices. On the other hand, locals' preferences do not have much difference. According to them, the much relevant factors are; (1) Save time (2) travel comfort (3) Affordable prices (4) Avoid traffic jams and willingness to travel by air.

These findings revealed the concept that domestic aviation should be based on to save time.

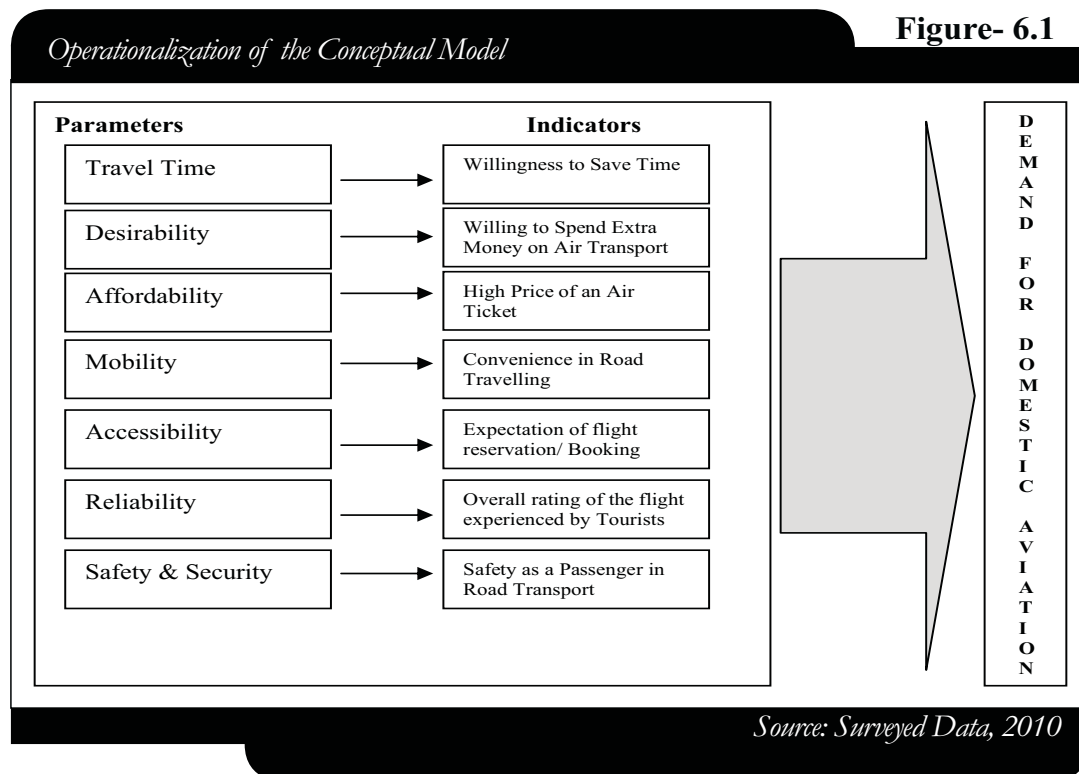
Dilapidated road conditions, unruly drivers and long hours of traffic jams in Sri Lanka are appeared to be negative factors for tourism and travel industry promotion. Both foreign tourists (relatively high) and locals have accepted the fact by giving preference to travel by air due to the above reasons. This fact encourages the prospect for domestic aviation.

Also the results disproved that the general hypothesis that people use air travel to maintain the class and prestige. Another important factor discovered in the study is that the aircraft utilisation for passenger transport should be adequately comfortable. Moreover, tourists request wallet friendly budget airlines and such preferences are relatively high among the locals.

Derived Factors

The conceptualized model to appraise the micro factors which influence the demand for domestic aviation was mathematically tested to operationalise the factors and the following model was emerged.

Accordingly, the parameters defined and indicators tested were proved that they have a strong relationship to the overall demand for domestic aviation from the tourists' perspectives.



According to the traveller profile, tourists in general are willing to spend less time on travel. Even though, they agree to spend extra money on air transport an exorbitant ticket prices would avert those using domestic flights. Further, tourists are particularly concerns of road travelling and their safety as a passenger. The lack of above would significantly increase the demand for domestic flights and vice versa. Moreover, in terms of accessibility tourists expect better flight bookings and reservations. Finally, the tourists expect better overall conditions of domestic flights.

Policy Implications and Marketing Strategies

The development of domestic aviation requires numerous approaches. Such as:

- a. Controlled de-regulation of domestic aero-space policies to allow better leverage for all the operators without undermining national security
- b. Short-term and long-term integrated infrastructure development plan (incorporating government and non-government agencies) using emerging concepts and techniques.
- c. Encouragement of private sector investors to commence new airlines giving investor incentives.
- d. Introduction of aggressive strategies considering the marketing mix; price, place, product and promotion to penetrate the market. Different promotional approaches through customer focus segmentations in developing new products/services.
- e. Implementation of aggressive marketing campaigns both locally and overseas to communicate on promotional activities to tourists to educate them on domestic air travel.
- f. Exploring strategies to cut down airfares to make affordable to the majority by introducing exclusive offers to encourage high-end tourists.

Benefits to Stakeholders

If the domestic aviation can fulfil the expectations of the tourists, the tourism industry of Sri Lanka would definitely have tremendous boost in years to come. Development of domestic aviation brings multifaceted benefits to both the industries as well as their stakeholders (Tourists, government of Sri Lanka, aviation operators and the entire community). However, this circle of benefits should be carefully formulated to avoid its own demerits.

CONCLUSION

Despite the tourism industry showing an increase in growth in the recent months, in terms of number of tourist arrivals, its sustainability is being threatened, unless new innovative strategies are been implemented to promote travelling. Even though, the island is small, it offers diverse activities, amenities and attractions scattered geographically in all parts. The emerging new tourist profile and their motives in seeking new experiences in travelling creates a necessity to use safe and speedy mode of transport with a better accessibility in reaching such destinations.

However, today, due to poor state of the very same facts the marketability of many tourism products is highly questionable. It further aggravates due to dilapidated road network and tourists doubts on road safety and security. Moreover, the value of time is considered utmost important to both local and foreign multi-destination, package or business tourists. A well geared domestic aviation network would undoubtedly elevate the Sri Lankan tourism industry to a new spectrum. It will not only promote tourism, but also expand its wings to other fields as elaborated in this study. Therefore, every possible action should be taken to develop domestic aviation to harvest future dividends simply because what it appears today as impossible will become a reality tomorrow.

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APPENDIX I

DEVELOPED INDICATORS FOR THE CONCEPTUAL MODEL ON IMPACT OF DOMESTIC AVIATION FOR PROMOTING TOURISM IN SRI LANKA

Parameter	Indicators
Travel time	<ul style="list-style-type: none"> a. Propensity to save time b. Time spend on road traffic c. Time taken to reach destination d. Delays occurred in scheduled meeting /visits e. waiting time for boarding aircraft f. Baggage handling delays g. Airborne delays
Desirability	<ul style="list-style-type: none"> a. Willingness to travel by air b. Willing to get travel comfort c. Maintain class & prestige d. Willingness to spend extra money on air transport e. Willingness to travel by road f. Overall rating of road transport
Affordability	<ul style="list-style-type: none"> a. High price of ticket b. Affordable price
Mobility	<ul style="list-style-type: none"> a. Road condition b. convenience in travelling
Accessibility	<ul style="list-style-type: none"> a. Making flight reservations/booking b. Connecting transport before and after the flight c. Availability of flights
Reliability	<ul style="list-style-type: none"> a. Difference between actual and scheduled
Safety & security	<ul style="list-style-type: none"> a. Total accidents (fatalities) non fatal accidents incidents b. Passenger safety whilst flying c. Road discipline & safety by drivers d. Safety as a passenger in road transport e. Risk of air travelling

Source: Author Tabulated, 2010

APPENDIX II
CHI SQUARE DISTRIBUTION TABLES FOR THE INDICATORS DEVELOPED IN CONCEPTUAL APPRAISAL OF DOMESTIC AVIATION

Note: The Chi - Square tables were manually prepared by the author and statistical data analysis done using online web calculator www.georgetown.edu accessed on 18 July 2010)

Parameter	Indicator	Affected % (foreign)	Affected % (Local)	Calculated χ^2	0.05 level χ^2	Significance (Yes/No)
Travel Time	Willingness to save time	92%	66%	15.306769	≥ 3.84	Yes
	Time spent on road traffic	78%	82%	0.325291		No
Desirability	Waiting time for boarding aircraft	66.6%	50%	0.73426		No
	Baggage handling delays	33.3%	25%	0.193937		No
	Willingness to travel by air	11.6%	13.2%	0.0639423		No
	Travel comfort	40%	50%	2.4074074		No
	Maintain class and prestige	0%	2.6%	2.518929		No
	Willing to spend extra money on air transport	94.9%	55.1%	34.983556		Yes
Affordability	Willingness to travel by road	16.6%	25%	1.238095		No
	Overall rating of the road transport	99%	100%	0.503357		No
Mobility	High price of an air ticket	35.6%	50%	4.4074074		Yes
	Affordable ticket price	27.3%	31.57%	0.2357894		No
	Road condition rated by tourists	74%	74%	0		No
	Convenience in road travelling	73%	52%	6.339858		Yes

Accessibility	Flight reservations/ bookings (experienced by tourists)	56.5%	28.6%	1.67701	No
	Flight reservations/ bookings (expectation of tourists)	23.2%	0%	10.544144	Yes
Reliability	Connecting Transport before and after the flight	76.4%	77.7%	0.0084725	No
	Overall rating of the flight (experienced by tourist)	115%	100%	5.97115	Yes
Safety and Security	Passenger safety whilst flying	0%	57.1%	2.4074074	No
	Concern of road discipline and safety by the drivers	77%	70%	0.863486	No
	Safety as a passenger on road transport	74%	46%	11.4374635	Yes

Author

Hailing from an agriculturally rich picturesque area in the western part of Sri Lanka, Air Commodore Rohan completed his secondary and tertiary education at Royal College, Colombo, Sri Lanka's largest and most prestigious boys' school. Having excelled in almost all the sports Royal College could offer, he joined the first batch of the Sri Lanka Defense Academy. He also gained entrance to the University of Moratuwa and obtained a Bsc Engineering Degree in Electronics. Having been selected to the Sri Lanka Air Force, he pursued his studies further by obtaining a Masters Degree in Electronics and Telecommunication Engineering from the same university. Today he is qualified Chartered Engineer too.

In addition to his academic qualification, he has successfully completed the Advance Air Defense Radar Course in the Royal Air Force in the United Kingdom. Later on as he went higher in the ranks, he completed the Junior Command and Staff Course in India, followed by the Staff Course in Pakistan.

Leadership has been a strong quality in his personality. Taking his first steps in the role of a young leader, he was appointed as the Commanding Officer of Electronics and Communication wing at the Sri Lanka Air Force Bases at Katunayake and Ratmalana. During the height of the war against the LTTE in Sri Lanka, his most challenging role was being the Base Commander of the Ratmalana Air Base. This was one of the most vulnerable points of attack since it was the air base, which housed most of the transport aircraft. This was also the main station where troops and logistical arrangements were carried out, not forgetting the number of VIP movements that took place. Before he enrolled in to the NDC Air Commodore Rohan Pathirage was the Director Electronics and Telecommunication Engineering at the Sri Lanka Air Force. He is married and blessed with two teenage sons.