

Analysis on Development Strategy of Danxia Mountain Ecotourism Industry Based on 7Ps Theory

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Abstract: With the rapid economic development and the improvement of people's quality of life, traditional tourism and entertainment can no longer meet the demand of residents. As a novel travel mode, eco-tourism provides tourists with a platform for approaching, enjoying and returning to nature, thereby becoming one of the important modes in the tourism industry. However, there are a series of problems that hinder sustainable advancement of eco-tourism due to its short course. The paper focuses on analysis of natural, ecological, and cultural resources of the Danxia Mountain eco-tourism industry, as well as the disadvantages and threats of its advancement, and proposes corresponding strategies for the sustainable development of the Danxia Mountain eco-tourism industry by combining the 7Ps theory of service marketing.

Keywords: eco-tourism; Danxia mountain; service marketing; 7Ps strategy; sustainable development; rural revitalization

1. Introduction

With the rapid economic growth and the boom of tourism, tourism has become one of the most important pillar industries in China's economic development. China has a large number of rivers and mountains extending all over 9.6 million square kilometer territory and over 5,000-year landscape, animal, plant, historical and cultural resources, which provide a broad platform for the development of eco-tourism. In 1993, the eco-tourism was defined by the International Eco-tourism Association as "tourism activities with dual responsibilities for protecting the natural environment and maintaining the lives of local people" [1]. Eco-tourism refers to all tourism activities with a distinctive ecological environment as the main landscape, highlighting the concept of sustainable development. Eco-tourism fundamentally changes the traditional mass tourism, and combining economic, environmental and social benefits. It is a complex and sustainable tourism model [2]. According to the estimation of the World Tourism Organization, eco-tourism revenue has already accounted for 15-20% of global revenue, with an average annual growth of 25%. By 2025, China will become the most

popular tourist destination worldwide, and eco-tourism will take an important position [3].

In the domestic and international research on eco-tourism, the majority of scholars research the eco-tourism industry based on the theories of sustainable development, ecological economics and landscape ecology [4-7]. However, an important function of eco-tourism is entertainment service. The eco-tourism industry cannot develop without service or service marketing. Only by conducting prominent service marketing of eco-tourism scenic spots can people enhance their differentiation to attract more tourists, thereby driving the local economic development. At present, few studies focus on eco-tourism from the perspective of service marketing. In view of this, based on the 7Ps theory of service marketing, the paper puts forward strategies and suggestions for the sustainable development of Danxia Mountain eco-tourism industry by combining with the actual situation and threats of Danxia Mountain.

2. The Theory of 7PS Service Marketing

McCarthy first proposed the 4Ps theory of marketing in 1960, which has advantages and limitations. The advancement of the economy and society enhances the economic connection of the world, deepens the degree of globalization and stimulates the competition in the international market. In order to ensure the economic development, many countries adopt trade protectionism and intervene in the economy through fiscal and taxation policies, which results in waste of resources and inefficient allocation of global resource. The emergence of these practical problems drives the development of marketing theories. Therefore, in 1981, based on McCarthy's 4P combination, Blooms and Bitner added 3P – personnel, process and tangible presentation, so as to transform production-oriented companies to service-oriented ones and highlight the service characteristics of products.

As an important factor, personnel are mainly responsible for providing continuous and acceptable services to customers [8]. The service ability of personnel is a primary factor affecting consumer experience. For example, a doctor with impatience may make people have a negative impression on the hospital, while a gentle and attentive doctor may enhance people's trust to the whole hospital. Similarly, the level of service provided by

marketers will also influence consumers' perception of a company.

Process management plays a critical role in integrated marketing. The process hereby refers to the necessary steps before customers receive services. When manufacturing and serving simultaneously, companies should balance the supply and demand of services, thus process management must be emphasized [9]. In addition, because services cannot be stored, companies need to take differentiated measures to cope with the peaks and troughs of service demand, and meet customer needs as efficiently as possible [10].

The tangible presentation is to display the customer service provision to customers in a visual way, which enhances the visualization of the intangible services, the convenience of service provision and the efficiency of marketing behaviors [11]. When experiencing services, customers are generally affected by tangible facilities, including equipment visible for them and invisible ones but playing a key role in providing services [12]. For example, when customers are visiting Disneyland, parks with various corresponding facilities can give them totally different wonderful experience. Among them, it is the environment and various amusement facilities of the park that plays a key role in customer experience.

3. Resources and Development Threats of the Danxia Mountain Eco-tourism Industry

3.1. Natural, Cultural and Ecological Resources

Danxia Mountain is located in Shaoguan, 198 km from Guangzhou, the capital of Guangdong, China. The Beijing-Guangzhou Expressway and Beijing-Guangzhou Railway run Shaoguan, greatly shortening distances from it to major cities. In particular, the operation of the Beijing-Guangzhou high-speed railway shortens the time from Shaoguan to Guangzhou to 50 min. A transportation network between Shaoguan and major cities has been formed. Shaoguan, as the birthplace of canyon culture, has a strong historical and cultural atmosphere, attracting tourists from all over the world to experience the local culture of Lingnan and Zen. Resources of Shaoguan cultural tourism mainly include the culture of Lingnan, Hakka and Zen of Buddhism. Hakka culture is a Han cultural system of Lingnan Hakka formed by combining Central China culture and agricultural characteristics of local mountainous regions, mainly involving in architecture, art, cooking, language and folk-custom. Based on the temples of Nanhua (the real body of the sixth founding master of Buddha, "Liuzu Tanjing"), Yunmen, Biechuan and Donghua, the Zen culture in the Shaoguan area is also called the soul of Shaoguan cultural tourism [13]. Zen culture of Buddhism originates from ancient India. After introduced to China, it was popularized by the sixth founding master Huineng to the Central China, and developed to be the Zen with Chinese characteristics there [14].

The Danxia Mountain Scenic Spot has abundant and high-quality tourism resources. As of 2019, Danxia Mountain developed more than 1,000 scenic spots

including 70% natural resources and 30% human resources, which presents a good combination of ecological resources [15].

3.2. Disadvantages and Threats of Development

3.2.1. Insufficient publicity

Without sufficient financial resources provided by local authorities, Danxia Mountain mainly relies on ticket income to support the expenditure for protection and management. In addition to investment in protection management and daily infrastructure construction, funds for publicity and marketing are far from sufficient. Over the past five years, the board of directors of Danxia Mountain spent approximately 2 million RMB per year to promote and market, which occupies less than 10% of the ticket revenue [16]. The Yuntai Mountain in Henan is one of the largest geological parks in the world, with an annual promotion and commercialization cost of about 45 million RMB [16]. Due to lack of funds, the marketing of Danxia Mountain often has some limitations, which results in the low popularity of tourism products in the market.

3.2.2. The backwardness of the rural economy and lacking awareness of environmental protection

Most of the residents in the Danxia Mountain area are engaged in traditional agricultural production, whose source of income is mainly based on agriculture and animal husbandry, and the per capita annual income is low. During construction and development of eco-tourism projects, a few villagers make some money by being engaged in tourism reception. But at the current stage, the main means for local residents to participate in the construction and development of the tourism industry concentrates on retail, catering, accommodation, transportation and related services, the gains from which is quite limited. In the case, farmers rely more on forest resources in mountainous areas and excessively deforests surrounding landscape [17]. What is worse, some mountain forests have been felled and burned, which generates a negative impact on the ecological environment and landscape.

3.2.3. The threat of diversified tourism demand

With the rapid development of economy and society, the material life of ordinary people has been being improved. Tourists start pursuing a richer spiritual life. Tourists are no longer satisfied with traditional travel methods, but more longing to trips with experimental, exciting, interactive and interesting content. In addition to the tourism product quality, which was the only factor considered by contemporary tourists, the satisfaction for emotional needs and consuming desires has become an important element concerned. When tourists consider travel products, consumption methods and content that can meet their need of personalized experience are becoming more and more popular. So far, the tourism development of Danxia Mountain is still mainly following the traditional tourism model, which results in the lack of novel tourism products and projects, thereby being tested and threatened by the diversification of market demand.

3.2.4. *The threat of traditional tourism industry*

China has many mountainous scenic spots similar to Danxia Mountain, such as Huangshan, Taishan, Huashan and Sanqingshan, which have fierce competition. These scenic spots have distinctive characteristics of the mountainous area and high popularity than Danxia Mountain. Compared with them, Danxia Mountain has a lower development. In general, it still faces a wide range of problems, most of which are due to the threat of fierce competition in the surrounding areas. It can be seen that Danxia Mountain has no sufficient advantages over similar tourism products, so large adjustments are imperative to develop the ecological tourism of Danxia Mountain. Currently, China is full of passion to develop tourism, and the development of various tourist attractions is also in progress. Hence, it is necessary to pay more attention to the features of Danxia landscapes, explore local tourism resources, and carry out differentiation strategies to avoid vicious competition with similar scenic spots.

4. Development Strategy of Danxia Eco-tourism Industry based on the 7PS Theory

In view of the above problems and characteristics of the ecological industry of Danxia landscape, the following will propose relevant strategies for the sustainable development of Danxia ecological tourism industry by combining the 7Ps theory.

4.1. Product Strategy

Like the traditional tourism model, the eco-tourism industry requires to integrate six industries including food, housing, travel, tourism, shopping and entertainment. Besides, the basic theory of eco-tourism should be integrated to create and upgrade eco-tourism products, and further develop the tourism industry chain. First, the various resources of Danxia Mountain should be used scientifically to transform the advantages of resources into those of tourism products. The ecological tourism resources and cultural heritage should be protected in line with the development plan of the Danxia Mountain Scenic spot. The second is the development of eco-tourism service products. It is necessary to focus on building the main entrance of the service reception area invested by companies, reconstructing a tourist town of Danxia Mountain, creating an international park for vacation and entertainment, and supporting high-end service projects including conference centers, exhibition halls and exhibitions, entertainment, sports and car camps. The third is the introduction of independent tourism products. It is important to construct projects for tourism and entertainment, such as the characteristic towns and Danxia Tianbaoning Street. The fourth is the development of eco-tourism souvenirs. The natural landscape of Danxia Mountain or local folklore is based on to develop creative and eco-tourism souvenirs.

4.2. Price Strategy

4.2.1. *Flexible pricing strategy*

The flexible pricing mechanism is not part of the Danxia Mountain's current marketing strategy. The pricing differentiation strategy should be adopted with caution. The functions that a good product can provide should include making users feel "decent". Therefore, the graded pricing can adapt to tourists with different consumption capacities. However, prices should be carefully graded to avoid inflexible turnover caused by the facilities and equipment resources corresponding to certain consumption level being idle.

4.2.2. *Discount pricing strategy*

Scenic spots and tourism companies offer preferential treatment to consumers with discount on the basis of original prices, aiming at attracting tourists and encouraging them to consume. As a strategy based on real discounts to attract customers, adapt to market needs and operate flexibly, it is conducive to expanding the product sales in scenic spots, increasing the profits of scenic spots and improving the competitiveness. This strategy should be adopted by Danxia Mountain.

4.3. Channel Strategy

The marketing channels of scenic spots refer to a complete set of circulation structure that suppliers of tourism products enable their services and products to provide to final consumers smoothly and to be used and consumed by consumers. Danxia Mountain has the official website with a certain amount of traffic, which represents a trend of diversification of marketing channels. However, there is still a lot of room for the growth of marketing channels of Danxia Mountain. At the moment when new media and self-media are popular, Danxia Mountain should keep up with the trend to broaden marketing channels, increase user traffic and realize the optimization of customer source structure and growth of customer traffic through the diversification of marketing channels. In addition, Danxia Mountain should also establish new media marketing channels. In the times when new media and self-media prevail, the scenic spot must make some achievements accordingly.

4.4. Promotion Strategy

The scenic spots of Danxia Mountain and the analysis of tourists' tourism should be based on the consideration of the characteristics of the market, motivations, consumer behavior, and preferences in the tourism industry. Danxia Mountain and its surrounding should be deemed as a great product, whose overall plan centers the theme -- "Red Mountain and green water of the beautiful Danxia". The marketing should be conducted from the aspects of mountains and waters, culture, integrity and the Danxia landform". A variety of marketing methods should be adopted to promote the overall image of Danxia Mountain and increase the popularity of Danxia Mountain Scenic Spot. In addition, community resources and tools can be used to further publicize and market Danxia Mountain, such as directing the live-action performance, inviting famous scriptwriters and directors to create and shoot films, TVs, documentaries and dramas displaying the landform, history and culture of Danxia.

The new technology in the era of big data can be utilized to integrate the historical legends of Danxia into the online games. It is importance to develop new marketing models and means.

4.5. Personnel Strategy

Personnel include not only all employees in the scenic spot, but also tourists in the scenic spot. Communication between employees and tourists in the scenic spot becomes particularly important. Therefore, scenic spots should build high-quality marketing teams. The marketing team has close connections with the planning of the marketing strategies of scenic spots, and the formulation of marketing channels has a profound impact on its long-term development. Therefore, building a marketing team is critical for Danxia Mountain Scenic Spot. Moreover, the training of tour guides should be strengthened. Quite a few of the tour guides in Danxia Mountain have no qualification certificates. The overall educational level of them is low, and most were graduated from high schools, so that the guide team is lack of professional quality and geological knowledge. Most introduction of the scenic spot focuses on folklore and allusions, which will greatly affect the tourists' impression on Danxia Mountain, thereby damaging the long-term development of the scenic spots. Finally, the management to employees should be strengthened. Danxia Mountain should focus on cultivating the quality of the reception staff in the scenic spot, who is the representative of Danxia in the eyes of tourists, standing for the spirit and overall service quality of Danxia. In addition, it is necessary to pay attention to personnel training, give employees more opportunities and room for growth, enhance the cognitive level of employees and specially attach importance to the cultivation of quality and thinking way of the management.

4.6. Tangible Presentation Strategy

Danxia Mountain has many buildings for tourism, including a Danxia Mountain museum, a cultural exhibition hall, a history and culture museum, a shopping center, hotels and venues for entertainment. The infrastructure with large investment scale and the diversified component models provide passengers with a great of enjoyment such as "travel, purchase, catering, accommodation and entertainment". In addition, Danxia Mountain provides high-end entertainment for the tourists, takes full advantage of its geographical and natural conditions, and adjusts the marketing strategy to suit the function of each building, thereby developing businesses from multiple dimensions.

The service personnel are the representatives of the scenic spot that directly contact with the tourists. Their service is an important part of the tangible presentation of the scenic spot. The low overall quality of service personnel in Danxia Mountain damages the image of the scenic spot to a certain extent. Therefore, Danxia Mountain should focus on improving the overall quality of the reception and service staff, so as to promote the image construction of the scenic spot and optimize the

level of tangible presentation. In addition, there are few facilities and equipment for providing convenient services inside Danxia Mountain. It is necessary to equip humanized facilities such as ATMs, digital display devices, tour guide equipment and special facilities for disabled people, which is conducive to enhancing the standardization, intelligence and standardization of Danxia Mountain's service.

4.7. Service Process Strategy

The service process refers to the service mechanism provided by the scenic spot for tourists, and also includes the relevant processes of actual activities. The service process should be as detailed as possible, and the scenic spot must strive to fulfill various requirement of tourism. During service, adhering to the social service orientation, green marketing and development, as well as abundant, hierarchical and logic tourism products, the scenic spot should pay attention to improving the quality of service personnel and increasing management investment to improve the overall service level and enhance the quality of the landscape. In the process of improvement, it is necessary to "transform vulgarity into elegance" and explore the cultural heritage to meet the need of most tourists who have a higher level of culture, knowledge and aesthetic standards.

5. Conclusion

The ecotourism industry has tremendous potential for development. During the development of tourism industry and regional economy, in addition to rationally using existing advantages and seizing opportunities, scenic spots should also avoid threats and overcome their weaknesses. Based on analysis on the Danxia eco-tourism industry, the paper indicates its geographical advantages and cultural characteristics, and exposes the problems such as the insufficient publicity, backward rural economy and lack of environmental protection awareness of residents. In addition, it is also facing the threat of diversified tourist demand and the impact of the traditional tourism industry. In response to these problems and threats, this paper put forward the corresponding strategic recommendations for the development of Danxia Mountain eco-tourism industry from seven aspects such as the product, price, channel, promotion, personnel, service process and tangible presentation by combining the service marketing 7Ps theory, so as to optimize the environmental protection and resource allocation in the development of Danxia Mountain tourism industry and the conditions of services, with a view to creating better economic benefits for the eco-tourism industry. The healthy and sustainable development of the Danxia Mountain tourism industry can bring reference and demonstration to the eco-tourism industry in other places.

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