

B. A. PROGRAMME APPLICATION COURSES

TOURISM

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Tourism

Course Objective

The application course aims to familiarize the students with a brief background of tourism, its concepts, development and scope with special reference to India.

Expected Learning Objectives

Considering that Tourism Industry is experiencing a phenomenal growth world over, a student who has studied this course would be equipped to work in a Travel agency.

Required: Some knowledge of computers and an idea about Information Technologies
Marks Wise details

Total Marks : 100

Break-up-of Marks :

Annual Examination : 75 marks

Internal Assessment : 25 marks

Students other than in Regular course shall have annual examination for 100 marks.

Structure of Question Paper

5 Questions of 15 marks each with internal choice.

Each Question may have sub parts of equal/unequal mark distribution out of 15 marks.

Syllabus Detail with required number of lectures.

Topic	Lectures
Unit-I	
- Tourism: Concepts & Perspectives	6
- Tourism Products	7
- Tourism Economy	7
- Approaches to Tourism Development	6
Total lessons in Unit I & 6	Total Lectures = <u>26</u>

Topics	No. of lectures
<u>Unit – II</u>	
- Air, Road and Rail Travel arrangements	7
- Travel Organisations	4
- Basics of Ticketing	5
Total Lesson in Unit – II - 4	_____
Total Lectures	16 _____
<u>Unit – III</u>	
- Tourism Marketing	10
- Tourism and changing communication technologies	6
- Computer Reservation System	6
Total lesson in Unit – III– 4	_____
Total Lectures	22 _____
<u>Unit – IV</u>	
- Tourism in India	7
- Globalization and Tourism	9
- Tourism: Incoming & Outgoing	5
Total Lessons in Unit – V – 6	_____
Total Lectures	21 _____

Unit – V

- Emerging Dimensions	6
- Emerging Concepts for Effective Tourism	3
- Emerging Tourism Scenario	6
- Socio- Cultural and Ecological Impact of Tourism Eco-friendly Tourism	
Total Lessons in Unit V - 3	<hr/>
Total Lectures	15 <hr/>
Total Lessons for Tourism	23
Total Lectures Required	100

Four Lectures per week

LESSON –1

TOURISM – CONCEPT & PERSPECTIVES

Mamta Chaudhary

STRUCTURE

- 1.0 Introduction
- 1.1 Objectives
- 1.2 Changing facets of Tourism
- 1.3 Different perspectives on the study of Tourism
- 1.4 Importance of Managerial and Economic Perspective
- 1.5 Tourism- Meaning and Definition
- 1.6 Difference between travel and tourism
- 1.7 Definitions
 - 1.7.1 Visitor
 - 1.7.2 Tourist
 - 1.7.3 Excursionist
 - 1.7.4 Incoming Tourist
 - 1.7.5 Outgoing Tourist
- 1.8 Summary
- 1.9 Glossary
- 1.10 Self Assessment Exercise
- 1.11 Further Readings

1.0 INTRODUCTION

In this course you will learn about the essential features of tourism industry, definition and meaning of various concepts, how to make travel arrangements, travel management, tourism marketing, tourism in India including emerging dimensions.

In this lesson you will understand the different perspectives on the study of tourism, know the meaning of the term ‘tourism’, ‘visitor tourist’, ‘excursionist’, ‘inbound’ and ‘outbound tourist’ and the difference between travel and tourism

1.1 OBJECTIVES

- To understand the need to study Tourism in view of the changing scenario
- To familiarise you with different perspectives on the study of Tourism

- To explain the meaning and definition of Tourism
- To find out the difference between Travel and Tourism
- To explain the definition of a Visitor, Tourist, Excursionist
- To identify who all are included in the definition of tourist

1.2 CHANGING FACETS OF TOURISM

From the very inception of life, travel has fascinated man. Travel and tourism have been important social activities of human beings from time immemorial. The urge to explore new places within one's own country or outside and seek a change of environment & experience has been experienced from ancient times.

Tourism is one of the world's most rapidly growing industries. Much of its growth is due to higher disposable incomes, increased leisure time and falling costs of travel. As airports become more enjoyable places to pass through, as travel agency services become increasingly automated, and as tourists find it easier to get information on places they want to visit, tourism grows.

The Internet has fuelled the growth of the travel industry by providing on line booking facilities. It has also provided people with the power to explore destinations and cultures from their home personal computers and make informed choices before finalizing travel plans. With its immense information resources, the Internet allows tourists to scrutinise hotels, check weather forecasts, read up on local food and even talk to other tourists around the world about their travel experiences for a chosen destination.

This new trend has made the tourism job very challenging. The holiday makers want a good rate of return on their investment. They are to be lured with value additions and improved customer service. This also put emphasis on the regular flow of manpower with specific skills at the appropriate levels to match and cater to global standards. The success of the hospitality industry comes from provision of quality rooms, food, service and ambience. There is no doubt that fitness has increasingly become a larger part of everyone's life. And business and leisure travellers alike look to maintain their fitness goals while away from home. Awareness should be created about the environment and education. A collective effort and co-operation with powerful networking are the need of the hour. People should be acting as the watchdogs of the society as far as environmental issues are concerned. Eco-tourists are a growing community and tourism promotions have to adopt such eco-practices which could fit this growing community.

Another growing trend in the tourism scene is the Incentive Market and the scope of the destination to attract conferences and convention traffic. Here the prospects are better for those destinations where state of the art infrastructure has been developed along with a safe and clean image.

Tourism today is much more than just developing products. It is more about quality, insightful thinking and ability to have global information about technology, partners, contacts and responding quickly to global and regional trends. The fundamental task before tourism promotion is to facilitate integration of the various components in the tourism trade as active participants in the nation's social and cultural life. There is a long road ahead. All must work towards a society where people can work and participate as equal partners. Tourism should be a vehicle for international cooperation and understanding of the various civilizations and a harbinger of peace.

From the foregoing we can see how fast the face of tourism is changing and how challenging the job of travel agencies is now. There is therefore a need for proper training of the personnel working in the industry through thorough and a detailed study of the subject. A unified approach to the subject is also needed since at present people from different fields have been studying tourism from different perspectives.

1.3 DIFFERENT PERSPECTIVES ON THE STUDY OF TOURISM

1. **Geographical Perspective** - from a geographer's perspective the main concern of tourism is to look into aspects like the geographical location of a place, the climate, the landscape, the environment, the physical planning and the changes in these emerging from provisioning of tourism facilities and amenities. A geographer feels that it is the climate, landscape or physical attributes which draw the tourist to a destination, for example; if a person from Delhi goes to Shimla in the summer he does so because of the cooler climate which he cannot get in Delhi.
2. **Sociological Perspective** - From a sociologist's perspective Tourism is a social activity; it is about interaction between different communities—hosts and guests—and encounter between different cultures. This approach studies social classes, habits and customs of both hosts and guests in terms of tourism behaviour of individuals or groups of people and the impact of tourism on society.
3. **Historical Perspective** - from an historian's perspective tourism is a study of the factors instrumental in the initiation of tourism to a particular destination, the order of happenings leading to tourism development, the reasons for happening of the occurrences in that order, beneficiaries of the tourist activity and an untimely and premature identification of negative effects. For example we all know that a lot of tourists visit Taj Mahal in Agra but a historian would be interested in studying the factors that bring the tourist

there, e.g. the architecture, the story behind the monument, or something else that draws them there.

4. **Managerial Perspective** - from the management perspective tourism is an industry, and therefore needs managerial skills in order to be properly managed. As the industry grows we see continuous changes in various organisations and services linked with the industry, the tourism products and so on so this approach concentrates on management activities such as planning, research, pricing, marketing, control etc. as vital to the operation of a tourist establishment.
5. **Economic Perspective** – From an economist's perspective tourism is a major source of foreign exchange earnings, a generator of personal and corporate incomes, a creator of employment and a contributor to government earnings. It is a dominant global activity surpassing even trade in oil and manufactured goods. Economists study the effects of tourism industry on the economy. This is a two way process.

1.4 THE IMPORTANCE OF MANAGERIAL AND ECONOMIC PERSPECTIVES TO THE STUDY OF TOURISM

Now due to higher disposable incomes, increased leisure time and falling cost of travel, the Tourism industry has shown a very high growth and since tourism is a service industry it comprises of a number of tangible and intangible components. The tangible elements include transport systems - air, rail, road, water and now, space; hospitality services - accommodation, food and beverage, tours, souvenirs; and related services such as banking, insurance and safety and security. The intangible elements include: rest and relaxation, culture, escape, adventure, new and different experiences.

As there are number of bodies involved the need arises for a management of services related to this industry and so the study of Tourism acquires a great practical necessity and usefulness.

Tourism industry is very fast growing and this industry involves activities and interests of Transport Undertakings, Owners of Tourist Sites and Attractions, Various tourist Service Providers at the tourist destinations and Central and Local Government, etc. Each of these serves both the resident population and the tourists and their management must reconcile the needs of tourists with the needs of the resident population. So it becomes important to study tourism from the perspective of Management, since the management of various bodies in this industry is invaded.

1.5 TOURISM – DEFINITION AND MEANING

In India we see the origin of the concept of Tourism in Sanskrit Literature. It has given us three terms derived from the root word “Atana” which means going out and accordingly we have the terms:

- ***Tirthatana*** – It means going out and visiting places of religious merit.
- ***Paryatana*** - It means going out for pleasure and knowledge.
- ***Deshatana*** - It means going out of the country primarily for economic gains.

In simple terms **Tourism** is the act of travel for the purposes of leisure, pleasure or business, and the provision of services for this act.

There are two important components that make up tourism:

1. The practice of travelling for pleasure.
2. The business of providing tours and services for persons travelling.

Here we are discussing the features of the above two components

The following are required, to make travel possible: (Component 1)

1. Discretionary income, i.e. money to spend on non-essentials
2. Time in which to do so.
3. Infrastructure in the form of accommodation facilities and means of transport.

Individually, sufficient health is also a condition, and of course the inclination to travel. Furthermore, in some countries there are legal restrictions on travelling, especially abroad. Communist states restrict foreign travel only to "trustworthy" citizens. The United States prohibits its citizens from travelling to some countries, for example, Cuba.

There are four basic services to be provided for Tourists: (Component 2)

1. Travel Arrangements
2. Board and Lodging
3. Food
4. Entertainment

In the above paragraphs we have discussed the basic meaning of tourism and the features of the components of Tourism.

Now we will talk about the definitions of the term tourism.

There have been a number of attempts to define tourism since the beginning of the twentieth century. It is defined in a different manner by different people

and the most widely accepted definition is the one given by the World Travel Organisation (W.T.O). This was approved by United Nations Statistical Commission in its twenty-seventh session held from 22 February to 3 March 1993

As Per WTO

Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

- The term “usual environment” is intended to exclude trips within the place of residence, trip to the usual place of work or education and daily shopping and other local day-to-day activities.
- The threshold of twelve months is intended to exclude long-term migration.
- For the distance travelled there is no consensus. It varies from at least 40 kms to at least 160kms away from home one way for any purpose other than commuting to work.

Five main characteristics of tourism may be identified from the definition

1. Tourism arises from a movement of people to, and their stay in, various destinations.
2. There are two elements in all tourism: the journey to the destination and the stay including activities at the destination.
3. The journey and the stay take place outside the usual place of residence and work, so that tourism gives rise to activities, which are distinct from those of the resident and the working population of the places, through which the tourist travels and in which they stay.
4. The movement to destinations is of temporary, short-term character, with the intention of returning to the usual environment within a few days, weeks or months.
5. Destinations are visited for purposes other than taking up permanent residence or employment remunerated from within the places visited.

As per WTO definition, Tourism can be classified into the following forms

- **Inbound tourism:** Visits to a country by non-resident of that country - for example, when A American citizen, Mr. Sam comes to India to see the Taj Mahal, he is an inbound tourist for India.

- **Outbound tourism:** Visits by the residents of a country to another country - ,for example when an Indian citizen, Mr. Ram goes to America to see Hollywood , he is an outbound tourist for India
- **Domestic tourism:** It involves travelling by the residents of the given country within their own country -, for example, when Mr. Anil a resident of Delhi goes to see the Taj Mahal in Agra he is a domestic Indian Tourist.
- **Internal tourism:** It comprises of domestic tourism and inbound tourism.
- **International tourism:** It comprises of inbound tourism and outbound tourism

CHECK YOUR PROGRESS-I

1. What are the two elements in all forms of Tourism?

2. Which of the following activities can be put under the term Tourism?

- a) Ms. Tina goes to the nearby market to shop for groceries.
- b) Mr. Ajit who stays in Faridabad, goes to Nehru Place to pay his phone bills.
- c) Mr. Raj, a resident of Delhi, goes to Mumbai and takes up a job there.
- d) Ms Sita a resident of Mumbai, goes for a weekend to Goa.

After defining the term tourism we would here like to bring out the differences between the words. Travel and Tourism.

1.6 DIFFERENCES BETWEEN TRAVEL AND TOURISM

Though the words Travel and Tourism are synonymised and used interchangeably but Tourism is a wider concept and encompasses a lot more than travel alone.

Travel implies journeys undertaken from one place to another for any purpose including journeys to work and as a part of employment, as a part of leisure and to take up residence; whereas Tourism includes the journey to a destination and also the stay at a destination outside one's usual place of

residence and the activities undertaken for leisure and recreation. All tourism includes some travel, but not all travel is tourism. A person may often travel for a wide variety of purposes of which tourism is only one. However if properly handled, a part of the travel for non tourism purposes can be motivated into travel for tourism as an additional purpose. For example a person on a journey as a part of employment to a place with one or more tourist attractions –like a spot of scenic beauty or historical significance, a pilgrimage, a lake, etc. can be induced to spare some time and money for a short visit and or stay for tourism purposes alone. In this sense every traveller is a ‘potential’ tourist and is upto the managers of the industry to tap this ‘potential’ and convert the traveller into an ‘actual’ tourist.

Some of the characteristics that distinguish tourism from travel are:

Tourism is:

1. Temporary, to distinguish it from the permanent travel of the tramp and nomad
2. Voluntary, to distinguish it from the forced travel of the exile and refugee
3. Round up, to distinguish it from the one-way journey of the migrant
4. Relatively long, to distinguish it from the recurrent trips of the holiday house owner

CHECK YOUR PROGRESS -II

1. When gypsies go from one destination to another, is that covered under travel or tourism?

2. If Mr. Ravi, working in a software company in Delhi, is transferred to Bangalore would it be covered under travel or tourism?

3. If Mr. Ravi, who is transferred to Bangalore from Delhi, decides to go for a weekend to see the temples in Mysore would it be travel or tourism?

1.7 DEFINITIONS

The principal character in the phenomenon called Tourism is the ‘Tourist’ and without his being around the tourism phenomenon is meaningless.

The term Tourist is believed to have been derived from the Latin word ‘*TORNUS*’ which means a tool, a circle or a turner’s wheel. In the sense of the

word of the origin, **tourist** is a person who undertakes a circular trip, i.e., ultimately comes back to the place from where he sets about his journey.

Based on the various definitions of a Tourist here are some of the **characteristics of a Tourist**

1. He takes up his journey of his own free will.
2. He takes up the journey primarily in search of enjoyment.
3. The money spent on the visit is the money derived from home, not money earned in the places of visit.
4. He finally returns to his original starting point.

We now proceed to discuss the definition of Tourist as given by WTO. But since WTO considers a tourist a type of a Visitor. We will first discuss the definition of a Visitor.

The WTO in a conference held in 1963 introduced the term '**Visitor**'.

A Visitor is defined as 'Any person visiting a country other than that in which he has his usual place of residence for any reason other than being interested in an occupation remunerated from within the country visited.'

The term includes two types of visitors:

1. **Tourist** – Is a temporary visitor staying for a period of at least 24 hours in the country visited and the purpose of whose journey can be classified under one of the following heads :
 - a) Leisure (recreation, holiday, health, study, religion and sport)
 - b) Business, family, mission, meeting.

As per the WTO's definition following persons are to be regarded as tourists:

- i) Persons travelling for pleasure, for domestic reasons, for health etc.
- ii) Persons travelling for meetings or in representative capacity of any kind (scientific, administrative, religious etc.)
- iii) Persons travelling for business purposes.
- iv) Persons arriving in the course of sea cruises, even when they stay for less than 24 hours (in respect of this category of persons the condition of usual place of residence is waived off.

However persons belonging to the following categories are not considered as tourists:

- i) Persons arriving with or without a contract to take up an occupation or engage in any business activity in that country.
- ii) Residents in a frontier zone and persons domiciled in one country and working in an adjoining country.
- iii) Students and young persons in boarding establishments of schools/colleges.

- iv) Travellers passing through a country without stopping, even if the journey takes more than 24 hours.
- 2. **Excursionist**—is a temporary visitor staying for a period of less than 24 hours in the country visited. (Including travellers on the cruises).

The drawback of the definition of a Visitor as per WTO is that it does not talk about the Visits made within the country. For these purposes a distinction is drawn between a Domestic and an International Visitor.

Domestic Visitor-A person who travels within the country he is residing in, outside the place of his usual environment for a period not exceeding 12 months.

International Visitor –A person who travels to a country other than the one in which he has his usual residence for a period not exceeding 12 months.

After we have discussed the definition of a visitor, tourist, and excursionist as per WTO and made a distinction between a Domestic and an International Visitor, we now come to definitions used in India for the purpose of collecting tourism statistics.

CHECK YOUR PROGRESS-III

1. From amongst the persons listed below who all are included in the definition of a Tourist?

- a) Mr.Chand, a resident of Delhi goes for a two-day conference to Hyderabad
- b) Ms. Rina, a resident of Mumbai goes for a heart transplant to America
- c) Ms. Mina, a resident of Delhi takes a flight for America and the flight has a stopover of 36 hours in Singapore .Is she a tourist in Singapore?

Definitions followed in India

In relation to the definitions provided by the WTO, those followed in India are different in some ways.

International Visitor- has been defined as a person holding a foreign passport, visiting the country and the main purpose of whose visit is other than the exercise of an activity remunerated from within the country visited.

- **International Tourist**-An international tourist has been defined as a person visiting India on a foreign passport, staying at least 24 hours in India and the purpose of whose journey can be classified under one of the following headings:
 - Leisure (recreation, holiday, health, study, religion and sport.

- Business, Family, Mission and Meeting.

The following are not regarded as foreign tourists

- i) Persons arriving with or without contract to take up an occupation or engage in activities remunerated from within the country.
- ii) Persons coming to establish residences in the country.
- iii) Nationals of Nepal entering India through land-routes along India-Nepal border.
- iv) All foreigners entering India from Bhutan by land and children aged less than three years.

Excursionist- he is a visitor staying less than 24 hours in the country including cruise passengers.

Cruise Passenger- he is a visitor who arrives in the country aboard cruise ships and who does not spend a night in an accommodation establishment in the country.

Domestic Tourist- A person who travels within the country to a place other than his usual place of residence and stays at hotels or other accommodation establishments run on commercial bases or in dharamshalas or stays with friends and relatives and uses sightseeing facilities, or goes on a pilgrimage for a duration of not less than 24 hours or one night and not more than 6 months at a time for any of the following purposes:

- Pleasure(holiday, leisure, sports and so on)
- Pilgrimage, Religious and Social functions
- Study and Health

The following are not regarded as domestic tourists:

- Persons arriving with or without a contract to take up an occupation or engage in activities remunerated from within the state centre.
- Persons visiting their home town or native place on leave or a short visit for meeting relations and friends, attending social and religious functions and staying in their own houses or with relatives and friends and not using any sightseeing facilities.
- Foreigners resident in India.

Here we observe that as per the Indian definition, a traveller must hold a foreign passport to be included in the category of an International Visitor; this implies that Indians settled abroad and holding Indian Passports will not be counted as International Visitors when they come to India for recreation, business or other such purposes. However, nonetheless they are counted as Domestic Visitors and so here we see that categorisation is based on nationality rather than place of residence. But as per WTO definition they should have been included in the list of International Visitors. From this we

can clearly see the difference in the Indian definition and the one given by WTO.

CHECK YOUR PROGRESS IV

1. Mr. Rohit, an Indian goes to work in America and after five months he comes to India and visits the Jagannath Temple in Orissa. As per the Indian definition is he an International Tourist?

1.8 SUMMARY

In this lesson we have seen how travel and tourism has changed over time and acquired new dimensions with the development of various facilities and infrastructure. From this we understand that in the present scenario tourism is considered a service industry, and this industry is the highest foreign exchange earner and employment generator. It is therefore very important to have proper planning and management of this industry and thereby arises the need and the importance of tourism statistics. We have read also in this lesson, the definition of Tourism, Tourist, Excursionist and the forms of tourism as given by WTO and also the definitions followed in India. We know the difference between travel and tourism ; tourist and an excursionist ; domestic and International Tourist and the difference between WTO and Indian definitions .

As Tourism is considered to be an Industry, it also has a product, the product that comes out of it is known as Tourism Product. In the next lesson we would learn the definition and the characteristics of this product and the various forms of a Tourism Product.

1.9 GLOSSARY

1. Tangible-something that you can touch and see
2. Intangible-something that you can only feel
3. Perspective-outlook

1.10 SELF ASSESSMENT QUESTIONS

1. What is the definition and various forms of Tourism?
2. Who all are included in the definition of a tourist as per WTO?
3. What is the difference between:
 - Travel and Tourism
 - Domestic and International Tourist
 - A Tourist and an Excursionist

1.11 SOURCES AND FURTHER READINGS

Bhatia, A.K. *Tourism Development–Principles and Practices*; Sterling Publishers, 2005.

Gour, Kanjilal. *Indian Tourism -Through the inner eyes*. Orchid Books, 2005.

Journal of Tourism (Vol.-3, 1998). Department of Tourism and Hoteliering; HNB Garhwal University, Srinagar (Garhwal).

Kamra, K.K. *Basics of Tourism: Theory, Operation and Practice*; Kanishka Publishers, 2006.

Raina, C. L. and A.K. Raina. *Fundamentals of Tourism-Principles and Practices*. Kanishka Publishers, 2005

LESSON 2

TOURISM PRODUCTS: CHARACTERISTICS AND FORMS

Ramanbir Bindra

STRUCTURE

- 2.0 Introduction
- 2.1 Objectives
- 2.2 Definition of Tourism Product
- 2.3 Characteristics of Tourism product
- 2.4 Forms of Tourism Product
 - 2.4.1 Natural Tourism products
 - 2.4.2 Man – Made Tourism Products
 - 2.4.3 Symbiotic Tourism Products
 - 2.4.4 Event -based Tourism Products
 - 2.4.5 Site-Based Tourism Products
 - 2.4.6 Other New Products
- 2.5 Summary
- 2.6 Glossary
- 2.7 Key Words
- 2.8 Self Assessment Questions
- 2.9 Sources and Further Readings

2.0 INTRODUCTION

In the previous lesson you have already read about what is tourism and who is a tourist. Along with this you already know by now the various perspectives of tourism. In this current lesson, we discuss what is a tourism product. We will look at the characteristics and the forms of the tourism product. There will be a detailed discussion on the forms like natural and man made tourism products. We go on to reading about the symbiotic, event based and site based products as well. We also see the new tourism products that have developed. In the end you can answer questions that will assess your understanding of the topic we have discussed.

2.1 OBJECTIVES

- At the end of this lesson, you will be able to
- Define a tourism product.
 - Discuss its various characteristics
 - Identify the various types of tourism products.
 - Answer questions on its various forms.

2.2 DEFINITION OF TOURISM PRODUCT

A tourism product can be defined as the sum of the physical and psychological satisfaction it provides to tourists during their travelling en route to the destination. The tourist product focuses on facilities and services designed to meet the needs of the tourist. It can be seen as a composite product, as the sum total of a country's tourist attractions, transport, and accommodation and of entertainment which result in customer satisfaction. Each of the components of a tourist product is supplied by individual providers of services like hotel companies, airlines, travel agencies, etc.

The tourist product can be analysed in terms of its attraction, accessibility and accommodation.

Attractions

Of the three basic components of a tourist product, attractions are very important. Unless there is an attraction, the tourist will not be motivated to go to a particular place. Attractions are those elements in a product which determine the choice made by particular tourist to visit one particular destination rather than another. The attractions could be cultural, like sites and areas of archaeological interest, historical buildings and monuments, flora and fauna, beach resorts, mountains, national parks or events like trade fairs, exhibitions, arts and music festivals, games, etc.

Tourist demands are also very much susceptible to changes in fashion. Fashion is an important factor in the demand for various tourist attractions and amenities. The tourist who visits a particular place for its natural beauty may decide to visit some other attractions due to a change in fashion. Peter has drawn up an inventory of the various attractions which are of significance in tourism. These are given below in a table:-

Inventory of Tourist Attractions

Cultural:	Sites and areas of archaeological interest, Historical buildings and Monuments, Places of historical significance, Museums, Modern Culture, Political and Educational institutions, Religious Institutions
Traditions:	National Festivals, Arts and Handicrafts, Music, Folklore, Native life and Customs
Scenic:	National Parks, Wildlife, Flora and Fauna, Beach Resorts, Mountain Resorts.
Entertainment:	Participation and Viewing sports, Amusement and Recreation Parks Zones and Oceanariums, Cinemas and Theatres, Night Life and Cuisine.
.	
Others:	Climate, Health resorts or Spas, Unique characteristics not available elsewhere.

However, the attractions of tourism are, to a very large extent, geographical in character. Location and accessibility (whether a place has a coastal or inland position and the ease with which a given place can be reached) are important. Physical space may be thought of as a component for those who seek the wilderness and solitude. Scenery or landscape is a compound of landforms; water and the vegetation and has an aesthetic and recreative value. Climate conditions, especially in relation to the amount of sunshine, temperature and precipitation (snow as well as rain), are of special significance.

Animal life may be an important attraction, firstly in relation to, bird watching or viewing game in their natural habitat and secondly, for sports purposes, eg. fishing and hunting. Man's impact on the natural landscape in the form of his settlements, historical monuments and archaeological remains is also a major attraction. Finally, a variety of cultural features-ways of life, folklore, artistic expressions, etc. provide valuable attractions to many.

Accessibility

It is a means by which a tourist can reach the area where attractions are located. Tourist attractions of whatever type would be of little importance if their locations are inaccessible by the normal means of transport. A Tourist in order to get to his destination needs some mode of transport. This mode may be a motor car, a coach, an aeroplane, a ship or a train which enables him to reach his predetermined destination. If tourist destinations are located at places where no transport can reach or where there are inadequate transport facilities, they become of little value. The tourist attractions, which are located near the tourist-generating markets and are linked by a network of efficient means of transport, receive the maximum number of tourists.

The distance factor also plays an important role in determining a tourist's choice of a destination. Longer distances cost much more in the way of expenses on travel as compared to short distances. An example can be that of India. About two and a half million tourist arrivals for a country of the size of India may look rather unimpressive. However if one looks at certain factors like the country's distance from the affluent tourist markets of the world such as the United States, Europe, Canada, Japan and Australia, one may conclude that the long distance is one of the factors responsible for low arrivals. It costs a visitor from these countries, quite a substantial amount, to visit India for a holiday. It has been stated earlier that Europe and North America continue to be the main generating and receiving areas for international tourism, accounting for as much as 70% and 20% respectively, of international tourist arrivals. Easy accessibility, thus is a key factor for the growth and development of tourist movements.

Accommodation

The accommodation and other facilities complement the attractions. Accommodation plays a central role and is very basic to tourist destinations. World Tourism Organization in its definition of a tourist has stated that he must spend at least one night in the destination visited, to qualify as a tourist. This presupposes availability of some kind of accommodation. The demand for accommodation away from one's home is met by a variety of facilities.

The range and type of accommodation is quite varied and has undergone considerable change since the last half century. There has been a decline in the use of boarding houses and small private hotels. Larger hotels are increasing their share of holiday trade, especially in big metropolitan areas and popular spots. In more traditional holiday and sea-side resorts in Europe and elsewhere, big hotels are keeping their share of holiday resorts. In recent years, some changes have been reflected in the type of accommodation. There has been an increasing demand for more non- traditional and informal types of accommodation. The latest trends in accommodation are holiday villages. In recent years there has been an increase in the popularity of such accommodation.

Accommodation may in itself be an important tourist attraction. In fact, a large number of tourists visit a particular destination or town simply because there is a first class luxury hotel or resort which provides excellent services and facilities. Some countries like Switzerland, Holland, France, Austria, and Belgium have gained a reputation for providing excellent accommodation with good cuisine. Many hotel establishments elsewhere in various countries, especially the resort hotels, have gained a reputation for their excellent cuisine, services and facilities. The French government for instance, paved the way for tourist development of Corsica by launching a big hotel development programme.

Amenities

Facilities are a necessary aid to the tourist centre. For a sea-side resort, facilities like swimming, boating, yachting, surf-riding, and other facilities like dancing, recreation and other amusements are important for every tourist centre. Amenities can be of two types; natural, eg. beaches, sea-bathing, possibilities of fishing, opportunities for climbing, trekking, viewing, etc. and man-made, eg. various types of entertainment and facilities which cater to the special needs of the tourists. Excellent sandy beaches, sheltered from sunshine with palm and coconut trees and offering good bathing conditions form very good tourist attractions. Certain other natural amenities such as spacious waters for the purpose of sailing, or the opportunities for fishing and hunting are also very important.

CHECK YOUR PROGRESS 1

1) Name some 'Tourist Products'.

2) List some reasons why you would like to travel.

3) Put down five tourist destinations you would like to visit and describe how you would reach them.

4) What are the facilities you look for, in the places where you will stay on a holiday?

2.3 CHARACTERISTICS OF TOURISM PRODUCT

By now, you must have understood what a tourism product is. Now let us look at some of its characteristics:-

1) *Intangible*

Unlike a tangible product, say, a motor car or refrigerator, no transfer of ownership of goods is involved in tourism. The product here cannot be seen or inspected before its purchase. Instead, certain facilities, installations, items of equipment are made available for a specified time and for a specified use. For example, a seat in an aeroplane is provided only for a specified time.

2) *Psychological*

A large component of tourism product is the satisfaction the consumer derives from its use. A tourist acquires experiences while interacting with the new environment and his experiences help to attract and motivate potential customers.

3) *Highly Perishable*

A travel agent or tour operator who sells a tourism product cannot store it. Production can only take place if the customer is actually present. And once consumption begins, it cannot be stopped, interrupted or modified. If the product remains unused, the chances are lost i.e. if tourists do not visit a particular place, the opportunity at that time is lost. It is due to this reason that heavy discount is offered by hotels and transport generating organisations during off season.

4) *Composite Product*

The tourist product cannot be provided by a single enterprise unlike a manufactured product. The tourist product covers the complete experience of a visit to a particular place. And many providers contribute to this experience. For instance, airline supplies seats, a hotel provides rooms and restaurants, travel agents make bookings for stay and sightseeing, etc.

5) *Unstable Demand*

Tourism demand is influenced by seasonal, economic political and others such factors. There are certain times of the year which see a greater demand than others. At these times there is a greater strain on services like hotel bookings, employment, the transport system, etc.

6) *Fixed supply in the short run*

The tourism product unlike a manufactured product cannot be brought to the consumer; the consumer must go to the product. This requires an in-depth study of users' behaviour, taste preferences, likes and dislikes so that expectations and realities coincide for the maximum satisfaction of the consumer. The supply of a tourism product is fixed in the short run and can only be increased in the long run following increased demand patterns.

7) *Absence of ownership*

When you buy a car, the ownership of the car is transferred to you, but when you hire a taxi you buy the right to be transported to a predetermined destination at a predetermined price (fare). You neither own the automobile nor the driver of the vehicle. Similarly, hotel rooms, airline tickets, etc. can be used but not owned. These services can be bought for consumption but ownership remains with the provider of the service. So, a dance can be enjoyed by viewing it, but the dancer cannot be owned.

8) *Heterogeneous*

Tourism is not a homogeneous product since it tends to vary in standard and quality over time, unlike a T.V set or any other manufactured product. A package tour or even a flight on an aircraft can't be consistent at all times. The reason is that this product is a service and services are people based. Due to this, there is variability in this product. All individuals vary and even the same individual may not perform the same every time. For instance, all air hostesses cannot provide the same quality of service and even the same air hostess may not perform uniformly in the morning and evening. Thus, services cannot be standardised.

9) *Risky*

The risk involved in the use of a tourism product is heightened since it has to be purchased before its consumption. An element of chance is always present in its consumption. Like, a show might not be as entertaining as it promises to be or a beach holiday might be disappointing due to heavy rain.

10) *Marketable*

Tourism product is marketed at two levels. At the first level, national and regional organisations engage in persuading potential tourists to visit the country or a certain region. These official tourist organisations first create knowledge of its country in tourist –generating markets and persuade visitors in these markets to visit the country. At the second level, the various individual firms providing tourist services, market their own components of the total tourist product to persuade potential tourists to visit that region for which they are responsible.

CHECK YOUR PROGRESS 2

- 1) List out some things that you pay for that are intangible.

2) Write down all the components of a package tour that you read about in an advertisement for a holiday.

Activity 1

Speak to some of your friends and ask them when they like to travel. See what the majority chooses as the favourite time of the year.

Activity 2

Out of the list given below, write down those keywords which are not characteristics of a tourist product: Perishable, Chemical, Transferable, Homogeneous, Seasonal, Psychological, Patent and Marketable.

2.4 FORMS OF TOURISM PRODUCT

By now you must be aware of what a tourism product is and what its peculiar features are. It is necessary to understand the components of the tourist product from the point of view of the consumer. The product for the tourist covers the complete experience from the time he leaves home to the time he returns. The tourist product today is developed to meet the needs of the consumer and techniques like direct sales, publicity and advertising are employed to bring this product to the consumer. The tourist product is the basic raw material, be it the country's natural beauty, climate, history, culture and the people, or other facilities necessary for comfortable living such as water supply, electricity, roads, transport, communication and other essentials. The tourist product can be entirely a man-made one or nature's creation improved upon by man. A consumer can combine individual products in a large number of ways. There would be many possible destinations, each with a number of hotels, each to be reached by more than one airline. Thus, the potential choice facing the consumer is very large. The large number of tourist destinations have placed at the disposal of a tourist a very large variety of tourist products in abundant quantity from a large number of competing destinations. This eventually, has led to the adoption of the new concept i.e., the marketing concept in tourism by various countries promoting tourism.

Tourism, basically, is an infrastructure based service product. The nature of the service here is highly intangible and perishable offering a limited scope for creating and maintaining the distinctive competitive edge. The effective marketing of tourism needs constant gearing up of infrastructure to international standards and presupposes in its coordination with the tourism suppliers. In strategic terms, it calls for the action of an integrated approach to

management and marketing. In operational terms, it means the implementation of a better defined, better targeted market-driven strategy for realizing the defined objectives.

The important point to note here is that marketing is applied to situations where the choice can be limited to a relatively small number of brands giving the consumer a reasonable choice. The process of selection thus becomes easier. In the field of tourism this process is taking place by the increased use of 'package tours'. A package tour is a travel plan which includes most elements of vacation, such as transportation, accommodation, sight- seeing and entertainment. The tourist product is a composite product, whether it is sold as a package or assembled by the individual himself or his travel agent.

There are many tourism products that are available to the consumer today. In modern times these products, whether traditional in nature like culture and pilgrimage, or modern like adventure, conventions and conferences, health, medical, etc. are being packaged, promoted and priced appropriately to woo as many tourists as possible.

Tourism products can be classified as under for a better understanding of each of their peculiar characteristics, so that they can be marketed and positioned appropriately:

2.4.1 NATURAL TOURISM PRODUCTS

These include natural resources such as areas, climate and its setting, landscape and natural environment. Natural resources are frequently the key elements in a destination's attraction. Let us look at some examples:

- 1) Countryside
- 2) Climate- temperature, rains, snowfall, days of sunshine
- 3) Natural Beauty- landforms, hills, rocks, gorges, terrain
- 4) Water- lakes, ponds, rivers, waterfalls, springs
- 5) Flora and Fauna
- 6) Wildlife
- 7) Beaches
- 8) Islands
- 9) Spas
- 10) Scenic Attractions

The climate of a tourist destination is often an important attraction. Good weather plays an important role in making a holiday. Millions of tourists from countries with extreme climates visit beaches in search of fine weather and sunshine. The sunshine and clear sea breeze at the beaches have attracted many people for a very long time. In fact, development of spas and resorts along the sea coasts in many countries were a result of the travelers. urge to enjoy good weather and sunshine. In Europe, countries like France, Italy, Spain and Greece have developed beautiful beach resorts. North Europeans visit the Mediterranean coast searching for older resorts like Monte Carlo, Nice and Cannes on the Riviera and new resorts in Spain and Italy. Beautiful beaches of India, Sri Lanka, and Thailand, Indonesia and Australia and some

other new destinations are more examples of how good weather can attract tourists. All these areas capitalise on good weather.

Destinations with attractive winter climates, winter warmth and sunshine are also important centres of tourist attraction. Many areas have become important winter holiday resorts attracting a large number of tourists. Around these winter resorts, winter sport facilities have been installed to cater to the increasing needs of tourists. People from warm climates travel especially to see snowfall and enjoy the cold climate.

In countries with tropical climates, many upland cool areas have been developed as 'hill stations'. Hence climate is of great significance as a tourism product.

The scenery and natural beauty of places has always attracted tourists. Tourists enjoy nature in all its various forms. There are land forms like mountains, canyons, coral reefs, cliffs, etc. One of the great all time favourite tourist destination is the Grand Canyon, Arizona. Mountain ranges like the Himalayas, Kilimanjaro, and Swiss Alps, etc. There are water forms like rivers, lakes waterfalls, geysers, glaciers, etc. The Niagara Falls shared by Canada and the United States is an example of how scenic waterfalls attract tourists. Lake Tahoe in California and the, deserts of Egypt are other examples of great tourist products. Other great natural wonders that attract tourists are the Giants Causeway of Northern Ireland, the Geysers of Iceland, the glaciers of the Alps, the forests of Africa etc. Vegetation like forests, grasslands, moors deserts, etc. has all been developed as tourist products.

Flora and Fauna attract many a tourist. Tourists like to know the various types of plants and trees that they see and which trees are seen in which seasons. There are many plants which are specific to certain regions and many times students and travellers visit those areas especially to see those varieties of plants. Thick forest covers, attract tourists who enjoy trekking and hunting activities. Fauna attracts tourists who like to watch birds, wild mammals, reptiles and other exotic and rare animals. Countries in South East Asia have crocodile gardens, bird sanctuaries, and other tourist products that display the fauna of their region.

Spas are gaining popularity as modern tourism products all over the world. While most parts of the world have their own therapies and treatments that are effective in restoring the wellness and beauty of people. New kinds of health tours that are gaining popularity are spa tours. Spas offer the unique advantages of taking the best from the West and the East, combining them with the indigenous system and offering best of the two worlds. For example Swedish massages work well with the Javanese Mandy, lulur, aromatherapy, reflexology and traditional ayurvedic procedures. Now various spa products are being combined with yoga, meditation, and pranayama, giving a holistic experience to tourists. Spa treatments are now combined with other medical treatments to treat blood pressure, insomnia, depression, paralysis and some other diseases. People are now travelling to spas and clinics for curative baths and medical treatment. In some countries like Italy, Austria and Germany, great importance is given to spa treatments. In Russia along the Black Sea coast and in the foothills of the Caucasus Mountains, there are many world famous sanatoria where millions of Russians and international tourists throng every year.

Beach tourism is very popular among the tourists today. Tourists of all age groups, backgrounds, cultures and countries enjoy this tourism product. Besides attraction and saleability, beach holidaying has led to overall development of tourism in many parts of the world. The basic importance of beaches is that they provide aesthetic and environmental value of the beach such as beautiful natural scenery with golden sands, lush green vegetation and bright blue sky. The water should be clear, free of currents and underwater rocks.

Beach tourism activities include water and land resource use. The water usage involves swimming, surfing, sailing, wind surfing, water scootering, Para- sailing, motorboat rides, etc. The land use has multifacets like sunbathing, recreational areas for tourists (parks, playgrounds, clubs, theatre, amusement parks, casinos, cultural museums, etc.), accommodation facilities (hotels, cottages, villas, camping sites, etc.), car and bus parking areas, entertainment and shopping complexes, access roads and transportation network. Due to its multidimensional requirements the beach product needs special care. A beach resort needs to be developed as an integrated complex to function as a self-contained community. Environmental management should also ensure the availability of necessary infrastructure in the immediate hinterland to the coastal region in support of the development on the coast to maintain its ecosystem.

Islands abound with natural beauty, with the rare flora and fauna and tribes. This makes islands an ideal place for adventure, nature and culture lovers to visit. This tourist product has great scope as these islands are being developed as tourist paradises. For example, Hawaii, Maldives, Mauritius, Tahiti, Andaman and Nicobar Islands, etc. has developed with tourism activity over the past few decades. The topography is generally undulating and they offer natural scenic beauty with exotic flora and fauna. Most of these islands have places of worship like churches, temples, etc. As an added attraction some of these islands have developed as tax havens thereby encouraging commercial development of these economies. They offer social and cultural attractions as tourists can experience the local lifestyle, local food, fairs and festivals, etc.

Scenic attractions, like good weather, are very important factors in the development of tourism. Breath-taking mountain scenery and the coastal stretches exert a strong fascination on the tourist the magnificent mountain ranges provide an atmosphere of peace and tranquillity. Tourists visiting the northern slopes of the Alps in Switzerland and Austria and the southern slopes in Italy and also the Himalayan slopes of India and Nepal for the first time, cannot but be charmed by their physical magnificence.

2.4.2 MAN- MADE TOURISM PRODUCTS

Man- made tourism products are created by man for pleasure, leisure or business. Man- made tourism products include:

a) Culture

- Sites and areas of archaeological interest

- Historical buildings and monuments
- Places of historical significance
- Museums and art galleries
- Political and educational institutions
- Religious institutions

Cultural tourism is based on the mosaic of places, traditions, art forms, celebrations and experiences that portray the nation and its people, reflecting the diversity and character of a country. Garrison Keillor, in an address to the 1995 White House Conference on Travel & Tourism, best described cultural tourism by saying, "We need to think about cultural tourism because really there is no other kind of tourism. It's what tourism is...People don't come to America for our airports, people don't come to America for our hotels, or the recreation facilities....They come for our culture: high culture, low culture, middle culture, right, left, real or imagined -- they come here to see America." Two significant travel trends will dominate the tourism market in the next decade.

- Mass marketing is giving way to one-to-one marketing with travel being tailored to the interests of the individual consumer.
- A growing number of visitors are becoming special interest travellers who rank the arts, heritage and/or other cultural activities as one of the top five reasons for travelling.

The combination of these two trends is being fuelled by technology, through the proliferation of online services and tools, making it easier for the traveller to choose destinations and customize their itineraries based on their interests. Today we can witness large masses of people travelling to foreign countries to become acquainted with the usages and customs, to visit the museums and to admire works of art.

One way of hastening the beneficial effects resulting from tourism is to bring the cultural heritage into the economic circuit, thus justifying the investments made at the cost of the national community, for its preservation. Taking an economic view of the cultural heritage of a nation may not altogether be justified, considering that the preservation of its culture is one of the basic responsibilities of any community. But considering the financial obstacles especially for the developing countries, this may appear to be a rational approach. Hence mass tourism can contribute unique benefits to the exploiting of the cultural heritage of a nation and can serve indirectly to improve the individual cultural levels of both citizens and travellers. Cultural resources have another specific characteristic, which many tourists want to experience the exotic. There will be a great urge on the part of the tourist to visit and become acquainted with the ancient civilization in their quest for novel human knowledge. Culture means the prospect of contact with other civilizations, their original and varied customs and tradition with their distinct characteristics. This entire process creates a powerful motivator towards travel.

Various Museums also attract tourists like Madame Tussauds Museum in London, the Louvre Museum in Paris, Smithsonian Washington Museum,

Museums of famous painters like Salvador Dali, Pablo Picasso, Natural History Museum, British Museum, Museum of Modern Art are also popular tourist products. Sites of archeological interest like remains of Mohenjodaro and Harappan civilizations, museums for fossils and dinosaurs. Sites for historical interest like city of Hiroshima and Nagasaki, sites of holocaust in Germany, tombs of various leaders and emperors. Historical buildings like Warwick Castle, Tower of London, Stratford-on-Avon which is Shakespeare's birthplace, the Roman Baths are all popular with tourists. Even historical cities like Varanasi in India get a lot of tourists due to its status as one of the oldest cities of the world. Stonehenge in United Kingdom, The White House, Buckingham Palace and other places of political significance, are also great tourist draws.

b) Traditions

- Pilgrimages
- Fairs and festivals
- Arts and handicrafts
- Dance
- Music
- Folklore
- Native life and customs

A pilgrimage is a term primarily used for a journey or a search of great moral significance. Sometimes, it is a journey to a sacred place or shrine of importance to a person's beliefs and faith. Members of every religion participate in pilgrimages. A person who makes such a journey is called a pilgrim. Secular and civic pilgrimages are also practiced, without regard for religion but rather of importance to a particular society. For example, many people throughout the world travel to the City of Washington in the United States for a pilgrimage to see the Declaration of Independence and the Constitution of the United States. British people often make pilgrimages to London to witness the public appearances of the monarch of the United Kingdom. A large number of people have been making pilgrimages to sacred religious places or holy places. This practice is widespread in many parts of the world. In the Christian world, for instance, a visit to Jerusalem or the Vatican is considered auspicious. Among Muslims, a pilgrimage to Mecca is considered a great act of faith. In India there are many pilgrimage centres and holy places belonging to all major religions of the world.

India is among the richest countries in the world as far as the field of art and craft is concerned. Tourists like to visit and see the creative and artistic treasures of various countries. Every country has certain traditional arts like soap sculptures and batik of Thailand; gems and jewellery, tie and dye works, wood and marble carving in Indonesia; ivory, glasswork, hand block printing, sandalwood, inlay work; are some of the examples of traditional art that attract tourists.

There are many forms of dance in the world like Salsa, Hip- Hop, Jazz, Flamingo, Ballet and Traditional Dances. People who travel like to watch these dance performances and sometimes even take some introductory classes.

Music can be either traditional or modern. Traditional music like folk music and classical and country music is specific to every region and country. Modern forms include Blues, Rock, Pop, Jazz, Rap, Techno and Hip- Hop. Music also adds to the attraction of a destination.

Fairs and Festivals capture the fun loving side and bring out the joyous celebrations of the community. Festivals like Christmas, Easter, Thanksgiving, Eid, Ramadan, Diwali, and Holi and so on, also bring people to destinations where the celebration can be enjoyed. Some popular Fairs which cater to fun and work are Pushkar Mela in Rajasthan, Prêt fair in Paris, Magic Fair in Vegas for garments, Hong Kong Fashion Week and various job fairs where people are recruited.

c) Entertainment

- Amusement and recreation parks
- Sporting events
- Zoos and oceanariums
- Cinemas and theatre
- Night life
- Cuisine

Tourist products that have entertainment as their main characteristic are many. Just to name a few there are amusement and recreational parks like Disneyworld in United States, Hong Kong, Paris, Singapore and theme parks in various countries and cities like Appu Ghar and Fun and Food Village in Delhi, Essel World in Mumbai and so on.

Tourists may come to attend sports events and it is also an opportunity to explore the country. The fundamental concept is that all tourist activities have an influence on providing economic benefits and have a powerful influence in some definite locality, like the Olympics in Athens has given immense benefit to all in tourism business in Athens in particular and Greece in general. Many countries organise year round sports events like swimming meets, athletic meets, weight lifting events, cricket matches, baseball and football events and many more such events which encourage tourism. India will be hosting the Common-Wealth Games on 2010 and it is anticipated to give the tourism industry a big boost.

Night Life is one of the prime attractions in a holiday. Tourists like to especially visit areas in cities where the night life activity is promoted. These areas are usually lit up with street stalls like flea markets and food areas. Bars, night clubs, casinos and very often open air bands attract and add to the psychological satisfaction and experience of tourists.

Cuisine is very often an understated but highly important part of any holiday. Now-a-days there is cuisine from all areas of the world which is found at most tourist destinations. Specialty restaurants serve Indian, Continental, Chinese, Italian, Japanese, Thai, Indonesian, Fast food, Mexican, Mediterranean, and Arabic and so on. However, tourists usually like to eat the local food of the areas they visit.

d) Business

- conventions
- conferences

People who travel in relation to their work come under the category of business tourism. However such travel for business purposes is also linked with tourist activity like visiting places of tourist attraction at the destination, sight seeing and excursion trips. Business travel is also related to what is termed today as convention business, which is a rapidly growing industry in hospitality and tourism.

A business traveller is important to the tourism industry as it involves the usage of all the components of tourism. He travels because of different business reasons- attending conventions and conferences, meetings, workshops etc. Participants have a lot of leisure time at their disposal. The conference organisers make this leisure time very rewarding for participants by organising many activities for their pleasure and relaxation. The spouses and families accompanying the participants are also well looked after by the organisers. The organisers plan sight seeing tours and shopping tours for the participants and their families. In India, cooking classes for learning Indian food cooking from the various states, visits to the craft bazaars where tourists see how artisans make clay pots and other handicrafts, they visit tie and dye units to see Indian printing eg. Batik printing etc. Women tourists enjoy henna demonstrations.

Conferences are events which require meticulous planning and efficient implementation, co-coordinating various activities so that the right things happen at the right time. There are a number of players in the convention business. On one hand are the customers or the consumers and on the other hand are the principle suppliers like hotels, transporters, convention centres, tour operators and travel agencies, tourism departments, exhibition organisers, sponsors etc.

2.4.3 SYMBIOTIC TOURISM PRODUCTS

Some tourism products do not fall into the above categories. Wildlife sanctuary, Marine parks, Aero products and Water sports, Flower festivals are the example of tourism products which are a blending of nature and man. Nature has provided the resource and man has converted them into a tourism product by managing them. National parks for example, are left in their natural state of beauty as far as possible, but still need to be managed, through provision of access, parking facilities, limited accommodation, litter bins etc. Yet the core attraction is still nature in this category of product. These products are symbiosis of nature and man.

In case of adventure sports tourists can be participants. The basic element of adventure is the satisfaction of having complete command over one's body, a sense of risk in the process, an awareness of beauty and the exploration of the unknown. Adventure tourism can be classified into aerial, water based and land based.

Aerial adventure sports include the following activities-

A) Parachuting, which involves jumping off from an aircraft or balloon and descending by means of a parachute. The infrastructure required, includes an aircraft, parachutes and large landing zones.

- B) Sky Diving, which involves a sky diver jumping off an aircraft or balloon at a much greater height without deploying his parachute initially and opening it after some interval at a pre determined height.
- C) Hang Gliding, which involves running off a mountain or being towed by a winch and essentially flying like a glider where the directional control is achieved by a shift in his own weight by the pilot.
- D) Para Gliding, is the latest aero-sport which has taken the world by storm. A Para Glider is a specially designed square parachute, along with a harness attached by lines.
- E) Para Sailing is a simple sport that involves towing a parachutist to a height of a few hundred feet in the air and then descending by means of a parachute. As a year round activity, Para sailing can be done on land and water.
- F) Bungee Jumping, which requires no equipment except a 'bungee cord' made of nylon fiber of enough elasticity to be able to absorb the shock at the end of the jump. The jumper makes a headlong jump into empty space and the resultant rush of adrenalin makes the experience very exhilarating.
- G) Ballooning, where a balloon is attached to a basket by steel wire ropes. By regulating hot and cold air, the pilot can steer the balloon along any charted course.

Water based adventure sports include the following-

- A) White water rafting which is one of the most important and exciting water sports, which involves riding down water rapids in an inflatable raft which is used to negotiate fast flowing rivers.
- B) Canoeing and Kayaking are adventure sports which begin upstream where the water is wild and white. The gradient best suited for canoeing is the stage near the river's entry into the plains where the trip can be combined with a natural holiday in a forest. Kayaking is appealing as it enables innovation on the river by one or two oarsman seated in tandem.
- C) Adventure sports in the waters of the sea like wind surfing, scuba diving, snorkeling, yachting, water skiing, etc. also offer thrilling activities to the tourists.

Land based adventure tourist products include the following-

- A) Rock climbing which originated as a means of practicing techniques for ascending high mountains. It was earlier provided as training to mountaineers but has now evolved into a highly developed sport. The climber moves up, using knowledge of rope handling, climbing, securing one to another, etc. Very sophisticated techniques and equipments are used nowadays to ascend or descend on very steep terrain.
- B) Mountaineering requires trained physical ability and suitable equipment. The higher peaks need better equipment which is also costly. The challenges which mountains like the Indian Himalayas pose attract mountaineers from various countries.
- C) Trekking the mighty Himalayas which spread across five Indian states form a sweeping arc and compress in its expanse a wide geographical variety and contrasting cultures.

D) Skiing is the practice of sliding over snow on runners, called skis, attached to each foot. There are three types of ski resorts, the first are large towns, second type are alpine villages and the third resorts built for skiing.

E) Heli skiing is a type of alpine skiing where the skier is dropped to the top of a mountain by a helicopter and then he slides down on his own.

F) Motor Rally is a sport that tests the navigational skills of man and his endurance with the machine. Motor rallies, grand prix racing, hill climbing rallies, vintage car rallies, sports car racing, etc. are some forms of this tourism product.

G) Safaris were earlier taken on camel, horse and elephants as an excursion for hunting or a journey. As a modern tourist product now safaris are taken on jeeps and in the form of caravans. Viewing and enjoying nature, meeting the local villagers, seeing their traditions, customs and lifestyle, entertainment and camp fires are some of the characteristics of modern safaris. Eg, Egypt desert safaris. Horse and elephant safaris are arranged in most of the national parks and wildlife sanctuaries.

2.4.4 EVENT BASED TOURISM PRODUCTS

Where an event is an attraction, it is an event based tourist product. Events attract tourists as spectators and also as participants in the events, sometimes for both. The Oktoberfest organised in Germany, Dubai and Singapore shopping festivals, the camel polo at Jaisalmer, Kite flying in Ahmedabad attracts tourists, both as spectators and participants. Whereas in case of the Snake Boat race of Kerala can be enjoyed witnessing it.

Event attractions are temporary, and are often mounted in order to increase the number of tourists to a particular destination. Some events have a short time scale, such as the Republic Day Parade, others may last for many days, for example Khajuraho Dance Festival or even months like the Kumbh Mela. A destination which may have little to commend it to the tourist can nevertheless succeed in drawing tourists by mounting an event such as an unusual exhibition.

2.4.5 SITE BASED TOURISM PRODUCTS

When an attraction is a place or site then it is called a site based tourist product. Site attractions are permanent by nature, for example Taj Mahal, The Great Wall of China, The Grand Canyon in Arizona, Eiffel Tower, Statue of Liberty, Temples of Khajuraho, etc. A site destination can extend its season by mounting an off season event or festival. A large number of tourists are attracted every year by the great drawing power of Stratford on Avon in England because of its association with Shakespeare, the city of Agra in India with its famous Taj Mahal, Pisa in Italy for its famous Leaning Tower. Some new features have been added to the same product to keep the tourist interest alive in the products. For example now visitors can see Taj by night, music

shows have been organised with Taj as the backdrop so that there are repeat tourists.

2.4.6 OTHER TOURISM PRODUCTS

Health Tourism

Holidaying is generally considered as an investment in health, a subject that presents opportunities of cost- benefit analysis. The medical expertise of various countries has added a new product to the existing tourism products. People are travelling to various countries for treatment of various ailments and medical procedures like Cardio care, Bone Marrow Transplant, Dialysis and Kidney transplant, Neuro surgery, Joint Replacement Surgery, Urology, Osteoporosis, and numerous other diseases. Even cosmetic surgery, alternative medicines like homeopathy, acupressure, ayurvedic medicines and naturopathy are also becoming tourism products wherein travel companies are offering Yoga and Rejuvenation packages. Tourists travel for what is illegal in one's own country, e.g. abortion, euthanasia; for instance, euthanasia for non-citizens is provided by Dignitas in Switzerland. Tourists travel also for advanced care that is not available in one's own country, in the case that there are long waiting lists in one's own country or for use of free or cheap health care organisations.

Eco-tourism

Tourism that combines local economic development, protection of the quality of the environment and promotion of the natural advantages and the history of an area. The combination of all or some of the above mentioned kinds of tourism could contribute significantly to the development of tourism in any country. The availability of tourist packages involving gastronomy, entertainment and information about the cultural wealth of a country should be regarded as a priority issue for tourist agents, as it will reduce the concentration of tourist activity in certain areas and will improve and enrich the tourist.

Rural Tourism

Any form of tourism that showcases the rural life, art, culture and heritage at rural locations, thereby, benefiting the local community economically and socially as well as enabling interaction between the tourists and the locals for a more enriching tourism experience can be termed as rural tourism. It is multifaceted and may entail farm/agricultural tourism, cultural tourism, nature tourism, adventure tourism, and eco- tourism. The stresses of urban lifestyles have led to this counter- urbanisation approach to tourism. There are various factors that have led to this changing trend towards rural tourism like increasing levels of awareness, growing interest in heritage and culture and improved accessibility and environmental consciousness, Tourists like to visit villages to experience and live a relaxed and healthy lifestyle.

Ethnic Tourism

Ethnic tourism is travelling for the purpose of observing the cultural expressions of lifestyles of truly exotic people. Such tourism is exemplified by

travel to Panama to study the San Blas Indians or to India to observe the isolated hill tribes of Assam. Typical destination activities would include visits to native homes, attending traditional ceremonies and dances, and possibly participating in religious rituals.

Senior Citizen Tourism

A newly emerging trend in tourism, basically for senior citizens or old people who live in isolation, especially in the west, because of daily busy schedules of their children and more importantly the attitudes. The characteristic feature of this type of tourism is that the senior people are less demanding in the form of facilities and services, besides leaving minimum impact on the destination community and their main consideration is on personalised service.

Spiritual Tourism

Many people when living under conditions of stress turn to spirituality. The Eastern world is considered to be very spiritual with many of the new age Gurus and their hermitages. This takes the form of another tourism product, that is, spiritual tourism. Tourists visit places to attend spiritual discourses and meditation workshops. For example, The Osho Foundation, Art of Living Foundation which have centres all over the world, Buddhist Monasteries and Ashrams.

Golf Tourism

Golf has been enjoyed by many for a long time. Earlier it was enjoyed as a sport but in recent times it has developed into a hot tourism product. Many tourist organizations plan promotional packages to woo the golf tourist especially from Japan where the green fees are very high. These tourists take exclusive golfing holidays wherein their accommodation is also arranged near the course and they return after serious golf playing.

CHECK YOUR PROGRESS 3

1) Name some of the well known Tourist Places.

2) List out the various climates and the related tourist activities.

3) Divide the following into land, water and aerial Adventure Sports, Parachuting, Safaris, Snorkelling, Yachting, Sky Diving, Trekking, Water Rafting, Hand Gliding, Skiing, Bungee Jumping.

Activity 1

Collect some tourist literature on a few famous sites that are tourist attractions.

Activity 2

Design a 'Golf Package Tour' listing out all the facilities that a tourist would require to purchase this product

SUMMARY

After reading the above lesson, you must be now clear about what really is a tourism product along with its unique and distinguishing features. We have discussed in detail the various forms of tourism products. By now you know natural, man-made, symbiotic, event based and site based tourist products. Now when you look around you, in any newspaper, magazine or even T.V. programmes, you will see the various tourism products and will be able to identify their forms. At this stage it's important for you to understand and identify how each tourism product has a distinguishing feature and its marketing strategy must highlight this feature. Advertising, publicity, sales promotion, brochures, pamphlets, posters, direct mailing, personal selling and advertorial are some of these strategies which you will learn in the later lessons. The tourism product has to be packaged and priced keeping in mind the target customer. Without any doubt, tourism is the main sector that can play a significant part in achieving rapid economic growth and drastically reducing unemployment in our country. Currently, it is the largest foreign exchange earner for our country. The development of the tourism industry on a priority basis is the need of the hour. You will study about Tourism as an industry and the economic impact of tourism in the next lesson.

2.6 GLOSSARY

Here are some related key words:

Public Relations- It is a marketing term used when a positive image is created about the product or service in the mind of the consumer.

Aquatic- a plant that lives in or on water

Dormitory- Sleeping room with several beds

Lean period- Off season time

Linkages- When one industry, area or aspect influences the other and in turn is influenced by it as well.

2.7 KEYWORDS

Tourist product, intangible, psychological, experience, culture, entertainment, tradition, conventions, events, sites, marketing, package tour, adventure, cuisine, pilgrimage, historical sites, man-made wonders, monuments, environment, heritage, natural beauty, sport meets, art and craft, beaches.

2.8 SELF ASSESSMENT QUESTIONS

- 1) Describe the various characteristics of a tourism product.
- 2) With the help of examples distinguish between Natural and Man-Made Tourist Products.
- 3) Write a short note on Cultural Tourism.
- 4) Briefly discuss the inter relationship between all the various forms of tourism products.
- 5) Identify some tourist products that are Event based and Site Based.
- 6) Identify which keywords do not belong to this lesson.

Keywords: Mountains, Earthquake, Dance Festival, Guide, Olympic Games, Advertising, Cosmetic Surgery, Scuba Diving, Tickets.

2.9 SOURCES AND FURTHER READINGS

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LESSON 3

TOURISM AND ECONOMY

Ramanbir Bindra

STRUCTURE

- 3.0 Introduction
- 3.1 Objectives
- 3.2 Tourism: An industry
- 3.3 Tourism and Development
- 3.4 A Strategy for developing countries
- 3.5 Linkages and Leakages
- 3.6 Summary
- 3.7 Glossary
- 3.8 Keywords
- 3.9 Self Assessment Questions
- 3.10 Sources and Further Readings

3.0 INTRODUCTION

In the previous lessons you have read about tourism and who is a tourist. Along with this you already know by now what a tourism product is and its various classifications. In this current lesson, we discuss how tourism is a leading industry today. There will be a detailed discussion on the relationship between tourism and development, its linkages and leakages. In the end you can answer questions that will assess your understanding of the topic we have discussed.

3.1 OBJECTIVES

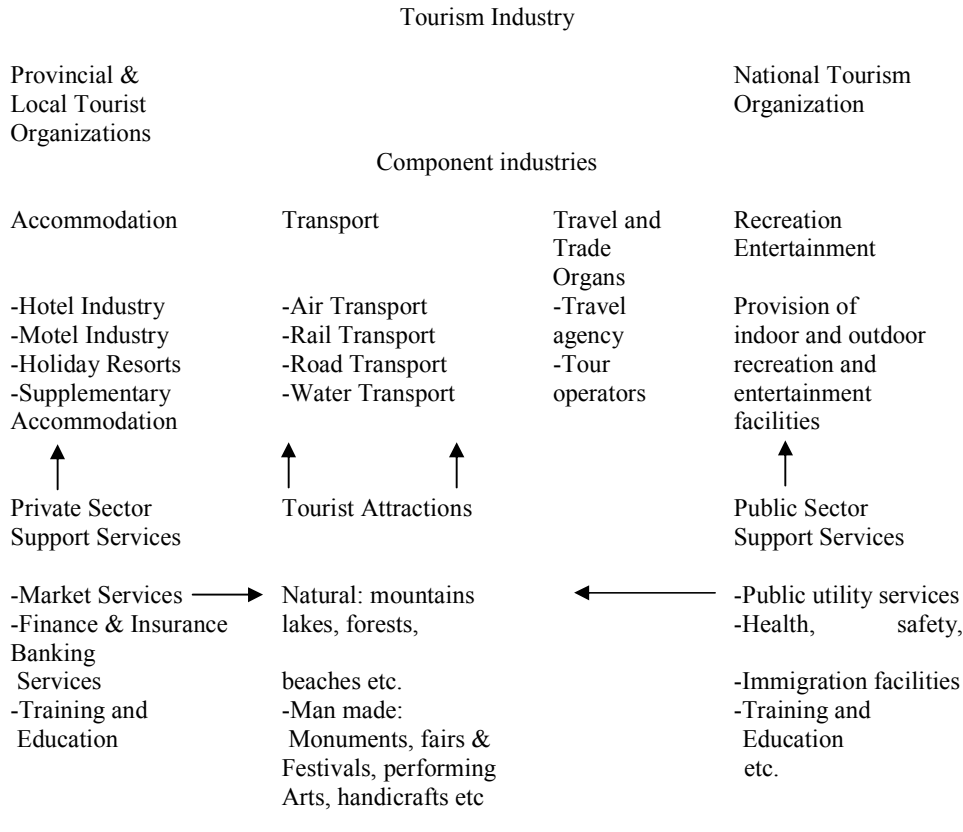
At the end of this lesson, you will be able to

- Understand tourism as an industry
- Discuss the co- relationship between tourism and development
- Analyze tourism as a developmental strategy
- Examine its various linkages and leakages

3.2 TOURISM: AN INDUSTRY

Tourism industry is the one that deals with the tourists as consumers, the money spent by them, and the resources rendering various goods and services which facilitate the composition of the tourism product. This industry has been named as a '*smokeless industry*' because unlike other industries it is invisible and non-polluting. The tourism industry is an extraordinarily complex integration of many industries spread over many sectors. Tourism is

an *umbrella industry* containing a set of inter-related business participants. For example, industries like Transport (Air, water and surface), Accommodation (Hotels, Motels, and Supplementary Accommodations), and Travel Companies, (Tour Operators/ Travel Agents), Recreation and Entertainment Institutions, Handicrafts business, etc and the provision of the many goods and services demanded by tourists. Interestingly, most of the component industries also get related to varied commercial and non-commercial activities over and above providing their services to the tourists. A simplistic structure of the tourism industry can be suggested by way of a framework as in the following illustration.



Source: .Kamra, K.K:M.Chand, 2006.Basics Of Tourism-Theory, Operation And Practice, Kanishka Publishers

Over the years, there has been a growing awareness of tourism as a human activity, an industry, and a *catalyst* for economic growth and development. Like any other industry the tourism industry draws resources from the economy, adds value and produces marketable products. The only difference here is that no tangible product is produced like in the case of a manufacturing industry. The product in this case, as we have already discussed in the previous lesson, is intangible and joint or composite in nature. The tourism industry impacts various auxiliary (specific) and ancillary (general) industries as well. Tourism today is undergoing a rapid transformation towards a new industry having far-reaching implications for organizations in the travel and tourism industry in particular, and consequences of import for developing

and developed countries in general, growing increasingly dependent on the tourist dollar.

The *forces* driving the change in this industry are many. In olden times people travelled mainly for commercial and religious reasons and leisure travel was for the rich. Today people travel for a variety of motivations, including business, leisure, religion, culture, visiting friends and relatives, education and health. The means of transportation have become varied and faster and as the transport becomes faster, new travellers emerge and people travel greater distances. Another important force driving the growth within the industry is the growth and expansion of the middle class and an increase in their disposable income.

The travel industry is *complex in nature* and challenging to manage. This is for three main reasons- their process type, cost structure and market features. In terms of process, most operations are a combination of customer processing operations, material processing operations and information processing operations. There is a mix of cost structures based around provision of service, food, accommodation, sightseeing, airfare etc. Forecasting and packaging are some key market features.

Originally *segmentation* in the industry was based on social class however, currently many factors influence segmentation in the industry. Now there are products that are specially marketed to specific groups of people or market segments based on lifestyle. Due to segmentation more choice is created for consumers and *branding* has emerged, major companies are developing brands that are easily recognizable, for example, Thomas Cook holidays, Star Cruises, etc.

Tourists are now a sophisticated lot. They are demanding and constantly looking for new variations in the products and newer destinations. In addition, there is growing environmental awareness and travellers are increasingly prepared to shun over-commercialized and polluted destinations for newer and less popular ones. Parallel to all these changes in the market place, there is deregulation of the airline industry, an explosion of technology both for automated reservations and for travel management, and an increasing trend towards concentration of the industry reflected by the large numbers of mergers, takeovers and acquisition of the industry from 'old' to 'new' tourism.

Criteria	Old Tourism	New Tourism
CONSUMERS	- Amateur - Security in Numbers	- Mature - Want to be different
TECHNOLOGY	- Unfriendly - Users limited - Stand alone	- Interact with each other - All players are users - Technological integration
PRODUCTION	- Competition through price - Economies of scale - Vertical and Horizontal	- Competition through Innovation - Economies of scale and

	Integration	scope
		- Diagonal Integration
MANAGEMENT	- Labour as cost of production - Maximize capacity - Sell what is produced	- Labour as key to quality - Manage yield - Listen to consumers
FRAME CONDITIONS	- Regulation - Economic growth - Uncontrolled growth	- De-regulation - Restructuring - Limits to growth

Source: .Kamra, K.K:M.Chand, 2006.Basics *Of Tourism-Theory, Operation And Practice*, Kanishka Publishers

New tourism is a transition from the existing to the tourism of the future typified by

- Flexible tourist products
- Segmentation
- Enhanced tourism experiences
- Thrust towards diagonally integrated organizations and
- Management of the tourist industry

There are clear and apparent manifestations that the tourist industry is beginning to take on newer dimensions. The emerging new practice is the creation of a number of factors including the system of new information technologies in the tourism industry, deregulation of the airline industry, environmental pressures; technology compensation; changing consumer tastes, leisure time, work patterns and income distribution.

The economics of new tourism is quite different from the old. From system gains, segmented markets, designed and customized holidays the focus now is also on, profitability and competitiveness in tourism. The new tourists show greater care and have a concern for conservation of the natural environment. There has been a shift towards eco tourism, green tourism, rural tourism, farm tourism, sustainable tourism, etc. with perpetual opportunities of benefit from this new tourism.

Competitive Strategies for success have to be employed today for survival. There are new techniques and trends to be followed by the industry players. To gain competitive advantage, the players and participants of the industry will have to

- be customer friendly,
- be quality conscious,
- innovate new and better products,
- make meaningful value additions.

And for tourist destinations to be competitive, certain key principles need to be incorporated into the policy framework. Some of these are

- be environmentally sensitive,
- make tourism a leading sector,
- strengthen the distribution channels in the market place,
- encourage private sector participation.

Today tourism is sensitive to the environment as well as inhabitants of the region or area, tourism is sustainable, and tourism is capable of transforming tourism-dependent and vulnerable areas' economies into viable entities. Tourism is in a stage of revolutionary change and a new kind of tourism is emerging fast. New tourism promises flexibility, segmentation and diagonal integration. It is driven by information technologies and changing consumer requirements. Today this industry can produce an entire system of value addition and wealth generation. The objective today is 'tourism should be planned in a manner that it benefits the community as a whole, has benefits for the locals, and optimizes the expectations of the tourists besides taking care of the environment.'

Tourism is a growth industry

In the 21st century the global economy will be driven by three major service industries – Technology, Telecommunications and Tourism. Travel and tourism will be one of the world's highest growth sectors in the current century. Tourism, according to experts is expected to capture the global market and become the largest industry in the world.

The statistics and projections point to an era of unprecedented growth of tourism around the world. From 70 million international tourist arrivals in the year 1960 the WTO has estimated that international tourism arrivals worldwide would be 1.5 billion by the year 2020.

According to the latest report from the World Travel and Tourism Council (WTTC) "in the year 1999 Travel and Tourism generated about 3.5 trillion US dollars of GDP and almost 200 million jobs across the world economy: approximately. World travel and tourism GDP is forecast to increase in real terms at 3% per annum in the decade 2000-2010. During the same period employment in travel and tourism is expected to grow at about 2.6% per annum." World Travel and Tourism Council has summarized some of the highlights concerning worldwide travel and tourism industry as follows:

- The Travel and Tourism Industry contributed 11.7% towards world GDP in 1999;
- Travel and Tourism has emerged strongly from the South- Asian crisis with leisure tourism rising by 4.7% in 1999 and business travel by 4.4%;
- Tourism related spending by international visitors amount to 8% of world exports in 1999 with a further impact by export of Travel and Tourism related goods;
- Travel and Tourism related GDP is forecast to increase at 3% per annum in real terms;

- In the coming years, over 8% of all jobs worldwide will depend upon Travel and Tourism;
- Travel and Tourism will support the creation of over 5.5 million jobs per year over the next decade.

Thus, tourism today is a shining sector and a great economic force. Its status as a major economic activity has been recognized by almost all the nations of the world.

During the 1960s there was emphasis on tourism as an earner of foreign exchange, a catalyst of development, and a security against the uncertain fluctuations of commodity prices. Today however, its impact is not only economic but social and cultural as well. Cultural tourism is a fertile ground for exercising creative talents, fostering special kinds of relations between visitor and the host populations. It enables the tourist to form a view of his present world and a global concept of the historic past. Thus, tourism has wider implications encompassing not only economic benefits but also social and cultural benefits as well.

CHECK YOUR PROGRESS 1

1) List out all the participants in the tourism industry.

2) Write down five reasons which motivate people to travel today as opposed to olden times.

3) Pick out the keywords that describe the tourism industry.

Smokeless, complex, frivolous, inward- looking, growth oriented, flexible, heavy, catalyst, hazardous, technical, isolated, customer friendly.

3.3 TOURISM AND DEVELOPMENT

Development can be viewed from various dimensions, however, for the purpose of this current lesson, we use the following definition of economic development: Economic development is a process of economic transition that involves the structural transformation of an economy and a growth of the real output of an economy over a period of time. It is a long run concept. Structural transformation is achieved through modernization and industrialization and is measured in terms of the relative contribution to gross domestic product of agriculture, industry and service sectors. The potential of tourism to contribute to development is widely recognized in the industrialized countries, with tourism playing an increasingly important role and receiving government support. Tourism along with some other activities like financial services and tele-communications is a major component of economic strategies. Tourism has become a favoured means of addressing the socio- economic

problems facing rural areas on one end, while enhancing development of urban areas on the other.

Tourism and National Development

Tourism emerged as a global phenomenon in the 1960s and the potential for tourism to generate economic development was widely promoted by national governments. They appreciated that tourism generated foreign exchange earnings, created employment and brought economic benefits to regions with limited options for alternative economic development. National tourism authorities were created to promote tourism and to maximize international arrivals. However, an awareness of the negative environmental, social and some other impacts also increased. The importance of economic benefits at the local level, environmental and social sustainability was also widely accepted. It was observed that tourism presents excellent opportunities for developing entrepreneurship, for staff training and progression and for the development of transferable skills.

Tourism development focuses on national and regional master planning. It also focuses on international promotion, attracting inward investment. The primary concern has been with maximizing foreign exchange earnings. These earnings enable the government to finance debt and also to finance some investment in technology and other imports for economic development.

No trade barriers to tourism

Unlike many other forms of international trade, tourism does not suffer from the imposition of trade barriers, such as quotas or tariffs. Mostly, destination countries have free and equal access to the international tourism market. This position has become strengthened by the inclusion of tourism in the General Agreement on Trade in Services, which became operational in January 1995.

Redistribution of wealth

Both internationally and domestically, tourism is seen as an effective means of transferring income, wealth and investment from richer, developed countries or regions to less developed, poorer areas. This redistribution occurs as a result of both tourist expenditures in destination areas and also of investment by the richer, tourist generating countries in tourist facilities. Thus it appears as if, the developed countries support the economic growth and development of less developed countries.

Tourism and Poverty Reduction

Tourism can contribute to development and the reduction of poverty in a number of ways. Economic benefits are generally the most important element, but there can be social, environmental and cultural benefits and costs as well. Tourism contributes to poverty reduction by providing employment and various livelihood opportunities. This additional income helps the poor by increasing the range of economic opportunities available to them. Tourism

also contributes to poverty alleviation through direct taxation of tourism generated income. Taxes can be used to alleviate poverty through education, health and infrastructure development. Some tourism facilities also improve the recreational and leisure opportunities available for the poor themselves at the local level.

Tourism is not very different from other productive sectors but it has four potential advantages for pro-poor economic growth:

- It has higher linkage with other local businesses because customers come to the destination;
- It is relatively labour intensive and employs a large proportion of women workers;
- It has high potential in poor countries and areas with few other competitive exports;
- Tourism products can be built on natural resources and culture, which might sometimes be the only assets that people have.

The contribution of tourism to the local economy is also important to note. It has five kinds of positive economic impacts on livelihood, any or all of which can form part of a poverty reduction strategy:

- wages from formal employment
- earnings from selling goods and service or casual labour
- dividends and profits arising from locally owned firms and business units
- collective income which may include profits from a community run enterprise, land rent, dividends from joint ventures. These incomes can provide significant development capital and provide finance for corn-grinding mills, a clinic, teachers housing and school books
- infrastructure gains, for example, roads, water pipes, electricity and communications.

At this point it must also be mentioned that there are some disadvantages of tourism as well. For example, leakages (which you will read about in the next section) and volatility of revenue. These are also common to other economic sectors. However, tourism may involve greater trade-offs with local livelihoods through more competition for natural resources, particularly in coastal areas.

3.4 STRATEGY FOR DEVELOPING COUNTRIES

Tourism plays a very important role in the economies of many countries. Earnings from tourism-related activities contribute a considerable portion to their GDPs. Tourism is now being viewed as a significant tool and an important strategy in achieving economic growth in these countries.

The WTO is convinced that tourism has considerable potential for growth in many developing countries and Less Developed Countries (LDCs) where it is a significant economic sector and promising high growth rate; and that it has

advantages when compared with other economic sectors. This case can be summarized as follows:

Comparative Advantages of Tourism as a Development Strategy for Developing Countries.

1. Tourism is consumed at the point of production. This results in great opportunities for individuals and micro-enterprises, in urban or marginal rural areas, to sell additional products (e.g., handicrafts and souvenirs) or services (e.g. guiding or music) to the potential consumers.
2. Access to international markets is a serious problem for developing countries particularly in traditional sectors like food, agriculture and textiles where they confront tariff and non-tariff barriers. This is not the case for the tourism sector, where barriers would involve visa restrictions and related taxes only. The example of Cuba is instructive in this regard. Whilst Cuba has struggled to find export markets for its sugar and tobacco, it has been much more successful in maintaining a dynamic tourism industry.
3. Most export industries depend on financial, productive and human capital. The tourism industry not only depends on these, but also on natural capital (e.g. wildlife, scenery and beaches) and culture (folk dances, music, and handicrafts), which are sometimes the only assets owned by the poor.
4. Tourism has particular potential in many countries with few other competitive exports.
5. Tourism is a much more diverse industry than many others and can build upon a wide resource base. This diversity results in wider participation of the informal sector, for example a farming household produces and sells local handicrafts.
6. Tourism is often reported to be more labour intensive than other productive sectors. Data from six countries with satellite tourism accounts does indicate that it is more labour intensive than non-agricultural activities, particularly manufacturing, although less labour intensive than agriculture.
7. Tourism provides various employment opportunities especially to women as compared to some of the other sectors. (The percentage of female employment varies enormously in each country, ranging from over 60% in Bolivia to less than 10% in some Muslim countries).
8. In many developing countries, for example South Africa, China, Philippines and India, domestic tourism is growing rapidly and like international tourism brings relatively wealthy consumers to areas where they constitute an important local market. Domestic tourism can be accessed by people with lower budgets and is often equally valuable to the economy.

Perceived Disadvantages of Tourism as a Development Strategy

1. Foreign private interests drive tourism and it is difficult to maximize local economic benefits due to the high level of foreign ownership, which means that there are high levels of leakages and few local linkages. But that might not be the case many times.
2. Many small enterprises and individual traders sustain themselves around hotels and other tourism facilities and these small companies are not foreign owned. There is often confusion about levels of foreign ownership as local ownership is often masked by franchise agreements and management contracts. WTO is studying this issue in collaboration with UNCTAD as part of its poverty elimination research.
3. Tourism can impose substantial non-economic costs on the poor. For example, loss of access to resources (particularly beaches), displacement from agricultural land, social and cultural disruption and exploitation.
4. Many forms of development bring with them disadvantages that need to be managed. The economic and non-economic negative impact needs to be determined and the issues addressed. It is for this reason that the WTO supports a holistic livelihood approach to assessing the impact of tourism-positive and negative – on the poor. Issues like environmental management and planning at local level need to be addressed through the good governance agenda.
5. Tourism is a vulnerable industry. It reacts immediately to factors like changes in economic conditions in the originating markets, levels of economic activity in tourism in the destination markets. Thereby affecting international visitor arrivals. It is also very vulnerable to civil unrest, crime, political instability and natural disasters in destination countries.
6. It has been observed that the volatility of export markets for tourism is not significantly greater than other commodities. Many times tourism has the advantage noted above that it is not subject to tariff or other non-tariff barriers and that the destination has some control over civil unrest, crime and political instability
7. Tourism requires highly sophisticated marketing. International tourism marketing is expensive, although there are more efficient and less costly forms of marketing available today. Many government agencies at the national level, tie ups of domestic hotels and resorts with international participants, word of mouth publicity, target marketing are some of the methods used.

Tourism in many developing countries and many LDCs has been growing strongly in recent years and there are strong reasons to think that these trends will continue. Many developing countries have comparative advantages in tourism where tourism constitutes one of their better opportunities for development. The disadvantages, which are often identified in relation to international tourism in developing countries, are few when tourism is compared with other sectors of the economy. WTO believes that tourism is considered alongside other industries as a development option and that where tourism presents the best opportunity for local economic development and antipoverty strategies, development banks, bilateral and multilateral development agencies should back it with determination.

CHECK YOUR PROGRESS 2

1) Give two examples of the natural capital of a country.

2) List some ways in which a poor family can earn money from tourist related activities.

3.5 LINKAGES AND LEAKAGES

The term leakage is used to refer to the amount spent on importing goods and services to meet the needs of tourists. Leakages take place across national boundaries that can have impact on the balance of payments of the countries. It results from the economic exchange between the two countries. It also occurs when the local economy is unable to provide reliable, continuous, supplies on the basis of competitive prices of the required product or service and of a consistent quality to meet the market demand. From a tourism and poverty perspective it is generally more productive to focus on the other side of the coin-linkages. When the local economic linkages are weak, the revenue received from tourism in the local economic area leaks out. In order to reduce such leakages, it becomes necessary to deliver consistently at an appropriate quality and at competitive prices, at the same time, engaging the local suppliers who use local capital and resources.

Leakages:

From the perspectives of local economic development and poverty reduction, we are not concerned how much a tourist spends outside the country, but how much he is not spending in the local economy, which means, limiting the benefit to local communities and the poor among them. Leakages, which have negative impact on the development of local tourism, are:

- Impact skills, expatriate labour
- Imported commodities, goods and services
- Imported technology and capital goods
- Increased oil imports
- Repatriation of profits
- Advertising and marketing efforts abroad
- Transporting tourists to the destination country

However developing local sources of supply, encouraging local ownership and enhancing linkages to the local economy can improve

this. The last two of these can create more jobs and opportunities for small and medium enterprises (SMEs) at the same time.

Linkages

There are many ways in which local communities can be benefitted by these propositions. The best way is to increase the extent of linkages between formal tourism sector and the local economy. By formal tourism sector we mean hotels, restaurants, lodges, and tour and transport agencies. To the extent linkages to the local economy can be increased, the extent of leakages will be reduced. The increased integration can further develop strong linkages between tourism and other economic sectors. Not only do agriculture, fisheries, manufacturing, construction and domestic industries get integrated, the auxiliary and ancillary industries are also strengthened. This in turn provides additional revenue and jobs, which reduces the import content and foreign exchange leakages from the tourism industry.

Government and development agencies should create local linkages as part of their overall tourism development strategy in the planning, construction and operational phases. There are three sets of factors, which are important in enhancing the extent of local linkages:

- The creation of employment at all skill levels and particularly where there is existing capacity.
- The Anti-poverty tourism development strategies have suggested 'new attractions'. The tour operators at the ground level should integrate these. The critical areas include creating mutually beneficial business linkages between the formal and informal sectors. Small and emerging entrepreneurs are often neglected. Local government should ensure that micro-enterprises and emerging entrepreneurs are promoted while taking local tourism marketing initiatives. Visitor attractions, parks, cultural sites and hotels should be encouraged to provide information about local products and services provided by the poor.
- There is need to understand tourist expectations thoroughly. Also, small enterprises to meet the credit needs and marketing needs are also required. Small enterprises sometimes face difficulties in meeting the requirements of health and safety, licensing and other regulatory requirements. There is a need to systematically educate and train the poor in such a way that they are able to integrate themselves with the growing requirements relating to regulations.

The local market should be geared up to deliver qualitatively reliable and competitive goods and services to tourists. The local business community should be actively involved in the process through partnership approaches. This requires continuous efforts, which is possible through long-term partnership to benefit from linkages. Once

planning commission concessions are being granted, private sector companies can be asked to make the development of such linkages part of their bid.

Tourism can help in diversifying other sectors of the local economy and can create new ones, offering additional community livelihood opportunities. Local economic benefits and ownership are likely to be greater, if local communities participate in diversified business activities. Now with the growing awareness governments are adopting policies, to encourage and facilitate participation by the local communities. The participation by the poor in the development of tourism projects may result in increasing employment and growth of complementary products.

These benefits can further be maximized through partnerships at the destination level. There is a tremendous possibility of bringing about sustainable development for the local economy if Hotels and tour operators work together with local communities, local government and NGOs. This can help in reducing poverty and can provide a richer experience to domestic and international tourists. Such partnerships will benefit both the host communities and the tourism industry. This will also help them earn more tourism dollars, euros or pounds without any leakages. This can further be utilized for community development.

Through affirmative policies, enterprises can contribute significantly to economic development, in both their constructional and operational phases.

Some practical strategies for developing local economic linkages are discussed below:

1. Market Access and Enclave Tourism

There is practically no link between local people and tourism market. Tourists are not accessible to the local community when they are within their hotels, coaches, and safari vehicles or inside sites and attractions such as museums. These are all enclave forms of tourism. The local community people who wish to sell their products to tourists don't have access to them. They end up hawking and touting at entry points. The problem is still more difficult in case of Cruise ship passengers and tourist on "all inclusive" hotel or resort packages where local entrepreneurs hardly interact with them.

Access to the market plays major role in involving entrepreneurs in the tourism industry. This is particularly true in the case of the informal sector; where the return on local skills and services is often maximized and where the scale of capital investments is low. There is a need to keep this aspect in mind at the time of tourism planning, as access to tourists for the informal sector is often neglected.

Some tourists prefer all-inclusive packages, as they do not always feel safe in a new destination and are happier in a protected environment. They feel protected from the poverty and hassle from beggars, touts and hawkers in some destinations. But there is a way to solve this problem. This requires partnership approach between Hotel

and informal traders. This allows informal traders to provide such an environment where tourists feel secure in moving beyond the enclave and to approach “hassle-free” crafts markets. Local guides can also help in establishing contact between tourists and traders by rotation for which they may have agreement among themselves. This also requires observing certain code of conduct by the local traders and guide.

There should be a design to link the informal sector with formal sector so that poor members of community can be helped and tourist market becomes accessible to them. This can help them gain the economic benefit from it.

There are a number of strategies that can be used to enhance overall economic benefits and can further reduce poverty.

2. Growth and Selection: Attracting more of the most appropriate market Segments

It has been observed that the tourism sector in the poorest countries is generally highly dependent on international markets, as they do not have significant domestic markets. However, it has also been noted earlier that a significant number of developing countries have strong domestic tourism sectors as well as significant outbound tourists. It becomes imperative that the domestic market should always be considered first by the poorest countries, but in order to maximize foreign exchange revenues, the primary focus continues to be on international arrivals. There is a challenge to attract larger numbers of those international and domestic tourists who are most likely to benefit the poor, those predisposed to visit local markets and to seek first hand experiences of nature, culture and daily life which are most likely to be provided by poor people.

It is worth mentioning the importance of intra-regional tourism in this regard; WTO reported intra-regional tourism as growing in most regions of the world. It is significant that 40% of Africa’s tourism comes from neighboring African countries. This opportunity can be grabbed by opening up the roads and improving the modes of transport between countries in Africa, which would greatly enhance the movement of people and contribute in reducing poverty. Intra-regional tourism is especially valuable for pro-poor tourism and local economic development. This is because of the fact that there is greater likelihood of shared cultural values and familiarity with social systems between the people of neighboring countries.

There is no doubt that there is a case for attracting more visitors in order to increase the economic impact. At the same time we must understand that this strategy will only assist in poverty reduction if the additional tourists can be encouraged to spend in ways that benefit the poor and if it results in overall sustainability. The World Bank’s World Development Report recognized that economic growth does not necessarily result in swift poverty reduction. This requires an explicitly pro-poor strategy. This means that there should be constant growth, which favours poor in a disproportionate way. Some of the key

components of broad-based growth which assist in benefiting the poor include:

- Government commitment and responsiveness to the needs of the poor
- The expansion of employment opportunities for the poor
- Improved productivity for the poor,
- Improved access for the poor to credit, knowledge and infrastructure,
- Investment in the human capital of the poor (particularly education and health).

3. Increasing tourists' length of stay:

The economic returns can be increased with the same number of tourist arrivals if efforts can be made to extend their stay for a longer period. This results in the development of the product by increasing the numbers of bed nights and the expenditure of tourists on boarding and lodging. There will be a poverty reduction impact, if the additional bed nights can create extra employment or create greater opportunities for the poor to sell goods and services to the tourists or to the tourism industry.

4. Increasing visitor expenditure:

Now-a-days there is a market trend towards more experiential holidays. Tourists want to learn more about the countries they are visiting: the people, their cultures, traditions, cuisine, etc. It is much more than mere holidaymaking. The trend is towards more active holidays, greater personal involvement and active participation instead of passive relaxation. This again has potential for the diversification and enrichment of the tourism product. There is scope to develop more activities and attractions, with increased demand for interpreters and services of guides and transport necessary for their enjoyment. This increases both expenditure and length of stay. Making more extensive use of natural and cultural heritage, at the same time carefully managing the tourism impacts so as to ensue the conservation of resources, can make an important contribution both to economic development and conservation. This leads to growth in "Special interest tourists" who tend to spend more money on and during their holidays and to stay longer, whether those interests are based on natural, archaeological, historical or cultural heritage, or based on adventure and physical challenge.

5. Developing Complementary Products:

Providing a greater variety and richness of attractions and activities at destination can increase tourists' expenditure. This will increase the propensity of travellers to visit various attractions at the destination and may extend their length of stay and increase their expenditure. This translates into creating more promising opportunities for the development of complementary products that enable the poor to engage in the industry and to profit from it. The growth in established

industry results in stimulating interest in the development of complementary products: tourism services (like guided walks and the performing arts) and goods (particularly crafts and other local specialties). This complements the core tourism facilities of transport, excursions and accommodation. The list of complementary effects goes on increasing. These complementary tourism products often provide experiences that are not provided by the tour operators but which enrich their product. Hoteliers and tour operators can encourage local people to develop tourism products and services and to support them in doing so with training and marketing. This will increase the attractiveness of the destination and increase tourist expenditure in the local economy and will also develop the complementary products.

Local communities can often engage in the provision of complementary products because it requires less capital investment and is therefore less risky. Tourism is often best considered as an additional diversification option for the poor, rather than a substitute for their core means of livelihood. As an additional source of income (or other benefits) it can play an important part in improving living standards and raising people above the poverty threshold. The poor can maximize their returns by choosing forms of participation, which complement their existing livelihood strategies. It also helps them earn from their cultural and social assets. Tourists are interested in the “everyday lives” of local communities and there are a host of small-enterprise opportunities for local people. Local guides and cycle-rickshaw driver/guides in India’s Keoladeo National Park, and guides and charter-boat operators in Indonesia’s Komodo National Park are examples of local people diversifying their livelihood strategies. The boat operators also earn their living from fishing and many of the cycle-rickshaw drivers work in town when the tourist season is low.

6. Spreading the benefits of tourism geographically:

Tourism destinations are geographically diverse in nature. There are different geographical sites like beaches, mountains and urban attractions and holidaymakers can be encouraged to travel further, beyond established destinations, which can enhance and diversify their experience of particular environmental, cultural or natural heritage attractions. Heritage Trails and other similar products have been developed to extend length of stay and to spread the advantages of tourism development to new areas and communities. They can be used as initiatives, which may benefit the poor.

National Parks, cultural sites and World heritage sites are often the major attractions, the primary “tourism magnets” in significant parts of the developing world and they often attract people to marginal rural areas. It can be argued that natural and cultural heritage sites as the major attractions should be taking a wider view of their potential to contribute to tourism development and the well-being of local communities. These areas otherwise are of no interest to tourists. Changing the way in which tourism is organized in and around attractions can increase the economic development impact. For example, at Kamodo National Park in Indonesia, non-local carriers and

package tour operators take away a big slice of tourism trip expenditure, i.e., about 85%, which could have otherwise gone to local economy. Estimates for average local expenditure at Komodo per visitor demonstrate the importance of minimizing enclave tourism. Cruise ship tourists spent on average US \$0, 03 in the local economy, package tourists spent US \$52.5 and independent travelers US \$97.4. The Parks and other major tourism attractions in rural areas can be developed to assist the development of small-scale, locally owned attractions and tourism services.

Nature-based tourism and cultural heritage tourism in rural areas can provide significant local markets and economic development opportunities. It contributes to integrated rural development and offers local employment and supplementary income-generating opportunities for poor people. The development of tourism in such areas can significantly improve incomes for local communities and the poor. For this these flagship attractions can be planned and managed so as to maximize the opportunities for local economic development and poverty reduction.

7. Infrastructure and Planning Gain:

The development of infrastructure and tourism development are inter-related. Tourism can contribute to overall socio-economic development through the provision of roads, telephones, and electricity, piped and treated water supplies, waste disposal and recycling and sewage treatment. Roads developed for tourism provide opportunities for trade and new roads opened to improve trade also bring tourism opportunities if they open access to tourism resources. New economic corridor development projects often create tourism development opportunities for local communities in addition to improving trade linkages. These facilities enhance opportunities for other forms of local economic development, but more could be done at the local and national level to maximize those benefits, particularly when new projects are licensed. It is possible to maximize the planning gains through appropriate policies by government and tourism planners. The right policy in the right direction will encourage local economic development and benefit the poor.

8. Local management of tourism & partnerships:

Local communities and the poor amongst them are more likely to benefit from planning gain where they are involved in discussions and decisions about tourism developments. Benefits can be maximized where the complementarities between different forms of tourism development and their livelihood strategies are given due consideration.

Appropriate planning structures can facilitate effective community participation in the tourism development process and provide a mechanism for capturing planning gain through infrastructure, employment and economic linkages. A planning process should define

carrying capacity and set limits of acceptable change. This will influence local communities' active participation in tourism development and help in achieving anti-poverty goals. It is through participation by these local community people whose traditional and local knowledge can be utilized for empowering them. This will also help in maintaining the environmental, social and cultural integrity of destinations.

9. Small and Medium enterprises (SMEs) development:

The increased interest in local tourism experience results in increased opportunities for the development of new locally owned enterprises. This helps in providing competitive and complementary goods and services. This trend is found in developed country destinations. This can be supported by government policy and SME development strategies. The tourism industry offers viable opportunities for the development of a wide range of SME's. Even in the developed countries they contribute to the largest part of local tourism supply. In Europe small and medium-sized firms meet 70% of tourist accommodation demand. Some estimates for the developing world put the comparable figure as high as 85%

In well-established developing country destinations, like Goa, increasing numbers of international tourists are staying in locally owned accommodation. SME's are very important in the provision of restaurants and bars, handicrafts, the supply of furnishings and other consumables to hotels, the provision of transport, local tour operating, guiding and attractions. All this requires access to capital resources and training in business management for SME's. This requirement is critical in the field of marketing. Providing information, advice and mentoring to small and micro enterprises and emerging entrepreneurs can make a significant contribution to their success.

10. Reducing seasonality:

Seasonality in tourist arrivals is the major cause of seasonal and casual unemployment. There are a number of strategies that can be employed to extend the tourism season. During festivals arranging melas generates curiosity and helps the development of special interest products. Other strategies include developing places for seminars and conventions, and such pricing policies, which specially address senior citizens who have more flexibility to travel in the low season. These strategies have an overall impact on the local economy. Strategies that reduce seasonality and successfully attract tourists in significant numbers for a larger part of the year, benefit the hotels and tour operators, their employees and those in the destination who earn all or part of their livelihood by direct or indirect sales to tourists or the tourism industry. Those who benefit from this are most often poor.

Employment Linkages

The employment impact of tourism is felt by both direct employment in tourism enterprises and indirect employment in those enterprises and micro-enterprises that supply raw material, goods and services to the tourism industry. The demand of direct employment in tourism is dependent upon the scale and level of tourism development and the extent of tourists' engagement in the local economy and with SME's. This helps in maximizing the employment of locals and nationals in tourism, including managerial grades. Income is also held within the local and national economies and reduces wage and salary leakages. When wages and salaries are remitted or spent outside the local boundaries, it amounts to leakages from the local economy. However, the success of the tourism enterprise will depend upon the delivery of the appropriate level of service, and in this global industry maintaining high levels of training is an important consideration in the economic sustainability of businesses.

One of the ways in which the industry can contribute to poverty reduction is by committing to recruit more local poor people and imparting appropriate training and staff development programmes with the belief that those commitments can be met.

Tourism can contribute to poverty alleviation through the creation of employment. Certain changes in existing employment practices can bring desirable developments. Pro-poor employment strategies can be pursued, for example prioritizing the employment of women and youth. Tourism is a relatively labour intensive industry providing direct employment in hotels and tour companies, and indirect employment in taxis, bars, restaurants and other indirect service suppliers, where a proportion of employee time serves the tourism industry and tourists. Tourism can create jobs, which benefit the poor where specific measures are taken to recruit and train workers from amongst the poor. Where tourism enterprises make these efforts, proper estimates should be made; records should be maintained of its effects on employment to determine to what extent local people, and particularly the poor, benefit and to ensure that their efforts are acknowledged.

Beyond the hotels, particular efforts should be made to train and employ local guides, artists, performers and craft workers who are able to interpret their heritage and in the process empower youth and women who have considerable control over it. Entrepreneurship development programmes for tourism SME's do complement these efforts. These programmes typically include developing business opportunity awareness, business planning including project feasibility analysis and training in management skills. Provision of business advisors and mentoring services may be strengthened for emerging entrepreneurs over several years. Many countries already have small business development and credit programmes and tourism SME development can sometimes be attached to these existing programmes.

Moving Beyond "Trickledown" Effect

It has long been established that tourism development projects, if successful, would attract foreign investment, contribute foreign exchange earnings to the national accounts and generate economic development. Through the process of trickle-down, the magnitude of benefits would be amplified. Local communities would benefit through employment and local economic development generated by the additional spending and the new entrepreneurial opportunities which this would create.

It must be understood that tourism operations need to be profitable in a competitive world market if they are to survive. There are a number of things, which can benefit the local economy in tourist destinations. The benefits can arise in the following ways:

- Facilitating local community access to the tourism market
- Maximizing the linkages into the local economy and minimizing leakages
- Building and complementing existing livelihood strategies through employment and small enterprise development
- Evaluating tourism projects for their contribution to local economic development not just for their national revenue generation and the increase in international arrivals
- Ensuring the maintenance of natural and cultural assets
- Controlling negative social impacts

CHECK YOUR PROGRESS 3

1) Identify whether the following are linkages or a leakages:
importing commodities, participation by local communities, creation of employment, remittances, oil imports, growing hotel industry, increased craft production.

2) List some complementary tourism products e.g. Nature walks

3.6 SUMMARY

Tourism today is a major industry impacting a lot of small and medium businesses. It has many participants and players. It has some unique characteristics and throws challenges to all governments, due to its snow-balling impact on the whole economy.

There is no doubt that tourism directly and indirectly influences national, regional and local economies. As you have read in the preceding lesson, tourism development has various potentially beneficial economic impacts that may positively influence the process of economic development in

the destination country. There are many examples in practice where tourism has been the main engine of economic growth and development in destination countries and regions. Tourism brings financial compensation, (money and other stimulants) into less developed countries and mobilizes their developmental programmes. You have read how tourism aids poverty alleviation and how it impacts the local and national economy of host countries. In the next lesson, you will study some of the impacts, especially economic, that tourism has on the economy of any country.

3.7 GLOSSARY

Here are some related words

Micro enterprises-small enterprises

NGOs- Non Government Enterprises which operate on non profit motives and primarily for developmental work.

Domestic market- the commercial market within the geographical boundaries of a country.

Remittance-when a foreign national sends money earned back to his home country.

3.8 KEYWORDS

Umbrella industry, segmentation, auxiliary, ancillary, new tourism, growth industry, gross domestic product, economic opportunities, poverty reduction, leakages, linkages, national development, development strategy, community development, complementary tourism products, infrastructure, tourist dollar, host country, regional development, human factor, declaration, technological advances.

3.9 SELF ASSESSMENT QUESTIONS

- 1) Discuss the characteristics of the tourism industry.
 - 2) 'Tourism has strong linkages'. Explain
 - 3) Critically examine tourism as a developmental strategy.
 - 4) Emphasize the role that tourism plays in poverty alleviation.
 - 5) Identify which keywords do not belong to this lesson
- Infrastructure, super structure, employment, music, theatre, foreign exchange, regional diversity, export led growth, international debt, multiplier income, world war, entertainment tax, liquidity, linkages, strategy.

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LESSON 4

ECONOMIC IMPACT OF TOURISM

Ramanbir Bindra

STRUCTURE

- 4.0 Introduction
- 4.1 Objectives
- 4.2 Earner of foreign exchange
- 4.3 Multiplier effect
- 4.4 Growth of infrastructure
- 4.5 Tourism and taxation
- 4.6 Balanced regional development
- 4.7 Generation of employment
- 4.8 Other dimensions
- 4.9 Summary
- 4.10 Glossary
- 4.11 Keywords
- 4.12 Self assessment questions
- 4.13 Sources and further readings

4.0 INTRODUCTION

‘Tourism is a developmental strategy.’ You have read how tourism can be used as an effective tool to turn the wheels of development in any economy. In the previous lesson, you have also read about the impact that tourism has on the redistribution of income between sectors and companies within the economy and how tourism can be employed as an effective developmental strategy in poverty alleviation. Tourism impacts various sectors of the economy. An attempt has been made in the current lesson to touch upon the economic impact of tourism to enhance your understanding about the overall importance of tourism in the current world order.

4.1 OBJECTIVES

- To understand the overall economic impact of tourism
- To analyze how tourism helps in earning foreign exchange
- To link tourism with its multiplier effect on the economy
- To learn how tourism leads to growth of infrastructure
- To understand how tourism expands the tax base of a country
- To appreciate the value of tourism in achieving balanced regional development
- To evaluate the role of tourism in employment generation

4.2 EARNER OF FOREIGN EXCHANGE

Tourism has major economic significance for a country. The receipts from international tourism are a valuable source of earning for all countries, particularly, the developing. Visitor-spending generates income for both public and private sectors, besides affecting wages and employment opportunities. Although tourism is sensitive to the level of economic activity in the tourist-generating countries, it provides more fixed earnings than primary products. The income from tourism has increased at a higher rate than primary products. The income from tourism has tended to increase at a higher rate than merchandise export in a number of countries especially in countries having a low industrial base. Now there is practically an assured channel for financial flows from the developed countries to the developing countries raising the latter's export earnings and rate of economic growth. Tourism, therefore, provides a very important source of income for a number of countries, both developed and developing.

The figures from World Tourism Organization (WTO) indicate that, among the world's top 40 tourism earners about 18 were developing countries including India, in the year 1995. Regarding the number of visitor arrivals, in some countries there were more visitor arrivals than the population. France with a population of 57 million received 74.5 million visitors in the year 2000. Similarly Spain with a population of 37 million received 48.5 million visitors during the same year. Several island countries, like the Caribbean Islands, depend greatly on tourist income resulting from visitor arrivals. These earnings form a major part of the gross domestic product (GDP). Even developed countries like Canada which derived over 13 per cent of its gross domestic product from international visitors in the year 1999, rely heavily on income from tourism. Tourism forms a very important source of foreign exchange, for several countries. Although the quantum contributed in foreign currency per visitor varies from destination to destination, the importance of receipts from tourism in the balance of payment accounts and of tourist activities in the national revenue has become considerable for a number of countries.

The major economic benefit in promoting the tourism industry is in the form of earning foreign exchange. Income from these foreign-exchange earnings adds to the national income and, as an invisible export, may offset a loss of the visible trading account and be of critical importance in the overall financial reckoning. This is truer in the case of developing countries particularly the small countries, which depend heavily upon primary products such as a few basic cash crops where tourism often offers a more reliable form of income. In the case of some European countries, namely Spain, Portugal, Austria, France and Greece, the invisible earnings from tourism are of a major significance and have a very strong positive effect on the balance of payments. Tourism is therefore a very useful means of earning the much-needed foreign currency. It is almost without a rival as an earning source for many developed as well as developing countries. These earnings assume a great significance in the balance of payment position of many countries.

The balance of payments shows the relationship between a country's total payments to all other countries and its total receipts from them. In other words, it may be defined as a statement of income and expenditure on

international account. Payments and receipts on international account are of three kinds:

- (i) The visible balance of trade relating to the import and export of goods
- (ii) Invisible items (relating to the services such as shipping and Insurance)
- (iii) Capital transfers.

The receipts from foreign tourism form an ‘**invisible export**’, just like other invisibles which come from transportation and shipping, banking and insurance, income on investments, etc. Because most countries at times have serious problems with their international payments, much attention comes to be focused on tourism because of its potentially important contribution to, and also effect upon, the balance of payments.

The receipts from international tourism, however, are not always net. Sometimes expenditures are involved which must be set against them. Net foreign exchange receipts from tourism are reduced principally by the import cost of goods and services used by visitors, foreign exchange costs of capital investment in tourist amenities and promotion and publicity expenditure abroad. According to Peters, “Certain imports associated with tourist expenditures must be deducted... the importation of material and equipment for constructing hotels and other amenities, and necessary supplies to run them; foreign currency costs of imports for consumption by international tourists; remittances of interests and profits on overseas investment in tourism enterprises, mainly hotel construction; foreign currency costs of conducting a tourism development programme, including marketing expenditure overseas”.

Reliance on imports to meet the tourist’s needs does not, in any way deny developing countries the opportunity of earning foreign exchange in supplying such goods and services. Imports are, to a large extent, essential to the operation of the tourist sector as to that of other sectors. The important question is whether the value added domestically on an item or service is maximized? Maximization of import substitution without due regard to the effect on overall tourism receipts (i.e., demand) may be counterproductive. Also, differences in the pattern and level of reliance on imported goods and services, capital equipment and manpower are very wide, depending upon the level of development of a country. In some cases, this reliance is simply due to a lack of resources that transform into items which are to be sold by the industry. In others, the industry has not yet drawn on such supply potential, for which it may be an important stimulus. There is a general need for careful programmes of positive import substitution.

CHECK YOUR PROGRESS 1

1) Which countries attract some of the highest international travellers?

2) Mention some ‘invisible exports’ which can earn foreign exchange for a country.

3) Arrange the following keywords in their order of appearance in the above section.....

receipts, financial flows, value added, invisible exports, primary products, import substitution, economic growth.

4) List out some ways in which foreign exchange can be earned by a country.

4.3 MULTIPLIER EFFECT

The discussion in earlier paragraphs clearly indicates that earnings from tourism occupy an important place in the national income of any country. Without taking into account receipts from domestic tourism, international tourism receipts alone contribute to a great extent. The flow of money generated by tourist spending multiplies as it passes through various sections of the economy. In addition to an important source of income, tourism provides a number of other economic benefits, which vary in importance from one country to another; depending upon the nature and scale of tourism. The benefits from infrastructure investments, justified primarily for tourism such as airports, roads, water supply and other public utilities, may be widely shared by the other sectors of the economy. This enables us to understand how tourism impacts development in the economy.

Tourist facilities such as hotels, restaurants, museums, clubs, sports complexes, public transport, and national parks are also used by domestic tourists and visitors, businessmen and residents, but still a significant portion of the costs are sometimes borne by international tourists. Tourists also contribute to tax revenue both directly through sales tax and indirectly through property, profits and income taxes. Tourism provides employment, develops infrastructural facilities and may also help regional development. Each of these economic aspects can be dealt with separately, but they are all closely related and are many times considered together. Let us first look at the income aspect of tourism.

Income from tourism cannot be easily measured with accuracy and precision. This is because of the multiplier effect. The flow of money generated by tourist spending multiplies as it passes through various sections of the economy through the operation of the multiplier effect. The multiplier is an income concept.

The Concept: The ‘multiplier’ measures the impact of extra expenditure introduced into an economy by a person. It is, therefore, concerned with the marginal rather than average changes. In the case of tourism, this extra expenditure in a particular area can take the following forms:

- (i) Spending on goods and services by tourists visiting the areas
- (ii) Investment of external sources in tourism infrastructure or services;
- (iii) Government (foreign or domestic) spending (e.g., domestic government spending on infrastructure in a region or foreign government aid)
- (iv) Exports of goods stimulated by tourism

The expenditure can be analyzed as follows:

Direct Expenditure: In the case of tourism, this expenditure is made by tourists on goods and services in hotels and other supplementary accommodation units, restaurants, other tourist facilities like buses, taxis coaches, railways, domestic airlines, and for tourism-generated exports, or by tourism related investment in the area.

Indirect Expenditure: This covers a sum total of inter-business transactions which result from the direct expenditure, such as purchase of goods by hoteliers from local suppliers and purchases by local suppliers from wholesalers.

Included Expenditure: This is the increased consumer spending resulting from the additional personal income generated by the direct expenditure, e.g., hotel workers using their wages for the purchase of goods and services. Indirect and induced expenditure together are called secondary expenditure.

There are several different concepts of the multiplier. Most multipliers in common use incorporate the general principle of the **Keynesian model**. The four types of multipliers are intrinsically linked as follows:

Sales (Transaction) Multiplier: This measures the extra business turnover created (direct and secondary) by an extra unit of tourist expenditure.

Output Multiplier: This is similar to the sales multiplier but it also takes into account inventory changes, such as the increase in stock levels by hotels, restaurants and shops because of increased trading activity.

Income Multiplier: This measures the income generated by an extra unit of tourist expenditure. The problem arises over the definition of income. Many researchers define income as disposable income accruing to households within the area, which is available to them to spend. However, although salaries paid to overseas residents are often excluded, a proportion of these salaries may be spent in the local area and should therefore be included.

Income Multipliers can be expressed in two ways:

- a) the ratio method which expresses the direct and indirect incomes (or the direct and secondary incomes) generated per unit of direct income;
- b) normal method, which expresses total income (direct and secondary) generated in the study area per unit increase in final demand created within a particular sector.

Ratio multipliers indicate the internal linkages which exist between various sectors of the economy, but do not relate income generated to extra sales. Hence, on their own, ratio multipliers are valueless as a planning tool.

Employment Multiplier: The employment multiplier can be expressed in one of the *two* ways:

- a) as a ratio of the combination of direct and secondary employment generated per additional unit of tourist expenditure;

b) direct employment created by tourism per unit of tourist expenditure. Multipliers can be further categorized by the geographical area which is covered by the research, such as local community, a region within a country or the country as a whole.

The multiplier mechanism has also been applied to tourism and, in particular, to tourist expenditure. The nature of the tourism multiplier and its effect may be described in the following example:

“The money paid by a tourist in paying his hotel bill will be used by the management of the hotel to provide for the costs which the hotel had incurred in meeting the demands of the visitor, e.g., such goods and services as food, drink, furnishing, laundering, electricity, and entertainment. The recipients, in turn, use the money they have thus received to meet their financial commitments and so on. Therefore, tourist expenditure not only supports the tourist industry directly but also helps indirectly to support many other industries which supply goods and services to the tourist industry. In this way money spent by tourists is actually used several times and spreads into various sectors of the economy. In sum, the money paid by the tourist, after a long series of transfers over a given period of time, passes through all sectors of the national economy, stimulating each in turn throughout the process”.

On each occasion when the money changes hands, it provides ‘new’ income and these continuing series of exchanges of the money spent by the tourists form what economists term the multiplier effect. The more often the conversion occurs, the greater its beneficial effect on the economy of the recipient country. However, this transfer of money is not absolute as there are ‘leakages’ which occur. Such leakages may occur as a result of importing foreign goods, paying interest on foreign investments, etc. The following are some examples of such leakages:

- (i) Payment for goods and services produced outside, and imported into, the area;
- (ii) remittance of incomes outside the area, for example, by foreign workers;
- (iii) indirect and direct taxation where the tax proceeds are not re-spent in the area;
- (iv) savings out of income received by workers in the area (i.e., where there is a low propensity to consume).

Any leakages of these kinds will reduce the stream of expenditure which, in consequence, will limit and reduce the multiplier effect. Income generated by foreign tourist expenditure in countries possessing more advanced economies, which generally are more self-sufficient and less in need of foreign imports which are less self-sufficient and need to support their tourist industries by substantial import. If the developing countries are desirous of gaining maximum economic benefits from tourism, they should strictly control the imported items for tourist consumption and keep foreign investment expenditure at a reasonable level.

If the leakages are not controlled then the benefits arising from tourism will be greatly reduced or even cancelled. The most important leakage would arise from expenditure on import of agricultural products like food and drink. In a primary macro-economic approach to the prospects opened up by tourism

establishment in a developing country, it is regarded as advantageous that a good portion of tourist consumption should consist of food products. It is estimated that the major part of these products can be found in those countries, whose economic structure is largely agricultural in character. In this sense tourist consumption, derived from international flow, can offer an assured outlet to a production which is already active within the domestic economy, without raising problems connected with export of such products and could thus be substituted for imported foodstuffs and a significant saving effected thereafter.

The host country derives maximum economic benefits from the tourism industry as these savings help in increasing the benefits from the tourism multiplier. This aspect of the question is all the more important as the multiplier effect maintains its efficacy and effectiveness as long as no importation takes place. It follows that if the national economy is to derive the maximum benefit from the impact of international and national tourism, there is an elementary obligation to find all those products needed for tourist consumption. The dynamics of agricultural production in recent years confirms the ability of developing countries to produce the major part of their agricultural products required for tourist consumption without resorting to massive imports. The tourist economy of any country, if it is to remain healthy, must rely upon local agricultural production and this condition seems today to be on its way to realization in most of the developing countries.

Multiplier of Tourism Income

To sum up, Multipliers are a means of estimating how much extra income is produced in an economy as a result of initial spending or after cash is injected. Every time the money changes hands it provides new income and the continuing series of conversion of money spent by the tourists form the multiplier effect. The more often the conversion occurs, the greater its beneficial effect on the economy of the recipient country.

CHECK YOUR PROGRESS 2

1) In how many ways can you express the employment multiplier?

2) Enlist some of the tourist facilities, the cost of a significant portion of which, are borne by international tourists.

3) Give an example of Direct, Indirect and Included tourist expenditure.

4.4 GROWTH OF INFRASTRUCTURE

A significant benefit of tourism is development and improvement of infrastructure. The benefits from infrastructure investments, justified primarily for tourism – airports, roads, water supply and other public utilities – may be widely shared by the other sectors of the economy. In addition to development of new infrastructure, the improvements in the existing infrastructure which are undertaken in order to attract tourists are also of great importance. These improvements may benefit the resident population by providing them with amenities which they desire. Furthermore, the provision of infrastructure may provide the basis or serve as an encouragement for greater economic diversification. A variety of secondary industries may be promoted which may not directly serve the needs of tourism. Therefore, it is evident that tourist expenditure is responsible for stimulating other economic activities.

One of the characteristics of under development is that of deficiencies in the basic infrastructures, which lie at the root of a series of problems related to the development of tourism. Development of infrastructure requires a certain size of investment. Tourism provides the size of demand which justifies the development of infrastructure. On the basis of this minimum demand for such facilities and for such social capital, the size of such infrastructural services evolves. Construction of primary infrastructures represents the foundation of any future economic growth, even though they are not directly productive. The tourism industry illustrates the elementary need for basic infrastructure. It has today the important benefit of being able to profit from the existing infrastructures and thus to make a decisive contribution to the growth of the national economy. The international and national tourist traffic, moreover, represents a reward for the capital invested and can now contribute to the financial efforts required for maintenance. The satisfactory degree of development achieved in this specific sector now permits major tourist progress, while also giving further proof of the complementary character of tourism in relation to other economic sectors. Creation of basic infrastructures for tourist usage will also be of service to the other sectors of the economy such as industry and agriculture. This results in better equilibrium of general economic growth.

CHECK YOUR PROGRESS 3

- 1) What is the major bottleneck in the development of tourism in India?

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- 2) List out some of the tourist facilities that you think are lacking in India.

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4.5 TOURISM AND TAXATION

Tourism also results in tax revenues both at national and local levels. Taxes can provide the financial resources for the development of infrastructure, enhancing and maintenance of some types of attractions and

other public facilities and services, tourism marketing and training required for developing tourism, as well as to help finance poverty alleviation programmes by governments both at local and national levels. In addition, tourism-related tax revenues help finance general community improvements and services used by all residents.

WTO's 1998 report on tourism taxation emphasizes that taxation policies in a country must be carefully evaluated in an integrated manner to ensure that tourism-related taxes are giving the necessary substantial revenues. However, taxes should not be so high for the country's international competitive position to be counter productive and produce a loss of tourist traffic. The aim should be to strike a balance between, a level of taxation that maintains a competitive position for the country and reasonable profits for the industry, and, receiving adequate revenues to support investment in and maintenance of the tourism sector, and to contribute towards general community welfare.

4.6 BALANCED REGIONAL DEVELOPMENT

Another important domestic effect relates to the regional aspects of tourist expenditure. Such expenditure is of special significance in marginal areas, which are relatively isolated, economically underdeveloped, and have unemployment problems. The United Nations Conference on International Travel and Tourism held in Rome in 1963 stated that tourism was important not only as a source of earning foreign exchange, but also as a factor determining the location of industry and in the development of underdeveloped regions. It further stated that in some cases the development of tourism may be the only means of promoting the economic advancement of less-developed areas lacking in other resources.

In fact underdeveloped regions of the country usually greatly benefit from tourism development. Many of the economically backward regions contain areas of high scenic beauty and of cultural attractions. These areas, if developed for use by tourists, can bring in a lot of prosperity to the local people. Tourism development in these regions accordingly becomes a significant factor in redressing regional imbalances in employment and income. Tourist expenditure at a particular tourist area helps the development of the many areas around it. Many countries both developed as well as developing have realized this aspect of tourism development and are contemplating developing tourist facilities in underdeveloped regions with a view to bringing prosperity there.

Khajuraho in India, which is now an internationally famous tourist spot, is an example of one such region. To illustrate, Khajuraho, a remote and unknown small village about forty years ago, is now on the world tourist map which attracts thousands of tourists, both domestic as well as international. Today, Indian Airlines (India's domestic carrier) flies a jet plane between the capital city of New Delhi and Khajuraho and seats are not easy to come by. Thousands of tourists visit the place by air, rail and road transport every month to see the architectural beauty of temples and erotic sculptures whose creators were the Chandela kings, who ruled in North India from the 9th to the 13th centuries. Today 22 glorious temples remind us of the classic Indian

architecture and culture of those times and represent the finest expression of the art of medieval India.

The area around Khajuraho is well developed and full of life. The place has provided employment to hundreds of local people in hotels and shops. There is a thriving clay-model industry devoted to making replicas of the famous temple sculptures and a number of shops dealing with items of presentation, handlooms and handicrafts, have created jobs for many. Tourists love to purchase various souvenirs to take home. Thus local people are recipients of additional income which has increased the prosperity of the region. Subsequently areas around Khajuraho have also prospered and reaped the benefits from the tourist multiplier.

There is no dearth of areas which could, after they are developed for tourism, become great assets to the region in particular and to the country as a whole. The French government has created a series of new resorts particularly to bring prosperity to the areas which traditionally have been underdeveloped. The Italian government is likewise attempting to develop tourism in Southern Italy in order to help redress the economic imbalances which have long existed between the northern and the southern parts of Italy. Tourism is to be regarded not as an area of peripheral investment whose benefits will help in creating employment opportunities and in the regeneration of backward regions. In India a similar approach needs to be adopted to develop areas with great tourism potential.

4.7 GENERATION OF EMPLOYMENT

Employment is an important economic effect of tourism. The problems of unemployment and under-employment are more active in the developing countries. Tourism can be looked upon in this light as a major industry which employs manpower on a large scale. The problems which the industrialized countries face in recruiting manpower for the tourists industry confirm that, in any productive process consisting of services, human labour remains the basic need.

If a comparison is to be drawn with the productive sector none of the technological progress achieved has succeeded in rendering the *human factor* less indispensable than in this sector, and this is true to an absolutely indisputable extent. The high social impact of the tourist industry is well known, for it has repercussions in every other national economic sector through the multiplier effect, which is particularly marked in those services that are complementary to the tourist accommodation industry.

The tourist industry is a highly labour-intensive service industry and hence is a valuable source of employment. It employs a large number of people and provides a wide range of jobs which extend from the unskilled to the highly specialized. In addition to those involved in management there are a large number of specialist personnel required to work as accountants, housekeepers, waiters, cooks and entertainers, who in turn need a large number of semi-skilled workers such as porters, chambermaids, kitchen staff, gardeners, etc. Tourism is also responsible for creating employment outside the industry in its more narrowly defined sense and in this respect those who supply goods and services to those directly involved in tourism are beneficiaries from tourism. Such indirect employment includes, those involved

in the furnishing and equipment industries, souvenir industries and farming and food supply.

Construction industry is another very big source of employment. The basic infrastructures-roads, airports, water supply and other public utilities and also construction of hotels and other accommodation units create jobs for thousands of workers, both unskilled and skilled. In many of the developing countries, where chronic unemployment often exists, the promotion of tourism can be a great encouragement to economic development and, especially, employment. However at this point it is, necessary to consider the seasonal nature of the tourism industry. Where general diversification alternatives are scarce, a combination of heavy dependence on tourism and highly marked seasonality calls for measures to develop off-season traffic.

Employment multiplier: This multiplier is similar to the Income Multiplier except that in this case a multiplier impact on employment is observed. Employment Multiplier can be expressed in the following two ways:

- (a) As a ratio of the combination of direct employment. At the destination, the jobs are directly created in the industry there.
- (b) As a ratio of secondary employment generated per additional unit of tourist expenditure to direct employment. The workers and their families require their own goods and services giving rise to further indirectly created employment in shops, schools, health care institutions, etc.

CHECK YOUR PROGRESS 4

1) What kinds of direct and secondary employment can be generated by tourism?

2) Name a city in India which developed primarily due to tourism.

3) Can regional imbalances in employment be redressed or removed through tourism development?

4.8 OTHER DIMENSIONS

The World Tourism conference which was held at Manila, Philippines in October 1980, considered the nature of tourism phenomenon in all its aspects. The role tourism is bound to play in a dynamic and vastly changing world was also identified. Convened by the World Tourism Organization the conference also considered the responsibility of various states for the development and enhancement as more than a purely economic activity of nations and peoples. The significance of tourism was discussed in detail during the conference. The participants in the World Tourism Conference

attached particular importance to its effects on the developing countries. It stated its conviction “that the world tourism can contribute to the establishment of a new international economic order that will help to eliminate the widening economic gap between developed and developing countries and ensure the steady acceleration of economic and social development and progress in particular of the developing countries.” For more details please refer to the appendix at the end of the chapter.

4.9 SUMMARY

Tourism is a two-sided story. Up till now we have observed how tourism fuels economic and developmental activity. Now it is time that you can see the complete picture as to how development embraces tourism in return.

There are many contributions and benefits of having a pro-tourism approach; however, there are some damages and negative impacts which have been observed as well. As the traffic of tourists increased in a particular area, it was observed that environmental and ecological balances were disturbed due to over commercialization. The scenic beauty was made more ‘customer friendly’ and the natural tourism products more accessible and ‘saleable’ by man. Environmentalists are agitated about the damages and carelessness showed by tourists. Culturally and socially, tourism can impact the destination country but its effect cannot be solely attributable to simple tourist activities. Thus we can conclude that there are many dimensions of the economy that are impacted by tourism activities, some positively and some negatively.

On the road to development, tourism products have also witnessed some changes. As the world changed and developed, new wants were identified. As people became more aware, the needs changed and new tourism products were developed to satisfy these new found needs. The last few years have seen the emergence of new areas in tourism like, special interest tourism, green tourism, eco tourism, social tourism and so on. You will read in detail about these new products, especially in the Indian context in the later lessons.

4.10 GLOSSARY

Here are some related words

Forex- foreign exchange

International debt- international debt is the net borrowing outstanding of country towards the rest of the world.

Circular flow of money- is a schematic representation of money flows in an economy between different entities like households, firms and the Government.

Global warming-there has been a noticeable increase in the average temperature in the world, which is believed to have been caused by air pollution.

4.11 KEYWORDS

gross domestic product, national development, employment multiplier, infrastructure, foreign exchange, tourist dollar, multiplier effect, host country, regional development, human factor, declaration, technological advances, secondary industries, invisibles, balance of payments,

4.12 SELF ASSESSMENT QUESTIONS

- 1) Examine the statement ‘receipts from international tourism are not always net.’
- 2) What is Balance of Payments? How do tourism receipts affect the balance of payments?
- 3) Define ‘multiplier effect’. Discuss the various types of multipliers.
- 4) Write a paragraph on any destination which developed primarily due to tourism activities. (example Utranchal)
- 5) How does tourism industry contribute to resolving the unemployment problem in India?
- 6) How is tourism effective in increasing the expenditure in a particular area in the economy?
- 7) Identify which keywords do not belong to this lesson

Balanced growth, afforestation, employment, international work permit, foreign exchange, interest rate, regional diversity, export led growth, excise duty, international debt, multiplier income, training, global warming, income tax.

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APPENDIX: THE MANILA DECLARATION

Manila Declaration on World Tourism considered almost all the aspects of the tourism phenomenon. Besides the economic aspects, social, cultural, spiritual aspects also were considered. The conference was also convinced that world tourism can be a vital force for world peace and can provide the moral and intellectual basis for international understanding and interdependence

The Declaration states

- (i) Tourism is considered an activity essential to the life of nations because of its direct effects on the social, cultural, educational and economic sectors of national societies and their international relations. Its development is linked to the social and economic development of a nation and can only be possible if man has access to creative rest and holidays and enjoys the freedom to travel, within the framework of free time and leisure.
- (ii) On the threshold of the twenty-first century and in view of the problems facing mankind, it seems timely and necessary to analyse the phenomenon of tourism, fundamentally in relation to the dimensions it has assumed since the granting to workers of the right to annual paid holidays. This has moved tourism from a restricted elitist activity to a wider activity integrated into social and economic life.
- (iii) States have recognized that modern tourism had come to play an important role within the range of human activities. A great majority of them have entrusted the World Tourism Organization with the task of ensuring the harmonious and sustained development of tourism, in cooperation, in appropriate cases, with the Specialized Agencies of the United Nations and the other international organizations concerned.
- (iv) The right to use of leisure, and in particular, the right of access to holidays and to the freedom of travel and tourism, a natural consequence of the right to work, is recognized as an aspect of the fulfillment of the human needs by the Universal Declaration of Human Rights as well as by the legislation of many States. It entails for society the duty of providing for its citizens the best practical, effective and nondiscriminatory access to this type of activity. Such an effort must be in harmony with the priorities, institutions and traditions of each individual country.
- (v) There are many constraints on the development of tourism, and groups of nations should determine and study those constraints, and adopt measures aimed at removing their negative influence.
- (vi) The share tourism represents in national economies and in international trade makes it a significant factor in world development. Its consistent major role in national economic activity, in international transactions and in securing balance of payments equilibrium makes it one of the main activities of the world economy.

- (vii) Within each country, domestic tourism contributes to an improved balance of the national economy through a redistribution of the national income. Domestic tourism also heightens the awareness of common interest and contributes to the development of activities favorable to the general economy of the country. Thus, the development of tourism from abroad should be accompanied by a similar effort to expand domestic tourism.
- (viii) The economic returns of tourism, however real and significant they may be, do not and cannot constitute the only criterion for the decision by States to encourage this activity. The right to holidays, the opportunity for the citizen to get to know his own environment, a deeper awareness of his national identity and of the solidarity that links him to his compatriots and the sense of belonging to a culture and to a people are all major reasons for stimulating the individual's participation in domestic and international tourism through access to holidays and travel.
- (ix) The importance that millions of our contemporaries attach to tourism in the use of their free time and in their concept of the quality of life makes it a need that governments should take into account and support.
- (x) Social tourism is an objective which society must pursue in the interest of those citizens who are least privileged in the exercise of their rights to rest.
- (xi) Through its effects on the physical and mental health of individuals practicing it, tourism is a factor that favours social stability, improves the working capacity of communities and promotes individual as well as collective well-being.
- (xii) Through the wide range of services needed to satisfy its requirements, tourism creates new activities of considerable importance which are a source of new employment. In this respect, tourism constitutes a positive element for social development in all the countries where it is practiced, irrespective of their level of development.
- (xiii) With respect to International relations and the search for peace, based on justice and respect of individual and national aspirations, tourism stands out as a positive and ever-present factor in promoting mutual knowledge and understanding and as a basis for reaching a greater level of respect and confidence among all the peoples of the world.
- (xiv) Modern tourism results from the adoption of a social policy which led to the workers' gaining annual paid holidays and represents the recognition of a fundamental right of the human being to rest and leisure. It has become a factor contributing to social stability, mutual understanding among individuals and peoples and individual betterment. In addition to its well-known economic aspects, it has acquired a cultural and moral dimension which must be fostered and protected against the harmful distortions which can be brought about by economic factors. Public authorities and the travel trade should

- accordingly participate in development of tourism by formulating guidelines aimed at encouraging appropriate investments.
- (xv) Youth tourism requires the most active attention since young people have less adequate income than others for travelling or taking holidays. A positive policy should provide youth with the utmost encouragement and facilities. The same attention should be provided for the elderly and handicapped.
 - (xvi) In the universal efforts to establish a new international economic order, tourism can under appropriate conditions, play a positive role in furthering equilibrium, cooperation, mutual understanding and solidarity among all countries.
 - (xvii) Nations should promote and improve conditions of employment for workers engaged in tourism and confirm and protect their right to establish professional trade unions and collective bargaining.
 - (xviii) Tourism resources available in various countries consist at the same time of space, facilities and values. These are resources whose use cannot be left uncontrolled without running the risk of their deterioration, or even their destruction. The satisfaction of tourism requirements must not be prejudicial to the economic interests of the population in tourist areas, to the environment or above all, to natural resources, which are the fundamental attractions of tourism, and historical and cultural sites. All tourism resources are part of the heritage of mankind. National communities and the entire international community must take the necessary steps to ensure their preservation. The conservation of historical, cultural and religious sites represents at all times, and notably in time of conflict, one of the fundamental responsibilities of states.
 - (xix) International cooperation in the field of tourism is an endeavor in which the characteristics of peoples and basic interests of individual states must be respected. In this field, the central and decisive role of the World Tourism Organization as a concept-utilizing and harmonizing body is obvious.
 - (xx) Bilateral and multilateral technical and financial cooperation cannot be looked upon as an act of assistance since it constitutes the pooling of the means necessary for the utilization of resources for the benefit of all parties.
 - (xxi) In the practice of tourism, spiritual elements must take precedence over technical and material elements. The spiritual elements are essentially as follows:
 - (a) the total fulfillment of the human being;
 - (b) a constantly increasing contribution to education;
 - (c) equality of destiny of nations;
 - (d) the liberation of man in a spirit of respect for his identity and dignity.
 - (e) the affirmation of the originality of cultures and respect for the moral heritage of peoples.

- (xxii) Preparation for tourism should be integrated with the training of the citizen for his civic responsibilities. In this respect, governments should mobilize the means of education and information at their disposal and should facilitate the work of individuals and bodies involved in this endeavor. Preparation for tourism, for holidays and for travel could usefully form part of the process of youth education and training. For these reasons, the integration of tourism into youth education constitutes a basic element favorable to the permanent strengthening of peace.
- (xxiii) Any long-term analysis of mankind's social, cultural and economic development should take due account of national and international tourist and recreational activities. These activities now form an integral part of the life of modern national and international societies. Bearing in mind the acknowledged values of tourism which are inseparable from it, the authorities will have to give increased attention to the development of national and international tourist and recreational activities, based on an even wider participation of peoples in holidays and travel as well as the movement of persons for numerous other purposes, with a view to ensuring the orderly growth of tourism in a manner consistent with the other basic needs of society.
- (xxiv) The States and other participants in the Conference, together with the World Tourism Organization, are strongly urged to take into account the guidelines, viewpoints and recommendations emanating from the Conference so that they can contribute, on the basis of their experience and in the context of their day to day activities, to the practical implementation of the objectives set with a view to broadening the process of development of world tourism and breathing new life into it.
- (xxv) The Conference urged the World Tourism Organization to take all necessary measures, through its own international machinery and, where appropriate, in cooperation with other international, inter-government and non-governmental bodies, so as to permit the global implementation of the principles, concepts and guidelines contained in this final document.

LESSON-5

APPROACHES TO TOURISM DEVELOPMENT

Mamta Chaudhry

STRUCTURE

- 5.1 Introduction
- 5.2 Objectives
- 5.3 Importance of tourism development
- 5.4 Rationale for tourism planning
 - 5.4.1 Planning the Infrastructure
 - 5.4.2 Planning the superstructure
 - 5.4.3 Government's role in tourism development or The State Approach
- 5.5 Approaches to Tourism Development
- 5.6 Summary
- 5.7 Glossary
- 5.8 Self Assessment Questions
- 5.9 Sources and Further Readings

5.1 INTRODUCTION

By now you know what tourism means, how to define tourism product & what are the characteristics of a Tourism Product.

In the last chapter you have read how tourism affects the economy and in turn the economy also gives a boost to tourism and what the forward and backward linkages of tourism are.

In this chapter we will read as to why it is important to develop tourism and the approaches to tourism development.

5.2 OBJECTIVES

- You will be able to understand the significance of tourism development
- You should be able to understand the meaning of infrastructure and superstructure
- You can identify the approaches followed for tourism development

5.3 IMPORTANCE OF TOURISM DEVELOPMENT

The higher disposable incomes greatly enhanced personal mobility and increased leisure time leads to an increase in people travelling away from their home and this creates a demand for the facilities available for recreation. This demand in turn generates a pressure on the land and the amenities, as well as

the social structure of the communities. Therefore it becomes important to plan and develop the leisure facilities for tourism.

Fifty years back the tourism growth in lots of countries was an unplanned activity and as a result, to meet the demands there was a sudden and haphazard boost in the facilities like hotels, means of transportation, etc. at some of the popular holiday resorts to satisfy the profit instincts of the promoters. For example in Thailand, at a beach resort called Pattaya –about 150 kilometres from Bangkok over three decades from 1970 , the number of hotel rooms expanded from 400 to 24000 and consequently the occupancy of hotels was not even 50 percent a year.

Concentration of development in one place and over a short period of time has many serious negative impacts like loss of trees; loss of natural features like landscape, environment; congestion, pollution, a large number of people are going to the same spot at the same time and this kind of commercialization leads to overcrowding and the original ambience of the place is lost. The place loses its charm for the people and this leads to a drop in the tourism activities.

To avoid such situations it becomes really important to properly plan for the tourism development based on the scientific research of the requirements of the travel market and the capacity of the area to take in the tourists

CHECK YOUR PROGRESS – I

1. Give one example of unplanned tourism development

2. Give two negatives impacts of concentration of development at one place

5.4 RATIONALE FOR TOURISM PLANNING

Like any other form of development, tourism development is concerned with the economic benefits for individual enterprises, related communities and the country. Tourism development generates wealth, creates employment , leads to community development, development of arts and crafts of a place , conservation of historical and natural sites, etc. but we cannot ignore some of its negatives like extensive social and environmental damage. Thus it becomes imperative to plan for tourism development so as to maximize the positive benefits while minimizing negative impacts in a sustainable manner.

In the past, tourism planning was viewed in a very simplistic manner .It took into consideration:

- a. Development of new hotels resorts
- b. Bringing about an increase in the connecting means of transport, for example, allow more airlines to operate
- c. Launching promotional campaigns within the country and abroad

d. Easing the border crossing formalities

But now in light of the negative impact of haphazard development that came up just to meet the demand, the government now realizes that the planning of tourism development should be based on scientific research of the requirements of the travel market and the capacity of the area to take in the tourists.

Tourism development requires an in-depth study of resources or the supply and the demand patterns.

Two main components that are the sources of demand for tourism in any country may be identified as:

1. The residents (the home market)
2. The visitors from abroad (the export market)

This classification provides a basis for the assessment of demand and each group follows a particular pattern of demand. For example in India the residents in summers like to go to places like Shimla, Mussorie which are cooler but a visitor from abroad might still want to go and see Taj Mahal or visit Goa for tanning, so there is a difference in the demand at a particular time from the different sections of tourists. The demand helps us in planning for the areas of interest.

The pattern of traffic has to be kept in mind while planning specially at the supply side because it is not flexible, for example hotels cannot be built in a day even if you feel there is an increase in demand. Similarly development of airports also takes time. For successful tourism planning the current and the future supply has to be correlated to the current and the future demand.

Some of the important factors influencing Tourism Development in an area are planning and development of resources.

Tourism can take several forms. A single trip may require one or more forms of transport on the way, a stay might involve one or different types of accommodation in one or more locations. A tourist engages in active and passive forms of recreation, sightseeing, meetings, conferences and such other things, all this involves the use of a variety of facilities and services, available more or less specifically for his use and enjoyment.

The inflow of tourists to any particular area makes use of the resources of different kinds. The beaches, the islands, the hills, etc. together with the climate constitute the natural resources for tourist experience, these resources exist irrespective of demands of tourism but their availability and characteristics by a greater or a lesser extent get affected by tourism.

The other resources are the ones that have to be developed; it refers to various forms of physical development, which will make any area accessible to tourists, as also to particular installations or facilities required by the existing tourists in that area.

The development can be divided into two basic categories:

1. The Infrastructure
2. The Superstructure

The infrastructure includes all forms of construction on and below ground required by any inhabited area in intensive communication with the outside world and as a basis of intensive human activity within. It includes roads, railway lines, harbours, airport runways and also the utility services like the water supply, drainage and sewage disposal, electricity and power supply.

The superstructure consists of passenger traffic terminals, hotels, restaurants, entertainment, shopping facilities and so on.

The Infrastructure has to precede the superstructure and has to be adequate to serve the needs of the residents as well as the tourists. If not well developed it will affect the tourism, as for example if the access roads to a particular destination are not good or at a destination there is no good source of water supply these factors will hamper the tourism growth for the particular destination.

This calls for physical planning and development –we can classify the areas that need to be developed on the basis of demand, into the following two heads:

1. The new areas with potential, but little or no existing tourist activity and with most land and other resources uncommitted to the existing uses.
2. Re-shaping of the areas with significant tourist flows already, with existing patterns of the land use and facilities.

For this the following considerations have to be kept in mind

1. The need to assess demand
 - a. Potential demand –for new locations and the facilities
 - b. Actual demand –for the existing locations and to assess how it will change if there is a change in the existing facilities.
2. The need for assessment of the required resources of land, capital and labour for any proposed development and of their alternative uses. The land can be alternatively used for agriculture, industry or residential development or for tourism. Similarly the capital may compete with its potential use in some other business (if provided from private source) or it can be used for building a school or a hospital (if provided from public funds). If alternative sources of employment are available in the area, the quantity and quality of labour available for tourism has to be

assessed in relation to other sources of employment. In these kinds of situation a cost-benefit analysis is required.

3. The need to assess the needs of the tourists and residents of the area and the compatibility of tourism with the other activities.

CHECK YOUR PROGRESS – II

1. Give three benefits of tourism development

2. What are two main sources of demand for tourism?

3. What are the two kinds of resources used for development of tourism

4. Out of the following, what is included in infrastructure development and what is included superstructure development?

- a) A new Airport
- b) A new highway
- c) The water supply
- d) A cinema hall
- e) A shopping mall
- f) A hotel

5. Give two alternative uses each of the resource of Land and Capital.

5.4.1 PLANNING THE INFRASTRUCTURE

In the creation of the infrastructure there are two crucial aspects

1. The capacity to serve a particular development- this is assessed with the help of a market study on the number of the users of a development.

2. The range and the type of facilities to be provided -the scale of infrastructure required by them

The infrastructure requirements are divided into three main groups

- a. Those which provide lines of access and communication with the outside world- this calls for construction of roads, railway lines, harbours, airport runways to carry the required volume of traffic to and from the area and also provision of means of communication
- b. Those which enable the movement of people at the destination-to provide for movement within the area and also provide supporting facilities for those staying in the area
- c. Those which supply the essential services of lighting, power, water, drainage and sewage disposal for the development

5.4.2 PLANNING THE SUPERSTRUCTURE

The superstructure comprises the individual facilities within a tourist area like accommodation, catering, entertainment and so on and since these are commonly provided by individual operators and developers they are normally planned individually. But this poses a great significance to tourism development as the capacity of a destination for staying tourists is determined by the capacity of its hotels and other accommodation.

With the discussions above we have understood what tourism development means and the relevance of planning for tourism development. Now we have to study who is responsible for carrying out this development or how it takes place.

Since infrastructure extends over a wide area and also involves a heavy capital outlay and the interests of more than one party, it is commonly provided by the government or the other public authorities out of public funds; whereas the superstructure has a limited requirement of capital and is confined to a limited area, so it is usually developed by private players.

5.4.3 GOVERNMENT'S ROLE IN TOURISM DEVELOPMENT OR THE STATE APPROACH

Government plays a role at various levels like

- Central
- State
- Local

In the **state approach** a budgetary allocation is made through the plans for the development of an area. The government identifies the area and starts with the infrastructure development that is the laying of roads, a network of communication and the development of the basic utilities. But ever since the World Tourism Organization adopted the theme of 'Public-private partnership' there is a shift from the strong Central Government intervention

to a more constructive participatory approach. This partnership implies systems of formal cooperation between the public (government) and the private sectors where the partners share the responsibilities, resources, risks and rewards.

The need or the rationale for such partnerships arises out of the fact that:

1. The demand for tourism products and services has grown significantly and it is expected to increase manifold in future. Also the developments in information technology have made access to information easier thereby making the competition sharper so the countries provide the prospective tourists with wider options. In this scenario the countries which can respond quickly to the changing consumer demands will have an edge over others and by the very nature of functioning, the government systems are more rigid and less responsive to the emerging situations than the functioning of the private organisations. Thus the partnership strengthens the country's efforts in the international arena.
2. The sources of government funding for tourism related areas are not sufficient. The pressure on the limited sources is acute especially in countries like India because there are increasing demands for satisfying the basic needs of people for health, education, etc. So one major objective of a partnership is to make more resources available for tourism without depending too heavily on budgetary support.

The extent and the depth of partnership will vary from country to country and there are no general prescriptions on the role of public and private sectors but there has to be commonality of the objectives. However there are certain activities which, because of their very nature, have to be performed by the government and cannot be delegated to any agency. Some of these activities are:

- i) The task of Policy Formulation – As tourism is a multi-sectoral activity it depends to a large extent on the healthy interrelationship between the different components of the sector and only government measures can bring about the required coordination between such diverse but inter-related economic activities. The government also has to handle the issues relating to interdependence of the global economy which influences the tourism promotion, for example, a policy on international relations.
- ii) Planning to integrate marketing strategy, development of physical infrastructure, human resource development, inter-sectoral linkages in national economic planning, facilitation for tourists travel, security and safety and so on to ensure that scarce resources are used to the optimal level. Here one of the very important areas for government is in facilitating access of the tourists to the country.
For a tourist the first contact with a country is through the embassies for visa, and the customs and the immigration on arrival. The government policies in these areas and the effectiveness of the policies in creating a tourism-friendly

atmosphere greatly influence the decisions of the prospective travellers.

- iii) The promotion of the national image is also the task of the government- this refers to devising appropriate marketing strategies.

5.5 APPROACHES TO TOURISM DEVELOPMENT

1. The Economic Approach

This approach is concerned with seeing the effects of tourism on the economy of the country. From the beginning of the study of tourism development, the effects of tourism were analysed based on the economic aspects. The majority opinion is that tourism can make a positive contribution to the economic development of a region but the economic effect is variable as it depends on the stage of development and the structure of the respective national economy, as well as the growth rate and the type and form of tourism.

The important economic effects are:

a) Foreign Currency Effect

Tourism is one of the main sources for earning foreign currency but from the point of view of seeing its effect on the economy it is important to see what the net foreign currency receipt is. For this, the imports of investment and consumer goods required by tourists have to be deducted from the country's gross receipts from foreign tourism.

b) Income Effect

This refers to the direct income earned resulting from the expenditure made by the tourists and also the indirect income which results from the multiplier effect. That is, when the first recipient spends a part of his income again, for example the holiday resort owner spends part of his earnings on buying grocery for his self consumption; here income earned by one is generating income for some other also.

c) Employment Effect

Tourism is a very labour intensive industry, it creates jobs both direct and indirect like jobs in the airline industry or the hotels are examples of direct employment and the suppliers of food,

beverages are the sources of indirect employment. Studies show that the employment effect is much higher in the developing countries

d) Regional Equalization Effect

Tourism can make a positive contribution to the development of economically poor regions which do not have any significant source of income generation and thus contribute to the economic development. Tourism thus brings in more income and employment in these regions and hence it has an equalization effect.

There are different opinions regarding all these effects but the important risk of tourism is the fact that it is seasonal, and also the social inferiority of tourism occupation.

What is really important is that the positive economic effects should outweigh the negative ones.

2. The Environmental Approach

This approach suggests that for the development of tourism it is important to study what role environment plays and what aspects of environment are to be taken into consideration while developing tourism of any country.

One of the major draws for a tourist to a place is its scenic attraction, the landscape, the beauty, the structure. These are also the most important factors for tourist motivation. When a tourist goes for a holiday he is looking for a change of environment or a “contrast experience”.

But the landscape loses its tourist value through its overuse by the tourists. The natural beauty can be preserved better if there is no tourism and unplanned tourism can have serious negative impacts on the environment, for example building up of hotels or resorts with no planning will lead to destruction of the landscape.

The landscape is the real raw material of tourism. In any other branch of the economy if capital put in is lost it can be multiplied again. However, once the basic raw material of tourism –the land is lost it can never be reclaimed. So while planning for the development it becomes very important to understand the impact of tourism growth on the environment and to ensure that it doesn't get adversely affected.

3. The Socio-Cultural Approach

This approach studies the social effects of tourism on the population, which receives the tourists. Tourists' behaviour and attitude at times can create mistrust, resignation and aggressive dissatisfaction in the native population. While planning for the development of tourism the local population's interest should be considered and they should be allowed a representation in the task of decision-making.

4. The Cost-Benefit Approach

This approach suggests that when we are planning for the development of tourism we have to take into account the Costs (disadvantages) and the Benefits (advantages) accruing out of the various tasks undertaken for the tourism development.

The idea here is to provide the different bodies like public authorities at local, regional and national levels, and also the transport organisations mainly in the private sector involved in the decision making with a method that they can use to rationalize their decisions and tourist policy measures such as investments, legislative enactments, and publicity campaigns and so on.

Two Fundamental Rules of Cost-Benefit approach

a) The need for clearly defined , feasible goals

It is important to clearly lay out the goals that are desired to be achieved through tourism development to be able to calculate costs and benefits. The goals provide the criteria for evaluating the costs and benefits of a particular action .The goals have to contain clear instructions on the actions required to achieve them.

b) The need to consider alternative courses of action

This implies that the decision-maker just does not adopt the first measure that appeals to him without considering other possibilities that may offer greater chances of success. To take a rational decision there should exist a choice between alternative courses of action. The costs and benefits of various alternatives have to be compared and the best should be selected.

5.6 SUMMARY

In this chapter you have read the need to plan for tourism development and what the consequences can be if it is not well planned. This chapter talks about the infrastructure and superstructure, which is responsible for developing it and how it contributes to development of tourism. The chapter goes on to talk about the role of the government and the private sector in the work of development and it ends with a discussion on various approaches that can be followed for carrying out this development.

5.7 GLOSSARY

Sustainable: The term sustainability is used to describe the effect on the natural environment. Hence, sustainability implies a rate of such effects that can be tolerated by the environment.

5.8 SELF ASSESSMENT QUESTIONS

1. What is the need for planning in Tourism development?
2. What is the role of government in tourism development?
3. What are the different approaches to the planning of tourism development?

5.9 SOURCES AND FURTHER READINGS

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LESSON- 6

APPROACHES TO TOURISM DEVELOPMENT CASE STUDIES

Mamta Chaudhry

STRUCTURE

- 6.0 Introduction
- 6.1 Objectives
- 6.2 Case Study of Brazil
- 6.3 Case Study of South Africa
- 6.4 Case Study of China
- 6.5 Case Study of Switzerland
- 6.6 Case Study of Thailand
- 6.7 Summary
- 6.8 Self Assessment Questions
- 6.9 Sources and Further Readings

6.0 INTRODUCTION

In the last chapter you have read how tourism is developed, what infrastructure and superstructure is required, how the role of development is shared by the government and private players and what the different approaches to the development are. In this chapter we will study cases of some of the developing countries on how they have worked and developed tourism and achieved a phenomenal growth in the past few years.

6.1 OBJECTIVES

At the end of this chapter you will be able to tell the contribution of tourism to the economy of each of the countries under study.

6.2 CASE STUDY OF BRAZIL

Brazil is the largest South American state which takes up almost one third of the South American continent. It is also the western hemisphere's second largest country and the fifth largest country in the world, Brazil is located more or less in the centre of South America. It forms the borders with almost every nation of South America except for Chile and Ecuador. The capital of Brazil is Brasilia and the language spoken there is Portuguese

It has a very wide geographical range from rain forest to dry inland to 5,000 miles of coastland to mountains to the world's largest river to wild flowers; it is a country overflowing with natural resources. Major Cities of interest in Brazil are Brasilia, Sao Paulo, Rio de Janerio, Belo

Horizonte, Recife, and Salvadore. Brazil has awe-inspiring sites, such as the Iguazu Falls, the Amazon rainforest, as well as 2,000 miles of virtually uninterrupted soft white beaches in the Afro-Brazilian state of Bahia, there are more than 154 historical churches in the capital of Salvador

Few countries are able to offer as great a variety of tourist options as Brazil. With a land mass the size of a continent - more than 8 million km² - in terms of area, the nation is fifth in the world, exceeded only by Russia, Canada, the USA and China, occupying almost half of South America. The distances from north to south and from east to west - around 4,300 km in each direction - are greater than from New York to Los Angeles and from Moscow to Lisbon. Brazil has well defined tourist image, based mainly on its wonderful beaches and carnival of Rio de Janeiro.

About Places of Interest



Tourist Attractions in Rio De Janeiro Brazil, the Sugarloaf

The sugar Loaf is a green, unearthly peak rising over the marvellous city, and is one of the biggest Tourist Attractions in Rio De Janeiro, Brazil. The Sugar Loaf is a soaring 1,300-ft granite block standing at the mouth of Guanabara Bay. For a trip to the place Italian-made bubble cars holding 75 passengers each move up the mountain in two stages, the first stopping at the Morro da Urca, a smaller mountain in front of Sugarloaf, and the second continuing on to the summit, each stage taking three minutes.

As a part of tourism development recently they made a place for shows with many bands frequently visiting on top of the sugar loaf. For those who want to rock a little bit more there is also a hip, but expensive, nightclub here called 'Projector Noites Cariocas'.

The legendary Amazon is one of the planet's enigmas. It is the world's largest river basin, and also the planet's greatest rainforest. Within the Amazon Basin resides a wealth of life richer than any place else on earth, and millions of species still remain undiscovered.

A canopy of green spreads over a 2,030,000 square mile ecosystem that includes the Amazon River Amazon Forest (the largest and densest rainforest in the world) and upwards of five million animal species.

Over 25,000 species of plants and more butterflies can be found here than anywhere else on the planet.

The Amazon Basin is the planet's largest body of fresh water with 1100 tributaries 17 of which are more than 1000 miles long. Many of the tributaries begin in Colombia and Peru.

Recognized as the world's greatest reserve of life form with the greatest biological accumulation of carbon on Earth the Amazon is one of the largest remaining contiguous tracts of nature on earth. The Amazon is the "lungs of the world."

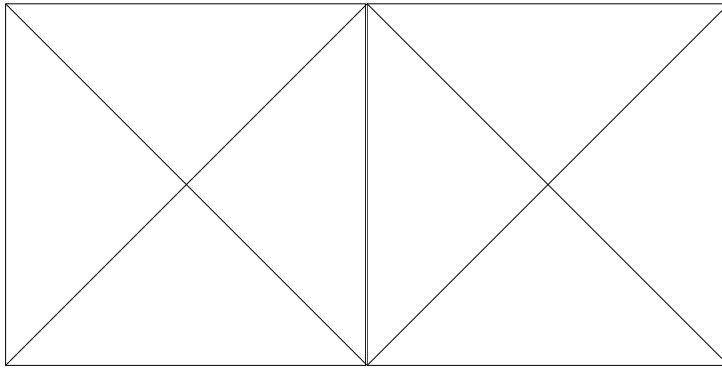


Wedding of the waters - where the dark water of the Rio Negro meet but do not mix with the muddy waters of the Rio Solimões

3. Iguazu Falls-In Iguazu, 270 waterfalls spread out like a lace curtain for nearly two miles. One can't see them all at once from ground level for they extend far beyond the line of vision. The spectacular Iguazu falls are taller than the Niagara Falls and twice as wide.



Iguazu Falls in Brazil



4. Rio Carnival

-Carnival is Rio's main event. It happens at the peak of summer, when Cariocas are at their best. Festivities attract thousands of people from all

corners of the world. Carnival or Mardi-Gras, as spelt in Portuguese, is a 4-day celebration. It starts on Saturday, and ends on Fat Tuesday. Carnival Sunday is seven weeks before Easter Sunday.



Rio Carnival

Brazil intends to make an effort to change world tourism statistics which show that the country gets a measly 0.6 percent of international travellers

The country seeks to get a bigger share of the world's biggest business nowadays.

The tourism sector goal is to reach 9 million foreign visitors annually by 2007, create 1.2 million jobs and generate revenue of US\$ 8 billion. As for the domestic tourism market, the goal there is to reach 65 million passengers on domestic flights and offer tourist attractions in all Brazilian states.

Some initiatives to improve the tourism industry in Brazil

Although in its infancy stage, the Brazilian tourism industry is already undergoing a transformation. Southern states are beginning to receive large numbers of tourists from neighboring countries, and cities like Florianopolis in Santa Catarina State have become important coastal resorts. New types of tourism, including ecotourism, are developing from the natural attractions of almost untouched Amazonian forest and the diverse animal life of the Pantanal

marshland. Ecotourism is gaining a strong push in all the states of Brazil, even the MST (Movimento dos Sem Terra), the largest landless movement, is attracting curious foreigners to their “acampamentos”.

In addition to its traditional attractions, the city is improving sport aquatic activities and tours to “favelas” as a way to better integrate the local population with the tourist industry.

But, there are several constraints. Brazil needs to focus on augmenting the number of new and repeat visitors, as well as improving the management and skills of agents working in the industry.

The Brazilian government has introduced a government initiative to stimulate the tourism through the PNMT – “Programa Nacional de Municipalização do Turismo (National Program of Tourism Municipalization). Aimed at giving local municipalities incentives towards developing their own regional infrastructure and strategic plans. The program hopes to multiply and diversify the number of tourist destinations. In the coming years Brazil’s tourist industry will benefit from increased investments in hotel infrastructure. The Brazilian National Economic and Social Development Bank have been providing subsidized credit lines with favorable rates of interest to enterprises wishing to construct hotels in the Northeast.

With the establishment of a Ministry of Tourism in January 2003 it has been possible to make an adequate x-ray of the sector and direct investments more efficiently.

The result is that the sector has begun to show signs of recovery. The minister pointed out that in 2003 the number of foreign visitors who came to Brazil rose 8.12 percent, to slightly more than 4 million.

The Brazilian government is planning a massive ad campaign abroad to promote the natural and cultural beauties of the country. The ads will be presented at 30 international fairs and 6 workshops. The objective is to give the tourism sector a boost because it is a labor intensive sector. The ad campaign will have a budget between US\$ 6.36 million and US\$ 9.5 million.

With its potential for increasing the number of jobs in cities and rural areas alike, tourism has been recognized as an important part of the country’s strategy to reduce income inequality. As a service sector, hotels and other tourism operations require employees who are better trained. After reforms in the 1996 Educational Law, which eased the process of accrediting tertiary educational institutions, a great number of bilingual and skillful young tourist professionals are being schooled. It is expected that these new generations of professionals will be able to offer to foreigner visitors the same quality of service experienced in other mature markets. It is also expected that this professionals will find better ways to attract visitors to Brazil.

CHECK YOUR PROGRESS-I

1. What continent is Brazil in?
-

2. What language is spoken in Brazil?

3. Name three places of tourist attraction in Brazil?

4. What is the target of tourism sector by 2007 in terms of foreign visitors, jobs and revenue generation?

6.3 CASE STUDY OF SOUTH AFRICA

South Africa is a nation of over 46-million people of diverse origins, cultures, languages and beliefs. Around 79% are black (or African), 9% white, 9% "coloured" - the local label for people of mixed African, Asian and white descent - and 2.5% Indian/Asian. Just over half the population lives in the cities.

The country straddles 1.2-million square kilometres, as big as several European countries put together. It's one eighth the size of the USA. Still, it's more than a day's drive down the highway from Johannesburg in the north to Cape Town in the south with the topography ranging across the spectrum from lush green valleys to semi-desert.

Up until 1994, South Africa was known for "apartheid" or white-minority rule. The country's remarkable ability to put centuries of racial hatred behind it in favours of reconciliation was widely considered a social "miracle", inspiring similar peace efforts in places such as Northern Ireland and Rwanda. Post-apartheid South Africa has a government comprising all races, and is often referred to as the "rainbow nation", a phrase coined by Nobel Peace Prize winner Desmond Tutu.

South Africa has two capitals. **Cape Town**, the oldest city, *is the legislative capital, where Parliament sits*. **Pretoria**, 1 500 kilometres to the north, *is the executive capital, where the government administration is housed*. Next door to Pretoria, and close enough that the outer suburbs merge, is the commercial centre of Johannesburg, once the world's greatest gold mining centre, now increasingly dominated by modern financial and service sectors. The second-biggest city is Durban, a fast-growing port on the eastern coast, and the supply route for most goods to the interior.

In Johannesburg, the country's commercial capital, the weather is mild all year round, but can get cool at night. Durban, the biggest port, is hot and sometimes humid, a beach paradise. And in Cape Town, where travellers flock to admire one of the world's most spectacular settings, the weather is usually warm, though temperamental. If you're visiting from the Northern Hemisphere, just remember: when it's winter over there, it's summer over here.

South Africa is one of the most diverse, interesting and famous tourist destinations, often referred to as a "world in one country". It offers you everything from scenic beauty to wildlife excursions to flourishing urban nightlife. Tourists flock to South Africa for its natural beauty, wildlife and sunshine, which make ecological tourism in South Africa the fastest growing segment.



Places of Tourist Attractions

1. **Kruger Park** is the world renowned, biggest and oldest game park offering an exciting wildlife experience that ranks with the best in the world.
2. **Table Mountain** is the famous landmark accessible through cable car ride giving you breathtaking views of the city and the sea from its top. It has been proclaimed as a National Monument and a sanctuary.

The World Travel Awards - known as "the Oscars of tourism" - were started in 1993 to acknowledge and celebrate excellence in international travel. Now in its 12th year, tourism professionals and discerning travellers regard the awards as the best endorsement a tourism product could hope to receive.

Thousands of travel agents and industry members from around the globe vote for the winners from a selection of nominations.

South Africa is the best holiday destination in Africa - and its official. At the 2005 World Travel Awards ceremony in London in November, the country's airline, hotels, airports and more walked off with 16 of the 17 prize categories for the continent of Africa

South Africa stood out as one of the hottest destinations in the 2004 World's Best Awards survey by international travel magazine Travel & Leisure. Of the 10 "best hotels in the world" for 2004, five are in South Africa. The Saxon hotel in Sandton, Gauteng, has been voted best boutique hotel in the world four times, up against many established international hotels in Tokyo, the US and Singapore

International audit firm Grant Thornton says the southern African region has "enormous" potential to become a must-see tourism destination, if governments and the private sector are committed to building the industry.

The firm's report comes out of research commissioned by the New Partnership for Africa's Development (Nepad) and the Southern African Development Community (SADC) to assess tourism growth in the region.

This is despite challenges facing the industry, identified by the Department of Environmental Affairs and Tourism, such as inadequate funding and delays in acquiring investment licenses.

"There is inadequate tourism education, training and awareness for the general public, and a lack of protection for the environment," a department spokesperson said.

Limited availability of local suppliers for the tourism industry and insufficient air capacity to handle demands in peak seasons have also been identified as threats to South African tourism.

CHECK YOUR PROGRESS-II

1. Name the legislative and Executive capital of South Africa.

2. What place is known as beach paradise in South Africa?

3. How many awards did South Africa get in the World Travel Awards 2005?

4. Which hotel of South Africa is voted as best boutique hotel?

6.4 CASE STUDY OF CHINA

China is a huge country located in Asia, and is the world's most populous country with a history and culture reaching back 4000 years. The North of the country tends to be dry and windy, with the South is warm, humid and rainy.

Beijing is the capital, and here you can discover the Chinese Opera and the Forbidden City among many other delights. The main language is Mandarin Chinese, and the currency is the Yuan.

China offers many attractions, and due to its size these are best appreciate by touring a particular area or theme. The Silk Road tour follows the famous trade route which crossed Asia and Europe. The Chinese part of the route covers over 4000 miles, and takes in provinces including Gansu and Qinghai. You can see historic sites such as the terracotta army, monasteries, temples and cultural relics along the way.

Places of Tourist Attractions

1. **Tang Paradise** is located in the Qujiang Resort, southeast of the Xian City, Shaanxi Province. It is a newly opened tourist attraction in April, 2005. Tang Paradise covers a total area of 1000 mu (about 165 acres) and of which 300 mu (about 49 acres) is water. This tourist attraction not only claims to be the biggest cultural theme park in the northwest region of China but also the first royal-garden-like park to give a full display of the Tang Dynasty's (618-907) culture. Altogether, twelve scenic regions are distributed throughout Tang Paradise to provide visitors with the enjoyment of twelve cultural themes and a perfect exhibition of the grandness, prosperity and brilliance of the culture of the Tang Dynasty. What makes Tang Paradise incredible is that it is no longer the garden mode of only water and mountains in the Chinese traditional sense. The outstanding designers of the magnificent Tang Paradise have integrated almost everything representative of the Tang Dynasty, such as the poetry, the songs and dance, the marketplaces, the food, the women's lifestyles, and science into every site using cultural themes, thus endowing every place with its own story and its own place in the tapestry of Tang Dynasty culture. Tang Paradise is praised as 'Garden of History', 'Garden of Spirit', 'Garden of Nature', 'Garden of Human Culture' and 'Garden of Art'.

In Tang Paradise, another surprising man-made wonder is the water film which claims to be the foremost in the whole world. The screen of the movie is a film of water.



Tang Paradise, a splendid theme park in Xian, China

2. **The Great Wall of China** is a magnificent feat of architecture and building, which dates back to the 5th centuries BC and runs from East to West China over thousands of miles. Badaling, 70km north of Beijing, is a popular place to see the Wall and enjoy the spectacular mountain views from its top.

China boasts many beautiful lakes, rivers and mountains, and the North East corner of the country has snow covered pastures and mountains where you can skate, ski, hunt and ride.



Great Wall of China

China is a wonderful holiday destination, with its fascinating ancient culture and huge terrain offering endless possibilities for exploration, adventure and fun. Although it is a vast country, China is accessible to travellers, with most provinces having an International Airport, and Beijing Capital International Airport is the main hub. Accommodation in China ranges widely from luxuriously appointed hotels in the major cities, to more humble yet comfortable lodgings in the provinces.

Since the 1990s, tourism development in China has been increasing sharply. In 1978, annual international visitor arrivals were 1.8 million; in 2002, this figure was 97.9 million. In the same period, international tourism receipts increased from US\$2.63 billion to US\$20.39 billion (STA 2003). Tourism development stimulates national economic growth. In Western China, where it is relatively less developed, tourism development is considered important for accelerating economic development.

In 2004, CNTA launched a series of tourism promotion activities both at home and abroad. It successfully conducted a large-scale tourism promotion activity themed "Welcome to China--2008 Beijing" in the United States, helping pave the way for Chinese tourist products to enter the marketing system of American travel operation. It hosted more than 2,900 travel dealers from 48 countries and regions at the China International Travel Fair in Shanghai. The "Olympics for Tourism" promotion activities were formally launched in Athens during the Athens Olympic Games. The China-France Culture Year and China-ASEAN Expo in Nanning, Guangxi Zhang Autonomous Region also provided opportunities for tourism promotion.

Tourism sector witnessed full recovery. In 2004, a total of 109.04 million visitors from overseas came to China for tourist, business or family reunion purposes, an increase of 19 percent year on year. Of this total, 16.93 million were foreigners, a number up 48.5 percent over the previous year; 92.11 million were Chinese compatriots from Hong Kong, Macao and Taiwan, up 14.8 percent. Of all the tourists from overseas, the number of those who stayed at least one night in China accounted for 41.76 million, up 26.7 percent. Foreign exchange earnings from international tourism topped \$25.7 billion, up 47.9 percent. A total of 28.85 million Chinese went abroad, up 42.7 percent. Of this total, 22.98 million were on private visits, a year-on-year rise of 55.2 percent, accounting for 79.7 percent of all outgoing visitors. The year 2004 saw 1.1 billion domestic tourists, up 26.6 percent. Revenue from domestic tourism totaled 471.1 billion Yuan, up 36.9 percent.

CHECK YOUR PROGRESS-III

1. What is the capital of China, what is the main language spoken there and what is their currency?

2. What is the name of the biggest cultural theme park in China and what is it also referred to as?

3. What is the figure of annual international arrivals to China for the year 1978 and for the year 2002?

4. What was the name or theme of the promotion activity conducted by CNTA in USA?

6.5 Case Study of Switzerland

Switzerland is a Central European country, east of France and north of Italy. Switzerland is known as the Paradise of Europe

Its bordering Countries are Germany, France, Italy, Austria, and Liechtenstein.

Capital of Switzerland: Bern

Population: 7,450,000

Land Area: 41,285 km² (15,941 mi.²)

Languages Spoken: German, French, Italian, and Romansch

Religion: Catholic (46%), Protestant (40%), other (14%)

The climate is moderate. From July to August the daytime temperature ranges from 18° C to 28° C (65°-82°F) and the January - February range is -2°C to +7° (28°-45°F). Depending on the altitude the temperature range may vary.

There is no excessive heat or humidity. Southern Switzerland has sub-tropical vegetation and enjoys a year-round mild climate.

The diversity of the landlocked, mountainous country is the essence of Switzerland and gives the country its unique identity. Still, it is best known for its financial institutions, fine cheeses and chocolate, watch making industry, for its scenery and an excellent network of public transportation

Tourism as such began in the 19th century, but as early as the 17th century literary and visual portrayals of Switzerland's scenic beauty had attracted intellectual elites from abroad

Initially tourism was a summer pursuit. In winter, heavy snow prevented most travel, and it was only the beginning of winter sport activities, largely pioneered by the British at the end of the 19th century, that brought winter holidays into fashion. Today "low season" means just a few short weeks in spring and autumn.



A Tourist enjoys skiing

Switzerland is quite expensive compared to most other European countries. However, you can expect quality in return. It is a clean country with good roads and excellent public transportation.

The latest trend, after active holidays, is “wellness” - a combination break encompassing spa, health farm, beauty treatments and fitness - with all activities concentrated on one hotel or group of establishments.

There is no region of Switzerland that does not aspire to some form of tourism. The basic subdivisions include mountain resorts, with climbing in summer and skiing in winter, and the many lakeside resorts that offer water sports. Many Swiss cities are in part also resorts, and then there are countless rural areas, not least in the Jura Mountains, which offer a less dramatic form of tourism.

Switzerland is a dream destination in Europe. Famous for its stunning Alpine scenery, Switzerland has been immortalized in movies such as the evergreen musical film - The Sound of Music. Other than the spectacular Alps, Switzerland has many attractions. These include forests with nature trails and hiking paths, lovely lakes, ancient cities, which are beautifully preserved, scenic countryside with picturesque meadows and farms. The architecture and culture of Switzerland have been influenced by the heritage of France, Italy and Germany

Most tourist areas offer or form a combination of events and activities. The large cities are as much lakeside, congress, and museum venues as they are meeting places for business people.

Places of Tourist Attractions

1. **The Swiss Alps** are visited by tourists and mountaineers from around the world. Towering at heights of over 4,000m the Swiss Alps have some of the best-known peaks in the world including The Matterhorn. Snow capped peaks, icy glaciers, rocky crags and awesome spires can be seen in the Swiss Alps. Thick forests and woods with fir and pine and other coniferous trees extend to the edge of calm lakes.



Swiss Alps

In general, Switzerland now faces far more competition from other destinations, while state expenditure on promotion remains relatively modest.

Switzerland Tourism is now tapping markets such as India and China, which have increasing numbers of prosperous people.

The tourist industry could be one of the big winners if parliament ratifies a bilateral treaty on open borders with the European Union. The open-border policy means that Asian and Russian visitors require only one visa to travel among EU countries. But a Chinese tourist, for example, needs an additional visa if he hopes to see the Swiss Alps in between stops in Paris and Rome. The Schengen accord on cross-border travel includes measures to increase security among member states.

The visa issue is the last major stumbling block that could prevent ST from reaching its goal of trebling the number of nights Chinese guests spend in Swiss hotels by 2007. If the goal is realized, the Chinese would be second only to the Japanese among Asian travellers.

The national tourist board, Switzerland Tourism (ST), says this handicaps its efforts to market Switzerland in Asia and Russia.

CHECK YOUR PROGRESS-IV

1. What is the capital of Switzerland and what is it also known as?

2. What kind of sport tourism is famous in Switzerland?

6.6 CASE STUDY OF THAILAND

Thailand is a Southeast Asian, predominantly Buddhist kingdom almost equidistant between India and China. Buddhism is the dominant religion in Thailand, although a variety of tribal religions continue to be practiced. Thailand's people regard their royal family with a respect bordering on awe. The main language in Thailand is Thai, although Lao, Chinese, Malay and English are also spoken by significant numbers of people.

Bangkok is Thailand's capital in every sense. It is where the Royal Family resides, it is the seat of government and administration, and it is the focal point for virtually all major industrial, commercial and financial activity. It is the country's main port and home to one tenth of the Kingdom's population. Bangkok is also the country's principal gateway and prime tourist attraction.

Playing such an important role, Bangkok bears the full brunt of Thailand's present rapid economic growth. As such it can appear a chaotic and confusing city. The skyline is dominated by high-rise offices, buildings, condominiums, luxury hotels, departmental stores and shopping malls, while the streets bustle with activity.

Thailand can be an extremely hot and soggy place. Its tropical climate is divided into three seasons: cool in November to February, hot in March to May, and rainy in June to October. The seasons are more extreme in the northern regions, where the dry heat can grow quite intense in late spring and the cool can become cold in the mountains. The rainy season is no detriment to travel in Thailand, as the rains can be cool and refreshing.

Places of Interest

The Joe Louis Theatre:

It features daily performances of 'Hun Lakhon Lek' traditional Thai small puppets. Sakorn Yangkhiawsod, (more widely known as Joe Louis), the founder of the Hun Lakhon Lek Joe Louis Troupe, was one of Thailand's top puppet masters and the country's last 'Grand Master' of small puppet performers. Joe Louis' creation of the ancient Siamese small puppet performance is unique. The soul and spirit of the performance comes directly from the puppeteer.



During 1980-1987 visitors to Thailand increased at the rate of 10.53% per year in 1980 the total amount of tourists visiting Thailand was approximately 1.85 million people and in 1987 3.48 million.

From 1979 till now, the Thai Government has been increasingly interested in the development of tourism promotion. In the 4th National Economic and Social Development Plan (1977-1981) a tourism development plan was also included. It was the first time tourism appeared in the plan. From then on, it has been a fixture in every plan.

In 1987, the Thai Government launched the tourism promotion project, "Visit Thailand Year" to celebrate the auspicious occasion of His Majesty the King's 60th anniversary and to commemorate His Majesty becoming the longest reigning monarch in Thai history. Private and public organizations concerned with tourism actively promoted tourism development contributing to the satisfactory figure of visitors to Thailand in 1987 of 3.48 million with an increase of 2359% and 50,023 million baht in revenue from tourism alone. As a result, in 1988, the following year, the number of visitors ascended to 4.23 million people, 2147% up from the previous year with 78,828 million baht in revenue. The numbers for 1989

rose to 4.8 million visitors and 96,000 million baht in revenue. The target for 1991, which was the last year of the 6th National Economic and Social Development Plan, was 6 million Visitors and 128,000 million baht in revenue.

The Tourism Authority of Thailand (TAT)) has been planning, surveying and studying tourist destination development to set trends for related organizations to follow, especially various basic necessities in tourism. Furthermore, TAT supports tourism resources conservation in local areas, and conservation of Thai culture and traditions to attract tourists. TAT also promotes and supports local areas to produce folk arts and crafts in demand by tourists as souvenirs. For the security of tourists TAT organized the Tourist Police to oversee the safety of tourists and the Tourist Assistance Center to assist tourists in various matters.

To improve human resources in tourism TAT has trained tour guides and personnel in the accommodation business and restaurants. This is to provide adequate quality manpower for the industry.

Along with marketing strategies to attract tourists, Thailand has been successful in tourism due to several factors some of them are as follows:

1. Thailand's favorable location makes it the ideal commercial aviation center of Southeast Asia it is convenient for flights from all over the world to stop over at Bangkok International Airport. Being readily accessible results in the satisfying growth of the Thai tourism industry.

2. The quantity and diversity of tourism resources such as natural tourist destinations like beaches, seaside, picturesque forests and mountains; historical tourist destinations, antiques, ancient remains' Thai traditions and culture. All these can be used for tourism promotion in Thailand's tourist markets.

3. Thailand has appropriately developed tourism facilities in accommodation, local transportation, restaurants, souvenirs and entertainment.

4. The uniqueness of the Thai people, friendliness, helpfulness and smiling faces are suitable for tourism professions, which deal with service. The right services of international standard with smiles and consideration impress tourists who circulate and exchange their impressions and information of Thailand among friends and acquaintances, which help to publicize the country.

The most important factor is the cooperation among private and public offices and TAT, which results in the success of Thai tourism promotion and development. The success also derives from the Thai Government's sincere interest in tourism industry development and more budgets for TAT to promote tourism.

The renewed campaign, called "Amazing Thailand 2000," is designed to position Thailand as a place of "escape from a stressful, fast-moving

world" where visitors can "replenish life and recharge their batteries," TAT said in the press release.

The Thailand Grand Sale 2006 is to be organised during 16 June – 15 August, 2006. This year, the project is under the campaign “Thailand Grand Invitation” and a part of the Sixtieth Anniversary Celebrations of His Majesty’s Accession to the Throne, which will take place on 9 June, 2006. The Thailand Grand Sale 2006 is a strategy to promote Thailand as a shopping paradise, as well as, to attract tourists to travel and do shopping during the low tourism season in Thailand. In accordance with the Tourism Authority of Thailand (TAT)’s data, approximately 30% of income from international tourists coming to the country each year is from shopping, being equivalent to more than 100,000 million Baht a year. TAT has invited many department stores and shops both in Bangkok and other main tourist cities such as Chiang Mai, Hat Yai, Phuket, Pattaya and Nakhon Ratchasima to participate in the project. Moreover, cooperation has been created with the Visa International Thailand to organise the promotion programmes for the domestic and international cardholders throughout the project.

Objectives

1. To attract tourists to travel and purchase tourism products and services during the period outside of Thailand’s main tourism season.
2. To create Thailand’s image as the shopping centre of Asia, uniquely considered as a Shopping Paradise among tourists.
3. To encourage the circulation of money within the country and the generation of income to the provinces.
4. To promote an increase of foreign currency circulation within the country.
5. To respond to the governmental policy in tourism, emphasizing on an increase of tourists’ expenditure per person per day.

Targets of the Project

1. To increase the amount of products purchased by tourists travelling into the country during the low season.
2. To increase the number of international tourists from Asia and nearby to travel in Thailand.
3. To create the image of Thailand’s Shopping Street among international tourists.

4. To encourage Thai people to purchase products in Thailand instead of travelling to other countries to do shopping for those whose quality is of a similar standard.

5. To create the annual grand sale season during these two months to be widely acknowledged among domestic and international tourists.

CHECK YOUR PROGRESS-V

1. What was the name of tourism promotion project launched in 1987?

2. What was the percentage increase in the number of visitors to Thailand in the year 1987 and 1988?

3. What is the name of tourism campaign launched for the year 2006?

6.7 SUMMARY

In this chapter we have read about the location, places of interest for a tourist and how tourism is doing in the five countries namely Brazil, South Africa, China, Switzerland and Thailand.

This is the last chapter of first unit by end of this unit you will have a good idea of basic definitions of tourist, tourism product, their characteristics, how tourism affects the economy, what is its contribution to the economy, what is the role of government and private players in the development of tourism, various approaches to tourism development and also a case study of five developing countries to show the contribution of tourism to their economy and the emphasis laid on tourism development.

Knowing all this in the next unit we will read about how travel arrangements are made and the role of certain bodies like I.A.T.A, I.T.D.C., and W.T.O. and so on.

6.8 SELF ASSESSMENT QUESTIONS

1. What is the tourism campaign launched for India called? Do a case study of development of tourism in India.
2. Do a case study of Malaysia.

6.9 SOURCES AND FURTHER READINGS

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3. www.thaitourism.com

LESSON 7

MODES OF TRANSPORT

Roopa Johri

STRUCTURE

- 7.0 Introduction
- 7.1 Objectives
- 7.2 Development of Means of Transport
- 7.3 Road Transport
- 7.4 Rail Transport
 - 7.4.1 Advent of high speed trains
 - 7.4.2 Indian Railways
- 7.5 Sea/Water Transport
 - 7.5.1 Cruises
 - 7.5.2 Inland Waterways
- 7.6 Air Travel
 - 7.6.1 Six Freedoms of Air
 - 7.6.2 Promotional Fares
- 7.7 Summary
- 7.8 Key words
- 7.9 Glossary
- 7.10 Self-assessment questions
- 7.11 Sources and Further readings

7.0 INTRODUCTION

After discussing the concept of tourism, tourist product and its importance as an industry, we move on to related services and operations in this unit. These services form part of travel management e.g. modes of transport, accommodation and ticketing. Also there is need to understand different aspects of the travel agency business and tour operation. The unit also discusses the national and international trade organizations e.g. IATA, TAAI, WTO and ITDC, which promote the healthy growth of this business worldwide. Tourism cannot be separated from travel. Travel is as old as mankind on the earth. Man at the beginning of his existence roamed about the earth in search of food, shelter, security and a better habitat. In the ancient times, the mode of transport used by travellers was a horse, a horse carriage and a boat. The industrial revolution brought about significant changes in the modes of transport used by people. Introduction of railways, motorcars and thereafter aero planes revolutionized transport all over the world.

The discovery and application of steam and electricity in the nineteenth century and the internal combustion engine in the twentieth century revolutionized travel and transport and introduced the present era of mass transport. The next spectacular breakthrough came in the late 1950 with the propulsion of aircrafts with jet engines bringing the immense benefits of air travel to the whole world. Travel became faster and more and more people could travel.

7.1 OBJECTIVES

After reading this lesson, you should be able to:

- Understand the importance of modes of transport in the development of tourism.
- Explain the development of road transport in the Indian context.
- Value the role of Railways in tourism industry.
- Appreciate how water transport has coped with vast changes in recent years.
- Evaluate the role of air travel in tourism and its future in the context of ever growing competition.

7.2 DEVELOPMENT OF MEANS OF TRANSPORT

Transport is the key factor for the development of tourism, which facilitates the movement of holidaymakers and business travellers. Transport provides the essential link between origin and destination areas. Tourists travelling abroad spend half their holiday money (about 40%) on travel and transport and the other half on accommodation and other activities. The most important function of transport relates to accessibility, which is one of the 3As of tourism components (refer to Unit 1). Accessibility is the function of distance from tourist market and of transport and communication, which enables a destination to be reached. Earlier travel was undertaken for trade, commerce and religion. Advancement in transportation technology brought about road improvement and development of other means of transport.

The four major modes of transport prevalent in India are: -

- Road Transport
- Rail Transport
- Water Transport
- Air Transport

7.3 ROAD TRANSPORT

Till the beginning of the twentieth century, people travelled almost exclusively by rail and steamship. With the invention of a new transport medium i.e. the motorcar, the entire shape of the tourism industry was transformed. It became the most promising and potent means suitable for short and medium distances. With the growth of a fine network of fast and super fast national and international highway systems, long journeys were also performed by motorcar and motor coach.

After the Second World War, their use increased manifold. Road transport became increasingly important in the pursuit of leisure and tourism.

Road Transport provides basic infrastructure in connecting people of remote villages to the mainstream of national life.

Mobility can perhaps be one of the major advantages of road transport over rail and sea transport. The motorcar provides the actual mobility so that people are no longer anchored to a particular holiday center, as they tended to be when they mostly travelled by train or ship. Speed is yet another factor which helps tourists to economize on time. The gradual spread of a network of roads has made hitherto not very accessible areas, easy to get to.

The development of road transport is bringing about a fundamental change in the development of tourism in the growth of Resorts, Hotels and other services. The automobile provides greater freedom of travel and choice of destination. The provision of a good, well-linked road network, roadside services and facilities is a pre-requisite for the development of both domestic and international tourism.



In India, it has a vital role in the opening up of interior and remote areas and is relatively cheaper and less capital intensive. At the same time it supplements the efficiency of other modes of transport.

Indian roads are classified into the following five categories:

- National Highway: - These are principal arterial routes connecting the union capital with the state capitals, major parts of various highways.
- State Highways: - State highways connect state capitals with district headquarters, important cities and towns within a state, the national highways and the highways of adjacent states.
- District Roads: - District roads take the traffic from the main roads to the interior of each district and to rural areas.
- Classified Village roads connect villages or groups of villages with each other and to the nearest district road and other main highways.
- Unclassified Village roads: - These are mostly earthen roads.

Approximately 49% of traffic is handled by the private sector, and the rest is mainly through state transport undertakings. The inter-state bus system is well developed and the quality of buses varies. They fall into the category of ordinary, semi-deluxe, deluxe and air-conditioned coaches. All information is

available at Bus-stands. Taxis, chauffeur- driven cars, car rental systems; matador type vans are other services in road transport.

The growth of tourism requires growth of infrastructure in first place. A proper road network is one such area. It is worth mentioning that Rs. 54,000 crore National Highway Development Project is progressing rapidly. In the same breadth Golden Quadrilateral Road network is also progressing which will complete 5846 km. road network by 2007.

7.4 RAIL TRANSPORT

The first regular steam engine passenger run was inaugurated over a one-mile section on the 7.5-mile track from Canterbury to Whitstable, Kent, England on May 3, 1830. The first self-propelled locomotive, which ran on rails, was built by Richard Trevithic [1771-1883] at Salop in England.

The first organized rail transport began in the year 1841. A Baptist preacher of Derbyshire on his way to a temperance society meeting in Leicester was inspired with the idea of engaging a special train to carry the friends of temperance society from Leicester to Loughborough and back to attend a quarterly delegate meeting. Thomas Cook gave the idea. A few weeks later, 570 passengers made the journey by the Midland Counties Railways at a specially reduced fare. And in this way began a new area in Rail Passenger transport. The railway can be considered one of the most powerful motives for mass travel in the nineteenth and twentieth centuries.

Railways are most suitable for long distance travel. It is a fascinating experience. It offers the tourist an insight into the large country and its people. It passes through towns, villages and green vegetation and takes one back into the glorious past. The recent and interesting development in the field of transportation is the advent of high-speed trains.

7.4.1 Advent of High-Speed Trains:

The energy crisis of 1974 resulted in decrease in use of air travel and road travel. It became expensive to travel by air and motorcar or coach. The fuel consumption is two to four times more in automobiles and ten times more in air travel as compared to trains.

Following factors were responsible for the growth of rail transport: -

- (i) Fuel consumption per passenger is less in trains.
- (ii) Railway stations are located in the heart of cities and train timings are convenient.
- (iii) There is growing congestion at airports and highways, as they are unable to handle growth in tourist arrivals.

Railways are once again assuming important roles. European countries, the United States and Japan are revolutionizing the rail transport by introducing very high-speed trains.

Europe was the first one to formulate a design for a faster and more comfortable train. London-Manchester line was electrified in year 1960 at the speed of 160 km per hour.

In the United States of America, Amtrak (American Travel by Track) is offering modernized long distance services.

In Asia, Japan produced super fast train 'Hikari Express' which was popularly known as 'Bullet Train' and ran at a speed of 210 km per hour. At Sanyo line, the speed further increased to 260 km per hour.

It was in France that a world record of speed was broken in the year 1981. In September 1981, a new high-speed train TGV- Trains a Grande Vitesse, began its commercial operation between Paris and Lyon at a speed of 260 km. per hour.

7.4.2 Indian Railways



In India, railways have made use of technological advancement that has resulted in increased speed, comfort and carrying capacity. A high-speed train such as Rajdhani Express is running between Delhi-Calcutta and Delhi-Bombay track at the speed of 120 km per hour. In India, a tourist has to use railway facilities wherever he goes as not all the places are linked by air. Railways have a great role to play in stimulating and creating traffic particularly on routes where they can offer speediest and cheapest form of transport. For long distances also, as air travel is an expensive mode of travel, railways will continue to remain popular.

Indian Railways is the world's second largest railways system with staff strength of 1.7 million persons, which is the largest single employer in the world.

It all began with a small journey from Bombay to Thane on a 34 km track on 16th April 1853.

Indian railways run its services on three gauges viz. Broad gauge (1.676m), meter gauge (1m) and narrow gauge (0.76). The railway ministry has now introduced a plan called 'Unigauge' to standardize all three lines to Broad gauge. This will increase the speed of passenger and freight traffic.

About 20% of total track kilometer is electrified. In recent years production of steam locomotives have been discontinued and replaced by diesel and electric locomotives.

Indian Railways have improved their travel facilities such as: - Round the clock cloak Room, computerized reservation, speed limits ranging from 100 km to 160 km per hour. The Shatabadi Express is a classic example of high-

speed train. For smooth management the Indian Railways are divided into nine zones with a General Manager in charge of each six-member Railway Board.

Palace on Wheels:

It is a train introduced in early eighties and consists of state carriages of the former Maharajas and special saloons used by Viceroys of India. It is very popular among foreign tourists. This is being diverted to Gujarat as Royal Orient Express and a new 14-coach train, a replica of the old one, has replaced it, which operates weekly every year from October to April.

The ambience is of 18th century lifestyle of Rajasthani Maharajas. Rajasthan Tourism does the catering.

The Indian Railway has decided to start eight more trains like Palace on Wheels in different parts of India. It leaves Delhi Cantonment and halts at some of the royal cities including Jaipur, Sawai Madhopur, Chittaurgarh, Udaipur, Jaisalmer, Jodhpur, Bharatpur and Agra.

Royal Orient Express:

This train leaves from Delhi Cantonment halting at Chittaurgarh, Udaipur, Ahmedabad and Jaipur. The tariff for Royal Orient Express is US \$ 350 per person per night on single occupancy.

Indrail Pass:

The Indian Railways doesn't pay commission to its agents at domestic level. It charges service-tax from its clients. Indian Railways pay 10% commission on Indrail Passes sold by travel agents against foreign exchange. To encourage its sales, Railways has appointed GSAs in some countries. Tourist can book tickets through GSAs 360 days in advance.

Metro Railways:

The Indian railways entered into the Metro age with the opening of the Calcutta Metro Railway in 1984-85. Metro Railways has also opened its section in Delhi. A giant network is in the pipeline, which is slowly becoming operational one after another. By the time the Commonwealth Games start in Delhi in 2010, the fastest metro will become operational. This is one example of world-class technological advancement, which India can boast of as a modern tourist product.

Every day about 8520 trains carry more than 13 million passengers over 63,000 kilometers of railway track crisscrossing the country. As for its speed, the average speed of Shatabadi Express is 140 kilometer per hour. The Indian Railways has been divided into 16 Zones and 67 Divisions to ensure efficiency and productivity of rail services through manageable administrative units. To promote tourism at international level 'Discover India' and 'Indrail Passes' have been introduced. Customer care and user-friendly services are provided. A Customer Care Institute has also been set up. It has also launched 'National Rail Vikas Yojna' at a cost of Rs. 15,000 crores outside the railway budget as a hallmark of public-private partnership for strengthening the Golden Quadrilateral routes to provide connectivity to major parts of the country.

CHECK YOUR PROGRESS 1

1. Mr. Lal and his wife have come from Bhopal to visit Delhi. They want to visit Lotus Temple and other important historical sites around Delhi. They belong to the middle class and are ready to make do with ordinary arrangements. Available modes of transport are local buses, luxury coaches of different types or taxis. Your job is to advise Mr. Lal about the most suitable mode of transport.

2. Who was the person behind the idea of organized tourism and how could he give shape to his idea?

3. What factors are responsible for growth of rail transport?

4. What are the main attractions of Indian Railways, which promote International tourism? Name them.

7.5 SEA/ WATER TRANSPORT

Travel by ship was the only means to travel overseas till the middle of the 20th century. The earliest type of boat was the raft, made of grasses, logs and bundles of reeds or other light material tied together. The ocean shipping originated towards the Mediterranean Sea. Greeks and Romans navigated in the vessels with sails and established trade and maintained colonies.

Ocean shipping flourished since the colonies depended on their motherland for supplies and export opportunities. First steamship for carrying mail and passenger was inaugurated in 1840 on the North Atlantic port. The opening of the Suez Canal in 1869 advanced the development of the steamship. The replacement of coal by oil made transport by sea cheaper. In America number of sailing ships was built which were better than those built in England.

The decade following World War II was the most successful period for the shipping industry. A great number of people from Britain and later Germany along with other countries used sea transport as tourists. But when jetliners were introduced on these routes in 1958, the growth of shipping was reversed. The liners began to leave the service one by one after that.

Finally, some liners diverted their business to cruise trade. The shipping industry has shifted its emphasis according to needs of the cruise holiday market, especially in the Mediterranean and Caribbean Seas.

Overseas shipping has an important role to play in India's international trade. The country is 17th in ranking in world shipping tonnage. Shipping Corporation of India, a public sector undertaking is the biggest shipping line in the country.

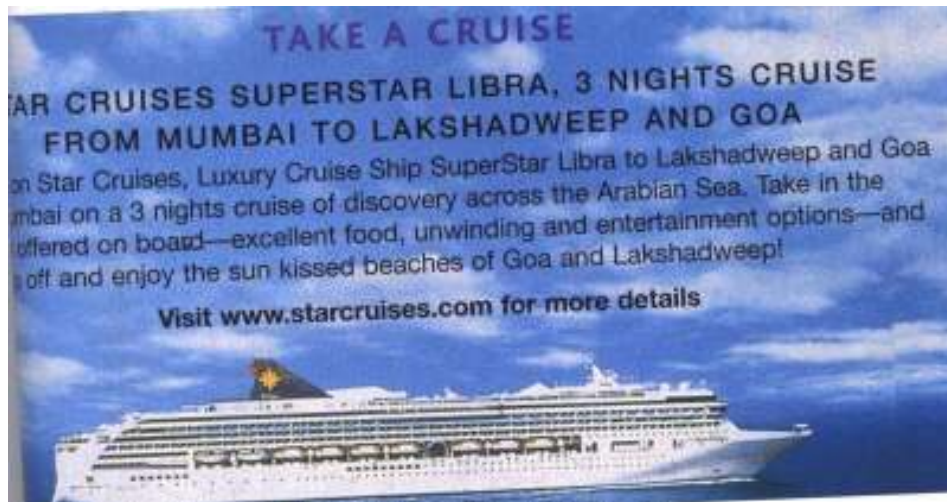
7.5.1 CRUISES

There are only few passenger ship liners left in the world which offer transport these days. The line voyages are not shifted to cruises. The advancement of travel by vessel is due to the element of relaxation and entertainment. This has resulted in picking up of the cruise holiday market. The largest numbers of cruise patrons live in the United States. Some of them are expanding their capacity for specific demands in certain areas.

North America accounts for 81% of the cruise ships which have casinos and duty free shopping available on board.

India and Indian Ocean have not yet fully exploited cruise business. Tourism through cruises has excellent future potential. At present, a luxury cruise ship on its round the world journey may touch an Indian port like Cochin, Madras or Bombay. Passengers take off to Delhi or Agra for sightseeing of India. By taking them to Goa, Andaman, Sri Lanka and so on, a new cruise market can be developed.

7.5.2 INLAND WATERWAYS



Lakes, rivers and canals are important sources of fun filled water holidays. Cruises on the Ganges, Brahmaputra and Hoogly can be profitable tourist attractions. White Water River rafting has already started picking up in Haridwar.

Cruises became popular to motivate passengers to enjoy the delights of life on sea. Cruises have everything to offer which a 5 star hotel can. Now a

day they provide many opportunities to arrange various events and celebrations to promote it for tourism.

CHECK YOUR PROGRESS 2

1. Shipping industry is presently coping with the sluggish growth in passenger ship liner? Suggest certain measures to promote travel by sea.

7.6 AIR TRAVEL

Hindu and Greek mythologies suggest the presence of aero planes in ancient time. In Greek mythology, Icarus, equipped with wings made of bird feathers held together with wax failed in his attempt to escape imprisonment because he flew too close to the sun which melted his wax and he was drowned in the sea.

Hindu mythology also mentions Garuda, who was the vehicle of Vishnu. The Ramayana refers to the Vimana, which brought back Rama to his capital Ayodhya from Lanka. The sixteenth and the seventeenth centuries were dangerous times for people dreaming of flying. It was considered an act against the law of God.

Then there was an accidental discovery of the principle of the balloon. These crude experiments led to the modern day aviation technology. The credit of developing the modern aeroplane goes to the Wright Brothers of the United States who made their first flight in Kitty Hawk, in a power-driven aeroplane on December 17, 1903. Air travel has become a symbol of economy, speed and comfort as compared to other modes of transport. The passenger rides comfortably, enjoys good food, wine and music.

The aeroplane had a revolutionary impact on tourism from World War II onwards. The modern era can be termed the mass air travel era. This has been the most important socio-economic phenomenon.

For international travel, air travel is the second most popular mode of transport, which is next to automobiles. Air travel is attractive because of its speed and range and also as it offers status.

In the international tourism, air travel has made a most valuable contribution. In the year 1952, the two-class travel was introduced which was made possible by the larger capacity of the new aircrafts. This made possible the lowering of airfares. This period was also remarkable for 'package holiday' around air transport, the model for most of today's global tourism. The beginning of Jet air travel in 1958 added a new dimension to aviation industry in terms of speed, comfort and efficiency. Thereafter Pan America introduced the Boeing 707 between Paris and New York.

The most significant development during this period was the development of the concept of 'inclusive tours' in which travellers were carried on charter flights at rates substantially lower than normal services. The introduction of Jumbo jets in the year 1970 introduced the phenomenon of mass market and business tourism. The Jumbo jets made air travel more convenient, comfortable and luxurious. Pan Am and Japan Airlines were among the first to offer to its passengers business class travel. The seats in this class were wider, giving more space to stretch and relax in comfort, making long distance less cumbersome.

As the popularity of business class travel grew, another class, Executive Class was introduced in 1975. New wide-bodied jets like Boeing 747, the Mc Donnell Douglas DC 10, and Airbus A300 are all part of response to the requirements of the ever-growing transport market. 747 Boeing Jumbo jets offered 800 seats in 1990s, which is another unique event in aviation industry. The sky train concept is the latest innovation.

International Air Transport Association (IATA) regulates international air travel with its head office in Montreal in Canada. It was established in 1945. IATA regulates the prices of air tickets in different areas of travel in the world. The IATA decides all international airfares. The respective governments decide domestic airfares. IATA provides machinery, which makes the worldwide system of air transportation possible. IATA has been closely associated with the International Civil Aviation Organization (ICAO), an inter-government agency established also in 1945 that creates world standards for technical regulation and standardization of civil aviation.

IATA divides the world into three areas commonly known as IATA Traffic Conference Areas.

Traffic Conference Area 1- The whole of North and South America and islands adjacent thereto.

Traffic Conference Area 2- Europe, Africa and islands adjacent thereto.

Traffic Conference Area 3- Asia and islands adjacent thereto except that portion of Asia already included in area 2 and islands of Pacific Ocean except those included in Area 1. India is in this traffic area.

7.6.1 SIX FREEDOMS OF AIR

The representatives from Great Britain and United States met in the Bermudas in 1946 to develop a compromise between their opposing positions. The agreement reached between them became a model for all bilateral agreements in later years.

The "six freedoms of the air" formulated in Bermudas included:

1. The right to fly across another nation's territory.
2. The right to land in another country for non-commercial purposes.
3. The right to disembark passengers and cargo that originated in the carrier's home country, in a foreign country.
4. The right to pick up passengers and cargo destined for the carrier's home country, from a foreign country.
5. The right to transport passengers and cargo from one foreign country to another foreign country.
6. The right of an airline to carry traffic from a foreign country to the home nation of that airline and beyond to another foreign country.

7.6.2 PROMOTIONAL FARES

To attract more passengers airlines are offering cheaper promotional fares such as Excursion Fares and Group fares:

Excursion Fares:

These are provided to the tourists on the basis of round trip journey and have conditions of minimum and maximum stay, restricted to one airline, cancellation fees, weekend travel purchase and so on. Some excursions also give seven day to twenty-day advance purchase requirements. These fares are discounted by twenty to forty per cent below the normal economy fare. The passenger must spend at least 10 days in the country where he is going. Such restriction is applied to discourage the business executives from using cheap excursion fares.

Group Fares:

Group fares are applicable to groups and are discounted by 20 to 40 percent. There are three types of group fares: -

(i) Group Inclusive Tour (GIT) Fare-

Such fares are designed for group travel subject to certain conditions. GIT 4 fare requires at least four passengers to travel together.

(ii) Incentive Tour Fare: A special fare designed for incentive groups where one organization pays for the entire trip.

(iii) Affinity Group Fare: This fare is used when a corporation or an organization pays for its employees or members to travel to a meeting, a convention or a conference.

The airlines have two basic types of services- scheduled and chartered services. While the scheduled services operate as per timetable, chartered services operate like taxi services. Chartered flights are able to offer cheaper fares because they carry fully loaded flights both ways.

Aviation achievements are impressive and even more remarkable considering the brief time span involved.



On the operational side, Indian Airlines (government owned) and some other private airlines like Spice jet, Jet airway, Kingfisher, Air Deccan and so on are providing domestic services. Air India provides international air services. Apart from this, there are air taxis, which provide non-scheduled air services. The future of Air travel is quite bright. Boeing Aircraft Company of USA predicts that travel by air by 2010 will increase about two times more than its present size.

CHECK YOUR PROGRESS 3

1. Who regulates International air travel?

2. How is world air traffic divided into traffic conference areas?

3. Name four Domestic Airlines of India?

7.8 SUMMARY

Transport is the key factor in the development of tourism. From the age of hand-driven carriages to the modern age of aero planes, the travel industry has grown fast. The four major modes of transportation prevalent in India are Road, Rail, Water and Air.

As automobile provides greater freedom for choice of destination, the provision of a good road network is a prerequisite for development of tourism. Various highway projects are being undertaken in this direction. Presently it is trying to improve travel facilities in trains. To promote tourism at international level 'Discover India' and 'Indrail' passes have been introduced.

Railways are most suitable for long distance travel. The advent of high-speed train has given a fillip to travel. In India, Palace on Wheels and Royal Orient Express are very popular among tourists.

Sea transport all over the world has undergone vast changes. When the Jetliners were introduced, the growth of shipping industry reversed. Ship liners have changed their business to cruise holiday market. Tourism through cruise has excellent potential in India, which is not exploited yet.

The most revolutionary advancement in the travel industry has been air transportation. It had a real impact on tourism after World War II. Jumbo jet has introduced Mass market and Business tourism. To facilitate air traffic movement world over, IATA has divided the world into three Traffic Conference Areas. Six Air Freedoms have been formulated for smooth travel among countries.

As the competition is ever growing, there is an opportunity for budget tourists to travel around the world, which has become a Global village.

7.9 KEY WORDS

Accessibility, Communication, Infrastructure, Mobility, Highways, District roads, Classified Village Roads, Unclassified Village Roads, Golden Quadrilateral Road Network, Locomotive, Thomas Cook, High-speed Trains, Amtrak, Bullet Trains, Palace on Wheels, Indrail Passes, Metro Rail, Ocean Shipping, Ship Liners, Cruises, Aviation, Jet Air Travel, IATA, Principle of Ballooning, Traffic Conference Areas, Freedom of Air, Excursion Fares, Group Fares.

7.10 GLOSSARY

GSA:

A General Sales Agent (GSA) who represents an airline or a hotel as its sole sales agent in a given area.

Charter:

Specially hired aircraft that takes a group of people on a package rate to a certain destination, and then flies them back is a charter. It works out cheaper because it is generally fully loaded both ways.

Itinerary:

It is designated to identify all portions of the travel from the original point to the final destination. It includes all the stopping points en route, along with transportation, accommodation and other services on a traveller's trip.

7.11 SELF- ASSESSMENT QUESTIONS

1. What is the one major advantage of road transport in comparison to rail? And water transport? What are the other factors responsible for the growth of road transport?
2. How has the advent of high-speed trains contributed to tourism industry?
3. What are the factors responsible for the growth of air travel in tourism?
4. Mention the Six Air Freedoms.

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LESSON 8

ACCOMMODATION

Roopa Johri

STRUCTURE

- 8.0 Introduction
- 8.1 Objectives
- 8.2 History of Hotel Industry
- 8.3 Regulatory Framework of the Hotel Industry
- 8.4 Types of Accommodation
- 8.5 Categorisation of Hotels in India
- 8.6 Hotel room Types, Location and Rates
- 8.7 Hotel organization
- 8.8 Impact of Hotel industry
- 8.9 Summary
- 8.10 Key words
- 8.11 Glossary
- 8.12 Self-assessment Questions
- 8.13 Sources and Further Readings

8.0 INTRODUCTION

Accommodation is a function of travel. It creates a home away from home for the tourist. Hotel industry is the most sophisticated industry today. We need to study the kinds of accommodation available, how they are being graded and what are the factors that are worth noting for a tourist professional regarding the satisfaction of clients.

Accommodation is in other words the matrix of tourism. The United Nations Conference on International Travel and Tourism held in 1963, acknowledged the importance of accommodation, both traditional (hotel\motel) and supplementary (Camp, Youth hostels and so on) as incentives to International tourism. Many countries have recognized the vital importance of the accommodation industry in developing their tourism and have coordinated their activities by providing big incentives and concessions to hoteliers.

Accommodation is a very important part of the tourism infrastructure and development of tourism is a function of accommodation. The demand for accommodation away from home is a function of travel.

8.1 OBJECTIVES

After reading this lesson, you should be able to:

- Discuss the historical profile of the Hotel industry.
- Segregate the accommodation into three types.
- Categorize the hotels.

- Identify and discuss the factors that determine hotel room rates.
- Reserve the accommodation for tourists.
- Organise the hotel industry.
- Value the significance and impact of Hotel industry in India.

8.2 HISTORY OF THE HOTEL INDUSTRY

Until about the middle of the nineteenth century, a bulk of the journeys was undertaken for business and vocational reasons by road and within the boundaries of countries. The volume of travel was relatively small and was confined to a fraction of the rich segment of the population in any country.

India is known as a friendly place for guests. “*Atithi Devo Bhava*” or “Guest is God” has been the slogan since time immemorial. There were no hotels in the ancient times and needs of travellers for food and accommodation were taken care by householders. Kings built Dharamshalas, constructed roads, planted trees and arranged for drinking water. Muslim rulers built *Sarais*. In USA Inns took the name of taverns.

As civilization and industrialization took place, establishment of accommodation took place. British were the first one to contribute to this sector. ‘Victory hotel’ and ‘Albion hotel’ were perhaps the first to acquire the name ‘Hotel in India’.

The first western style hotel was opened by Pallongee Pestonjee in 1840 with the name ‘British Hotel’ in Mumbai. The twentieth century was a turning point in the history of the hotel industry in India. Big business owners and corporate owners entered the accommodation sector. In 1902, Indian Hotel Company was incorporated and in 1904, J. N. Tata opened the Taj Hotel in Mumbai. Thereafter a number of other hotels were opened such as Ajanta, New Woodland, Grand Hotel, Associated Hotel of India Ltd., East India Hotels Ltd., Oberoi Hotels, and Wild Flower Hall and so on.

After independence many private and public sector entrepreneurs entered into the accommodation business such as Air India, Indian Tourism Development Corporation, Indian Tobacco Company Limited, and Clarks Group of Hotels and so on.

Definition of a Hotel:

A hotel provides accommodation, meals and refreshment for irregular periods of time for those who may reserve their accommodation either in advance or on the premises. Hotel is defined in several ways: “*A place which supplies board and lodging*” or “*A place for the entertainment of the travellers*”.

A hotel is an institution or a building in which lodging, meals and other services are provided for travellers. A hotel also provides amenities like Fridge and television and facilities like room services, laundry services, valet, shops, auto rentals, airline ticketing, reservation, banking and postal services. “*A hotel is a world within a world with its peculiar movements and fashions*”. A hotel is a fixed immobile installation. Its products and services cannot move to tourists. It is an open and unique system where the tourist moves in, consumes the product and returns with an intangible product.

8.3 REGULATORY FRAMEWORK OF HOTEL INDUSTRY

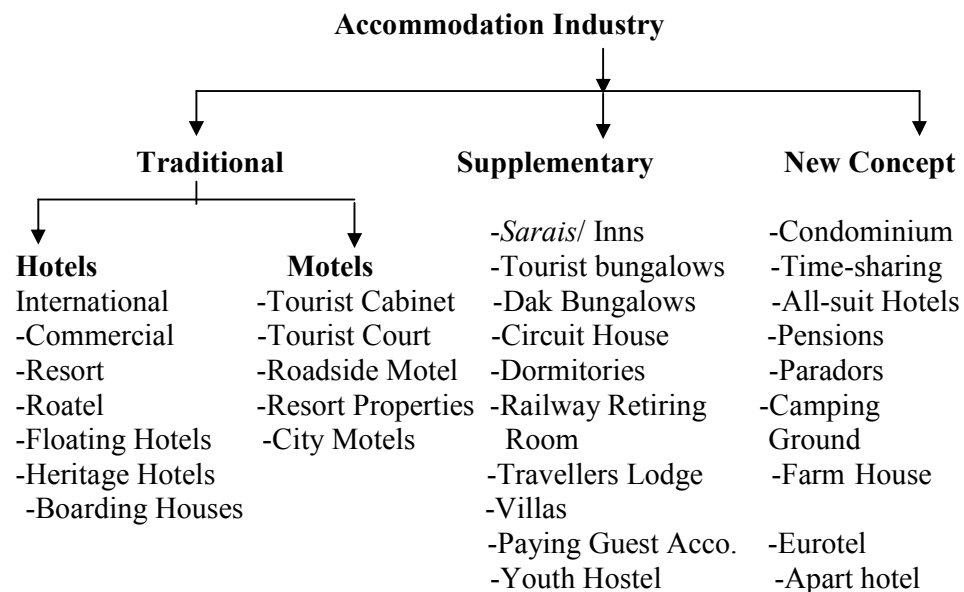
At the international level, the International Hotel Association (IHA) was founded in London in 1946. It has its headquarters in Paris now. It brings under its network thousands of international hotels and individual hoteliers from all over the world. It deals with various aspects of hotel management and links them together. It tries to unite the hotel associations of all countries and provides opportunities to discuss and solve their problems. It also trains young workers at IHA hotels. It publishes the International Hotel Guide and International Hotel Review every year.

At the national level, the Federation of Hotel and Restaurant Association of India (FHRAI) regulates the hotel industry in India. It was founded in 1954. The Federation caters to various needs of the industry. It establishes link with Government and provides relief in day to day working of hotels. It also carries out surveys and research studies for the Hotel industry.

8.4 TYPES OF ACCOMMODATION

According to physical features the accommodation industry can be broadly divided into three types:

- (i) Traditional/ Hotel Accommodation: Traditional accommodation includes hotels and motels. They can further be subdivided into various types.
- (ii) Supplementary Accommodation: This includes premises, which offer accommodation but not necessarily hotel services. In the Indian context it includes bungalows, government rest houses, and youth hostels and so on.
- (iii) New accommodation Concepts: These are new concepts of accommodation, which have come into being. It has the combination of both the types discussed earlier. They include Condominiums, Time-sharing, Pensions, Paradors, Camping grounds, Villas, Eurotel and Apart hotels.



Traditional Accommodation



International Hotel

International hotels are the modern western style hotels in almost all metropolitan and other big cities as well as principal tourist centers. These hotels are luxury hotels and are classified on the basis of internationally accepted system of classification. The hotels are placed in star categories. There are five such categories ranging from 5 stars to one star depending upon the facilities and services provided. Hotels belonging to international chains are owned by public companies and controlled by a Board of Directors.

Commercial Hotels:

The commercial hotels cater primarily to the individual travellers as compared to international hotel where the focus is on the group travel. Most of the commercial hotels receive the travellers who are there on business. They are situated in important commercial and industrial centers or in big towns or cities. Private owners run these hotels and their success depends on their efficiency and kind of services provided.

Resorts:

Resort hotels cater to the need of holidaymaker, and those tourists who travel for health or change of climate. Resort hotels are located near the sea, mountains and other areas of natural beauty. Rest, relaxation and entertainment are the key factors around which resorts are built. The type of services and amenities located in resort properties include recreation facilities such as a swimming pool, golf course, tennis courts, skiing, boating, surf riding and other various indoor sports. Other important amenities include coffee shops, restaurants, conference rooms, lounge, shopping arcade and entertainment.

Resort can be classified on the basis of climate and topography such as summer, winter, and hill, Health Resorts, Forest Resorts and Beach Resorts.



Roatel:

Roatel is an air-conditioned coach. It provides sleeping accommodation, food and transport all in one. The sleeping coach has rooms with beds in three tiers besides a cupboard for clothes. It provides each passenger with bedding, reading light, a shelf for articles, personal mirror. A kitchen with sink, cupboards, and refrigerators get attached to this coach.

Floating Hotels:

This hotel facility is provided on the surface of water on sea, river or lake. It has excellently finished drawing room, sitting, dining and sleeping rooms with wall-to-wall carpeting. The houseboats of Kashmir are examples of Floating Hotels. They are classified into various categories viz. Deluxe, A, B, C and D and are rated accordingly. These are made of Cedar wood. The designed terrace can serve as an open-air cocktail terrace or a place for viewing the morning sunrise. All modern amenities like, a well-equipped kitchen, telephone, TV, video etc are to be found in the houseboat.

Heritage Hotels:



A new classification standard of heritage hotel has been introduced to cover hotels in palaces, havelies, castles, forts and residences built prior to 1950. In India, this type of hotel is extremely popular with foreign tourists. The hotel should have at least fifteen rooms. The

traditional structure reflects the ambience and lifestyle of kings and Nawabs of bygone era. This scheme was introduced to save these properties from decaying due to disuse. This way they have been made financially viable as they belong to the approved sector and get proper care besides adding to the capacity of accommodation sector. These hotels have adequate sporting facilities, continental and traditional cuisine, other facilities like parking facilities, cloakrooms having modern facilities and lobby or lounge having furniture of high standard. There should be a reception, cash and information counter attended by trained and experienced personnel, well maintained dining and bar room and the staff must understand English.

Motels:

They are the same as tourist hotels except that they are geared to accommodate the motor traveling public. According to Webster “Motel is a building or institution providing lodging, meals and services to the public.” It offers its services for sale, individually or in various combinations.

Motel is an abbreviation of the phrase ‘Automata Motel’. It is a type of accommodation inexpensive for its category and easy to manage. This is the accommodation usually found by the side of highways. Reception is greatly simplified. The provision of a close circuit television permits contact between guest and front office-staff. Money operations, the checking of passport and registration are fully mechanized. Services are efficient with the degree of personal attention. It gets its image the way in which it portrays itself.

Tourist Cabinets or Camps:

It consists of frame cottages. The cottages are rented at low rates. They range in size from 5 to 12 units. They provide bed and shelter.

Tourist Court:

It offers facilities for private bath, car shelters and some times cooking facilities. These are situated at the roadside, generally on the highway on the outskirts of town or in resort areas. Many of them now have a restaurant, swimming pool and air-conditioned facilities.

Roadside Motels or Highway Motels:

These are situated outside the towns in the countryside along with the main highways and preferably in an important road junction.

Resort Properties:

Florida, California, Miami, Arizona have a wide variety of such accommodations. This type of Motel enables many more travellers to reach the resort area by motorcar.

City Motel and Motor Motels:

These motels are built within the limits of the city. The limitation of suitable land area and the increased value makes it more difficult to provide parking space. They have a basement, ground floor, first floor and adjoining area for parking facilities. In these motels one can find all the facilities plus convenient parking.

Supplementary Accommodation:

All establishments under this heading are designed to offer accommodation and meals in return for cash payment per day spent on the basis of services provided. This type of accommodation has following advantages:

- More reasonable prices.
- More freedom with regard to organization of the day.
- A close approach to the natural environment.
- Social contact and amusement.

***Sarais* or Inns:**

Kings built the *Sarais* on both sides of the roads in India where arrangements are made for food and shelter for the convenience of pilgrims, merchants and state officials.

Tourist Bungalows:

These bungalows are situated at tourist centers for the benefit of tourists and are maintained moderately. These establishments cater to the middle class tourists and budget travellers and also the youth of the country and those coming from overseas. These bungalows provide the nucleus of the tourism infrastructure for the domestic tourists and facilities suitable to meet the requirements of the average Indian tourist and the budget travellers.

Dak Bungalows:

These are set up primarily for officials travelling on government duty. These are small rest houses, having limited number of rooms and situated in places important from the point view of government's working. They are moderately furnished and are offered at a very low cost.

Circuit House:

Compared to tourist bungalows, these houses are superior as regard to the facilities offered. These are meant for senior government officials. The accommodation in these houses is provided to the bonafide tourists possessing 'tourist card'. There are big halls with several individual beds. Each bed is provided with a rack and a pigeonhole, which can be locked. Guests can use them for their personal belongings and valuables. The bathrooms and toilets are common. Their charges are nominal and there are more suitable for the student's groups. They do not provide food.

Railway Retiring Rooms:

These are owned by railway and are situated within the railway station. Accommodation is provided to bonafide railway passengers holding confirmed and current tickets. The rates charged by these establishments are fixed and reasonable. They are moderately furnished rooms with attached bath and toilets.

Traveller's Lodge:

These are modest hotels situated in remote places of tourist interest. The rooms in these lodges are moderately furnished but they are cozy and air-conditioned. These are self-sufficient establishments as it is not possible for the guests to go to the far-off town or city for the purchase of the things of daily requirement. They provide a dining hall with fixed or slightly fixed menu and daily necessities of life like oil, comb, towel, tea and coffee.

Boarding House:

These are the establishments, which provide accommodation usually with meals at definite period of time, week or month. Their facilities are restricted for use by resident guests. It is a small enterprise intended for clients staying for a certain duration. As a rule accommodation in these units has to be arranged in advance. These are also called guesthouses.

Paying Guest Accommodation:

It is a British concept. The paying guest accommodation system has become popular in India also. Many foreign tourists love it because it gives them an opportunity to interact with Indian families. The benefit of this system is that it is quick to respond to seasonal demands. It is very popular in Rajasthan and Goa.

Youth Hostels:

The concept was introduced in 1900. A youth hostel is defined as a building, which offers clean, simple, inexpensive shelter to young people experiencing their own country or the world, travelling independently or in groups on holiday or for educational purposes. It is a place where young people of different social background and nationalities can meet and come to know each other. The comfort is modest, the stay is limited and price is low. Youth hostels are created and controlled by non-commercial organization whose aim is the development of youth tourism.

On the international scale, the hostel movement has gained momentum all over the world. The youth hostels are so located as to offer complete package tour of a country covering monuments, places of historical and cultural importance. These are equipped to accommodate young men and woman, tourists who travel on foot or bicycle or other means of locomotives and who, at very little cost, are provided with a place to sleep, eat or even to make their own meal and then clean up.

Forest Lodges:

The rest houses at sanctuaries, which fill in the shortage of accommodation at such places, are called Forest Lodges. The state concerned makes land available free of cost, provides water and electricity connections and also undertake supporting construction for staff quarters, garbage and

dormitory for drivers. Their location is finalized with the concerned ministry and State Forest Department. ITDC is entrusted with the responsibility for the management of all the forest lodges.

These lodges are very popular among nature tourists who love wildlife as they provide a clear view of the forests to the residents from the guest rooms. Examples of forest lodges are Kaziranga Wild Life Sanctuary in Assam, Bharatpur Sanctuary in Rajasthan and others



Hospices:

These are the type of accommodation used by persons who travel mainly for religion. The owner of the establishment offers accommodation to pilgrims who could find a place to sleep, a fire to keep them warm and something to eat.

New Accommodation Concepts:

Most of these are based on American and European concepts. They are neither totally traditional nor supplementary accommodation.

Condominiums:

They are a recent innovation. It involves joint ownership of a complex. These are hotels with apartments. The condominium units are sold to undivided owners, who give it on contract basis to Management Company to operate the hotel and rent the space to visiting tourists. The management company receives fees for the services. At the end of the year, they share the profit or loss with the owners of the condominiums.

Family tourists prefer this type of accommodation as they provide enough space and facility to cook and they are also economical.

Time Sharing:

Time-sharing is a specialized condominium ownership. This concept came from the Europe. This system started when people experienced difficulties in getting reservations at a resort of their choice at their preferred time. The people started prepaying. If the tourist wants to spend 2 weeks in a particular place for next 10 years, he can get this guaranteed accommodation by paying much less than the usual charges. This time-sharing can also be exchanged by selling this to their friends if in a particular year they don't want to do so.

In India Dalmia Resorts, Sterling Resorts and others are offering this facility.

All-Suite Hotels:

This is the newest concept in hotel keeping. These hotels have suites, which have the same charges as any deluxe room in a hotel.

This concept has brought units within the range of junior executives. They are provided only the basic services. Private caterers provide restaurant services and not the management of the hotel. These services are provided in India by Sheraton, Hilton, Hyatt and Radisson and others.

Pensions:

These are found in Europe and USA. These are accommodations with facilities owned and run by a family usually living in the same building. Pensions are known as residential hotels. These were developed in the USA when people discovered that permanent living in hotels has many advantages. These are mostly available in cities. They play an important role in accommodating tourists specially those with a limited budget.

Paradors:

This is Spanish concept. These are castles, convents and monasteries converted into hotels by the government.

Paradors are similar to Palaces in Rajasthan.

Camping Grounds/Tourist Camps:

These are usually located within the cities in the open spaces. They provide facilities for parking, tent pitching, water, electricity, toilet etc. These are equipped to receive mobile form of accommodation used by tourists who sleep in the tents and enjoy the natural environment. Campers have to pay an admission fees.

In the sixties when overland traffic from Europe to India via the Asian Highway was considerable, Government of India had set up camping sites in major cities. Now domestic tourists use these.

Farm Houses:



These are very popular in U.K and India. Tourists who are interested in healthy food and natural outdoor life prefer these. Big farmers build farmhouses on the land used for cultivation and package it to tourists for extra income. In Denmark, it has been quite successful in packaging farm holidays through travel agents for international market.

Villas/ Chalet:

These are single-family houses for sale or rent to tourists or holidaymakers.

Eurotel:

This type of accommodation is much common with apartment houses and its characteristic feature is that the co-owners can use another apartment in another places and another building through exchange system agreed upon in advance.

Apart hotel:

This concept was first developed in Spain. These buildings are hotels because hotel services are provided and yet they are not hotels because the accommodation consists of an apartment, which may be sold if desired. The purchaser of the apartment gets the full services of a hotel during the periods these are not self occupied, can add their apartments to the pool of hotel accommodation and thus derive income from the hotel.

CHECK YOUR PROGRESS 1

1. Organize the following into Traditional, Supplementary and New Concept accommodation: -

Dak Bungalows	Resort	Camping Ground
Roatel	Apart hotels	Youth Hostels

8.5 CATEGORISATION OF HOTELS IN INDIA

Accommodation is the most important component of tourism. Tourists need certain regulations and standardization of the services they get for a price. Categorization separates accommodation into different classes. There has to be a standard method of classifying them into different categories. Different countries have different systems of classification. Different stars ranging from 1 star to 5 stars deluxe signify different categories. Categorizing one hotel into a particular group is not easy because of its diversity. Government of India, Department of Tourism is following the

widely accepted categorization. A committee is constituted by the Department of Tourism, which has seven members. Government of India appoints chairman, there are members each from Federation of Hotels and Restaurant Association of India (FHRAI), Travel Agents Association of India (TAAI), Indian Association of Tour Operators (IATO), Director of Tourism of that State, Principal of Institute of Hotel Management of that state and the Director of India Tourist Office is also a member. The Hotels apply for classification with fees. The committee gives advance notice before inspecting these hotels. If they fit into the criteria, they are given the stars. This remains valid for next three years.

The following are the facilities checked by the committee members:

1 star: The establishment applying for one star should have:

- Minimum 10 rooms.
- Restaurant is not necessary.
- One Bathroom for two rooms.

2 star:

- Minimum 10 rooms.
- Every room should have an attached bathroom.
- Restaurant not necessary.
- There should be a place to take food.

3 star:

- Minimum 20 rooms.
- All the public areas should have air conditioning.
- At least 50 percent rooms should be air-conditioned.
- A few shops selling necessities for tourists (Stationery, Flowers etc.)
- Restaurants should be conditional?

4 star:

- Minimum 25 rooms.
- All rooms should be air-conditioned.
- The public areas should be air-conditioned.
- There should be more than one restaurant.
- Shopping Arcade with a florist and drycleaner.

5 star:

- Minimum 25 rooms.
- All rooms should be air-conditioned.
- Wall to wall carpeting.
- Entire public area should be air-conditioned.
- There should be at least two specialty restaurants.
- Shopping arcade, florist and drycleaner.
- Swimming pool of dimension 10*3 meter.
- Facility to use telephones.

Further, many hotels don't apply for classification even when they are providing facilities similar as these classified hotels provide. They can be called unclassified hotels.

8.6 HOTEL ROOM TYPES, LOCATION AND RATES

In the travel industry, it is very important for Tour Operators or planners to select the right type of accommodation for his client or tourist. The type of room, location and room rates are the prime factors, which are considered while planning a tour.

Type of Room:

Hotels provide different types of rooms at different rates, which are as follows:

- Deluxe Room- With extra facilities.
- Suite- Separate rooms for living and sleeping.
- Standard Room: Located in less convenient sections.
- Economy/ Budget room- Smaller than other rooms.

Bedding Types:

- King Bed- Size of Bed is 86^{II}*80^{II}
- Queen Bed- Size 60^{II}*75^{II}
- Standard Bed-54^{II}*75^{II}
- Twin Bed- 39^{II}*75^{II}

Room Rates:

Room rates are usually based on the location of room such as pool side, beach front, market front, ocean view, hill view and so on. Taxes also vary according to the state. Within the same hotel, price charged may vary depending on the season. Mostly in the peak season the hotels charge high rates and in the lean season they charge low rates. Following are the different room rates:

- Flat Rate: Flat rate is a discounted rate offered to a group at certain times of the year.
- Rack Rate- Standard rate charged by hotel based on type of room and bedding.
- Group Rate- Discounted rate based on the pre-set number of rooms.
- Package Rate- Rate for complete package such as New Year's Eve package.
- Wholesale Rate- Given to tour operators who buy the rooms in bulk.
- Special Rate- Promotional rate offered to corporate clients, government employees, repeats customers and so on.
- Family Rate- Free accommodation to the children with parents.
- Run of the House Rate- Special rate to be offered for the best room available at the time of check-in.

Reservation of Accommodation:

In hotel management, reservation is a very important function. This is also known as selling accommodations. These hotels rely on their representatives, reservation offices in different locations, travel agents, airlines, cruise companies and tour operators.

Tour operators make the reservation on the basis of information about number of people in a particular tour, number of rooms required,

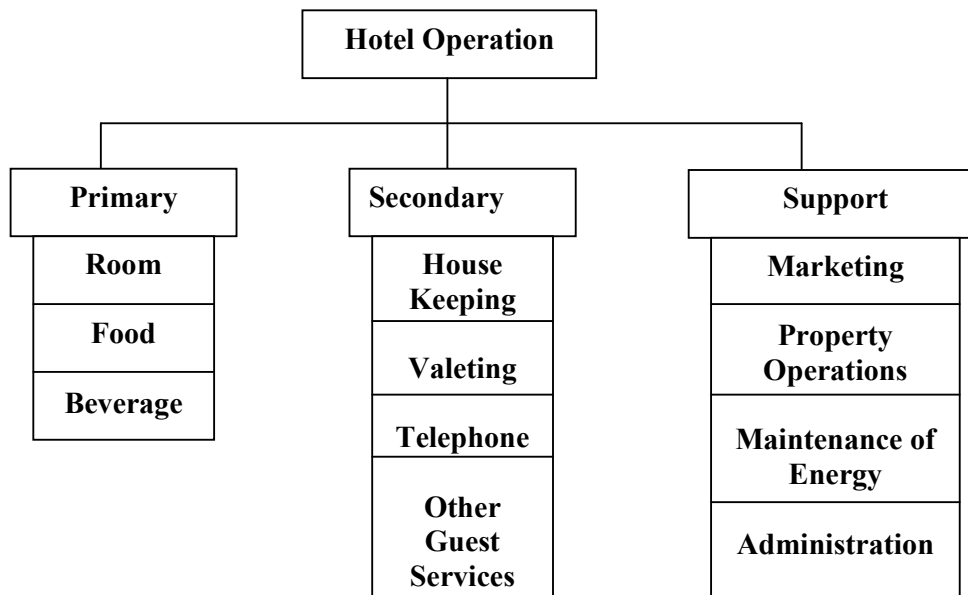
type of room desired, client preference, number of children, arrival date, departure date and other requirements.

Accommodation should be according to the itinerary planning. It is hotel management's responsibility to honour confirmed reservations made by the tour planner. Many tour companies are using Computer Reservation System (CRS) for the reservation. It produces the list of hotels in a specified city with room types and rates available in each hotel for the specified period. The rules and conditions applicable can also be obtained through the Computer. Sheraton Group of Hotels first used this in 1956. Today, all the hotels have their own CRS. Another new development is the use of Internet. Tour operators can see what the accommodations looks like on screen.

Thereafter, the tour operator has to make payments on behalf of his clients. The client doesn't have to pay directly to hotel management. He simply shows the hotel voucher. The tour companies are entitled for commission on reservation, which may vary from city to city, and type of hotel property.

8.7 HOTEL ORGANISATION

Hotels of today have come of age. They are major establishments. They are looked after by professional managers and trained staff. Smallest details have to be worked out for the satisfaction of clients. This has led the hotel industry to organize them in an efficient way. There are various departments in a modern hotel. These are following:



Rooms:

Rooms provide an accommodation function. These include services of front desk, reception, uniformed services- bellboys who handle luggage, parking and house keeping.

Rooms department also looks after Accounting and control of Administration department.

Food and Beverage:

This department is the prime factor in the success of any hotel. Dinner for conventions, meetings and marriages and other functions are the responsibility of this department. This department also manages bars.

House-Keeping:

This department looks after the servicing of guest rooms- cleaning of bedrooms, staircases, public areas, floral arrangements and so on. In some hotels laundry is part of this department while in others it is a separate department.

Hotel Marketing:

Hotel room is a perishable commodity, which should be kept in mind while marketing a hotel product. He must consider following:

- Research and analysis.
- Establish USP (Unique selling proposition)
- Determine objectives and strategies.
- Advertise.
- Continuous market research and monitoring the progress.

Effective public relations are required with the local press. Satisfaction of consumer needs is the key factor in the success of hotel. The whole approach needs to be consumer oriented rather than market oriented.

8.8 IMPACT OF HOTEL INDUSTRY

Henry Ford of Modern hotels says, “The guest is always right” This statement signifies the challenge being faced by hotel professionals to provide services that meet the demands of the guests. This means providing goods and services to travellers where travel and tourism is a part of big business.

The importance of tourism and hotel industry cannot be underestimated. According to W.T.O. (World Tourism Organization), tourism is the world’s largest industry, ahead of automobiles and petroleum products. There are more than 20 million rooms worldwide in the accommodation sector. This is likely to increase by 4% annually. There are 100 budget hotel projects, which will add 10,000 hotel rooms in the organized sector. This would attract investment of Rs.10000 cores and generate direct employment to 30,000 people and indirect employment to nine times this number, in related activities.

It has been rightly stated, “No Hotel, No Tourism”. The expansion of tourism will bring about the development of hotel industry. Of the foreign

exchange earned to the tune of Rs. 30,000 crores, 50% belongs to the hotel industry.

The Bhagwati Committee said it would offer nine times employment to the number of persons directly employed in the hotels. The hotel industry has direct impact on regional and rural development. Cottage industry is directly benefited from this by promoting handloom, carpet, handicrafts and so on.

Hotel industry also has an impact on the socio-cultural environment. The tourists get attracted to the art, festivals, folk dances and culture of the host region. This helps generate revenue for the hotel industry as well as the region where tourists take special interest in the art and culture.

Inn keeping and hotel keeping are two important parts of the evolutionary process, which followed the development of passenger transportation. The inns were located along the roadside and at the traffic terminal. Similarly Railways created a demand for accommodation at terminals. Shipping ports and Air transport too have an influence on the location of accommodation facilities.

As the railways in the nineteenth century found it necessary to build hotels to supplement its main business, so did the airlines of twentieth and twenty-first centuries. Major hotel chains are subsidiaries of airlines. For example KLM owns Hilton International, Air France owns Meridian Hotels and Air India owns Centaur Hotels.

At present there are six Groups or Chains of Hotels in India, namely:

1. The Ashok Hotel Chain run by Indian Tourism Development Corporation (ITDC)
2. The Welcome Group – Indian Tobacco Company (ITC)
3. Taj Group of Hotels – Indian Hotel Company Ltd.
4. Oberoi Group of Hotels – The East India Company Ltd.
5. Centaur Group – Hotel Corporation of India (Air India)
6. Clark Group

Since the liberalization of the economy in the 1990s, Hotel industry has also grown fast. It is now in the position to build quality hotels. Rules for foreign collaboration have also been liberalized. Foreign investors can invest up to 51% of the equity in foreign exchange.

Number of approved hotels in classified categories has increased. These are not the only accommodation that is being offered. Unclassified hotels, which are members of Federation of Hotels and Restaurants Association of India (FHRAI), too have added to the number of hotels. FHRAI too has minimum standards for its membership entitlement.

As India is hosting 2010 Commonwealth Games, the country is gearing up for the demand for accommodation, which will increase manifold. Government too has to play an important role in policy development to promote this vital sector.

CHECK YOUR PROGRESS 2

1. A motoring family of four is driving to Jaipur from Delhi. It starts raining heavily and they decide to stop at a motel en-route. How should the receptionist of motel handle the situation when confronted by the drenched family?

2. Organize the following operations under Primary, Secondary and Supporting services department: -

- | | |
|---------------------------|----------------|
| (i) Maintenance of energy | (ii) Valeting |
| (iii) Food and Beverages | (iv) Marketing |
| (v) Laundry | |
- -----

3. While the tour planner is selecting Accommodation for his client, what factors should he keep in mind?

8.9 SUMMARY

The Hotel industry developed along with the need to provide accommodation for travellers. In India, the *Sarais* or Inns of earlier times have evolved into the modern hotels of the present age. The hotel industry has become one of the largest industries in the world.

At the International level, International Hotel Association (IHA) coordinates the hotels world over. At national level, Federation of Hotel and Restaurant Association of India (FHRAI) regulates the Indian hotels in organized sector.

There exist different types of accommodations: Primary, Supplementary and New concept accommodation such as Condominium, Time-sharing, Pensions and so on.

The hotel operation has become specialized and various departments handle its activities. Management of hotels varies from individually owned properties to large chains of hotels under famous brand names.

Hotel industry has great impact on economy and its socio-cultural environment.

Various hotel chains have developed internationally renowned Hotels in India. Liberalization has given boost the hotel industry. The contribution of Government regarding policy matters is also needed.

8.10 KEY WORDS

Traditional Accommodation, Supplementary Accommodation, New Concept Accommodation, Resort, Roatel, Motel, Tourist Court, Circuit House, Dak Bungalows, Pensions, Paradors, Eurotel, Type of Room, Bedding Types, Room Rate, Computer Reservation System, Hotel

Operation, Food & Beverage, Valeting, House-Keeping, Hotel Marketing, Chain of Hotels.

8.11 GLOSSARY

American Plan:

The guest pays for bed and board, or in other words for accommodation and all meals. In modified American plan the guest pays for accommodation with breakfast and dinner (lunch, own arrangements).

European Plan:

The guest pays solely for rooms and services, not for meals. One pays for every meal.

8.12 SELF- ASSESSMENT QUESTIONS

1. Give the historical profile of the hotel industry.
2. Name the different types of accommodation available for a tourist and explain in brief the new accommodation concept.
3. How are international hotels categorized?
4. Discuss the contribution and impact of hotel industry on the Indian Economy.
5. Identify the key words associated with hotel Industry:

Ballooning	Condominium	Wright Brothers
Pallongee Pestonjee	Roatel	Rack rate
Affinity Group Fare	ICAO	FHRAI

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LESSON 9

BASICS OF TICKETING

Roopa Johri

STRUCTURE

- 9.0 Introduction
- 9.1 Objectives
- 9.2 Ticketing Terminology
- 9.3 Airline Regulations
- 9.4 Airline Geography
- 9.5 Destination Countries, Codes and Airline codes
- 9.6 Hubs and Spoke System
- 9.7 Airfare Construction
 - 9.7.1 Class of Service
 - 9.7.2 Fare Basis
 - 9.7.3 Fare Rules
- 9.8 Categories of Airfare
- 9.9 Basic Airline Ticketing Procedure
 - 9.9.1 Reservation Sheet
 - 9.9.2 Ticket Coupons
 - 9.9.3 Issue of Airline Ticket
 - 9.9.4 Specimen of Flight Coupon & Boarding Pass
 - 9.9.5 International Ticketing
- 9.10 Airfare Calculation
 - 9.10.1 Airfare Calculation for Domestic Airline
 - 9.10.2 Airfare Calculation for International Airline
- 9.11 Summary
- 9.12 Key words
- 9.13 Glossary
- 9.14 Self-assessment Questions
- 9.15 Sources and Further Readings
- 9.16 Answers to Check Your Progress

9.0 INTRODUCTION

After going through the basic concepts and definitions of tourism products, and its perspective in Unit I, we move on to travel management in this Unit. Having acquainted the students with the modes of transport used for 'Travel', which is inseparable part of 'Travel and Tourism' industry, we come to more the technical part of 'Travel Management', i.e., ticketing. It is required for any mode of travel used but air ticketing is by far the most important, complicated and interesting process. The present lesson takes into account the latest thoughts and techniques of air fare construction and ticketing. A lot of care has been taken to explain the complex process in simplified manner. For tourism professionals, it is absolutely essential to understand the procedure of ticketing as travel agencies get 50% of their

revenue from booking and reservation by means of commission. Ticketing is done mainly for Rail and Air travel.

Ticketing is a kind of sales transaction. The documents used in this process are traffic documents. Air ticket is one of the most important documents. What is an airline ticket – *“An airline ticket is a legal contract between an air carrier and a passenger entitling the bearer, for stipulated fare, to travel on one or more specified flights.”* Ticketing for air travel is required at two levels- International tickets, Domestic tickets.

There are certain important terms; concepts& abbreviations used which one needs to understand before going into the complexities of the process of ticketing. For example, what is airfare? What is airline geography? What is IC409 ticket? Also there is a need to understand what goes into the ticketing procedure?

9.1 OBJECTIVES

After going through this lesson, you should be able to:

- Appreciate the importance of ticketing in air travel.
- Learn the basic terminologies used in ticketing.
- Know the existing Airline Regulations that govern air travel
- Name the country codes, city codes and airline codes.
- Construct airfare on the basis of class, fare basis and rules that influence the airfare construction.
- Define the basic ticketing procedure
- Know what constitutes different parts of a ticket coupon.
- Calculate Airfare for domestic and international tickets.
- Explain the information required for domestic and international tickets.

9.2 TICKETING TERMINOLOGY

There are certain elementary terminologies, which should be understood before studying fare construction:

- **Blocking:** Blocking means that a ticket has been blocked for reservation. There is time allowed to the passenger to get his ticket booked within the stipulated time. If the passenger gets his tickets booked within this time, he actually purchases the ticket with the actual status stated on ticket. If he doesn't book the ticket within the stipulated time, his blocking stands cancelled. The difference between the blocking and ticketing is that blocking may not result in ticketing sometimes but ticketing automatically results in blocking also.
- **Routing:** Routing means a logical sequence of point-to-point destinations. It consists of carriers, class of service and cities served. For example:

Mumbai
New Delhi AIF
New Delhi AIF

- **Itinerary:**

Itinerary plays an important part in the fare construction. It is defined as all portions of the passenger's reservation from original to final destination. It may also include surface transportation. The different types of itineraries are:

One-way trip: Any journey, which is not a complete, round or circle trip entirely by air. For example,

DELHI	
CHENNAI	AIF

Round trip: It is a travel from one point to another and returns to the point of origin by the same air route or a different air route from that used for outbound travel. For example,

DELHI	
CHENNAI	AIF
DELHI	AIF

Circle trip: It means a journey with that return to the point of departure without retracing its route. It is travel from point and return to the same point by a continuous circuitous air route.

NEW DELHI	
KOLKOTA	AAF
MUMBAI	AAF
NEW DELHI	AAF

Round the world Trip:

These are the circle trips and apply to continuous eastbound or westbound travel commencing from and returning to the same point via both east and west. The fare is constructed in same way as a circle trip.

Open jaw:

It is essentially of a round or circle trip nature but has a segment not carried by air. For example,

DELHI	
CHENNAI	OPEN JAW
MUMBAI	

The difference here is that arrival point is different from departure point. Usually it has a surface segment.

- **Airline Itinerary:**

An airline itinerary identifies the origin point, stopping points, connecting points and destination points of a flight. An airline itinerary is of two types- International and Domestic. An airline itinerary, which has points within India, is called a domestic itinerary and if the points are outside India, it is known as an international air itinerary. Two things are required to plan an airline itinerary – timetables and airline guide.

- **Online service** – It means the segment of the same airline. For example,

AI to AI

- **Offline Service** – It means segments of differing airlines. For example,

AI to BA

- **Interline service** – It means cooperative understanding between airlines and/or reciprocal acceptance of tickets between them.
- **Local fare** – It is a fare for on-line transportation.
- **Joint fare** – It is a fare for off line or interlines transportation.
- **Connections** – A required carrier change at an intermediate point between point of departure and the point of destination. In order to enable the passenger to connect, he must depart that intermediate city within four hours of arrival on first flight on which the space is available.
- **Intermediate Stop** – It is a point of landing between two points from original point to destination point, which does not require deplaning by the passenger.
- **Stop Over** – It means a stop of usually 24 hours or more by the passenger along the route of a journey according to agreement with the carrier. It is equal to a break in the trip.
- **Non-Stop** – It means point-to-point flight with no intermediate stops.
- **Direct** – It means point-to-point flight with any number of intermediate stops.

9.3 AIRLINE REGULATIONS

It is necessary for a travel agent to use several airlines to complete a trip. It is essential for him to know the geographical region and major route structure because no airline services every city. Airlines and travel agencies should have a complete set of all tariffs with latest revisions at all offices.

India doesn't have a very long history of airline regulations before 1952-53, when the Air India and Indian Airlines Act were passed. The Civil Aviation Authority established that airlines should be regulated, passengers should be charged reasonably and their handling should be safe and uniform.

Each airline has to convince the Civil Aviation Authority that it is capable of performing the transportation and provide services convenient to public, to get the certificate from Authority.

There is a tariff structure or guidelines to establish passenger rules and fares. Once a fare is approved between two cities, that becomes the only legal fare the airline can charge. Airlines and travel agencies must have complete copy of all tariffs at all offices where air tickets are being sold. Also it is essential to review and revise them promptly.

9.4 AIRLINE GEOGRAPHY

Airline geography is the study of various cities, airports and countries served by the airlines. These are of two types – International airline geography and Domestic airline geography. The domestic geography deals with Eastern, Western, Northern, and Southern regions of India, whereas international airline geography is concerned with all other areas of the world. Airline geography is based on the standards set by the International Air Transport Association (IATA). We can imagine the difficulties that airlines might be facing with personnel from more than 210 different airlines using different rules, regulations and languages. To maintain proper coordination there is a need for standardization, which is provided by IATA.

IATA provides definitions, codes, spelling created by International Standards Organization (ISO), which should be understood by Travel agents.

9.5 DESTINATION COUNTRIES, CITIES AND AIRLINE CODES

In airline geography, all countries cities and airports have been given three letters ISO code by IATA. Table 9.1 gives examples of city codes

TABLE 9.1
Cities / Countries and their Codes

City / Country	Code
India	IND
London	LON
Sydney	SYD
Hong Kong	HKG
Bombay	BOM
Toronto	YYZ
Tokyo	TYO
Delhi	DEL
Mexico City	MEX
Madrid	MAD
Rome	ROM
Frankfurt	FRA

The airline code number forms the first three digits of the document number shown on the passenger ticket and excess baggage ticket. Some major international carrier and Airline codes are given in Table 9.2.

TABLE 9.2
CARRIER AND AIRLINE CODES

Carrier Code	Names of Airlines	Airline Code
AI	Air India Ltd	098
AF	Air France	057
BA	British Airways	125
CX	Cathy Pacific Airways	160
JL	Japan Airlines	131
NZ	Air New Zealand	086
OS	Austrian Airlines	257
SA	South African Airways	083
SR	Swiss Air	085

9.6 THE HUB AND SPOKE SYSTEM

It is very expensive for an airline to purchase new aircrafts to provide point- to- point flights on their own. Adopting ‘hub and spoke’ system solves this problem.

This can be explained with an example of wheel with numerous spokes leading from a hub or centre. The passengers are transported to a central point, called a ‘hub’, to board an aircraft for the final destination. For example, Delhi and Mumbai are Hubs for Air India’s International flights from Delhi to London and Mumbai to Bangkok. For passengers staying in Jaipur and Bangalore, Indian Airlines is acting as the spoke between Jaipur to Delhi and Bangalore to Mumbai.

Following are the benefits of this system.

- Caters to serve maximum passengers.
- Enables airlines to expand their activities without much investment for aircrafts.
- Retains competitive fare structure.
- Promotes better relationships.
- Generates more income.

9.7 AIRFARE CONSTRUCTION

This requires agency staff to have a basic knowledge of airfares; different prices and rates essential to serve the clients. First he should know what is an Airfare?

Airfare is the price paid by a client to purchase an airline seat.

In other words, it is a price paid to acquire the right to use an airline seat in a specific aircraft and within a prescribed period.

Airfares are of two types- International and Domestic airfare. Domestic airfare is applicable only after the approval from Director General of Civil Aviation

(DGCA). International airfares are applicable only after the approval from International Air Transport Association (IATA), which are based on bilateral agreements between the countries.

Airfare is based on three main factors:

- Class of Service
- Fare Basis
- Fare Rules

9.7.1 CLASS OF SERVICE

Airlines offer various classes of service. The fare and the cabin in which the passenger will sit determine the class of service in an airline. Broadly they can be divided into two- (1) First Class (2) Coach Class.

In the first class cabin, seats are usually larger and more comfortable. Passengers in coach cabin get standard level of service.

In many airlines there may be third cabin known as 'Business' class or it may be known by some other name – Executive, Ambassador or so on. Service in the cabin is superior to coach but inferior to First Class. First Class may also be known as 'Premium Class'.

There may be sub-classes within a class, which may be indicated by different booking codes. This is shown in Figure 9.3.

TABLE 9.3
Class of Service and Booking Codes

Booking code	Class	Description
P } F } A }	First	This provides carrier's highest level of service.
J } C }	Business	This provides carrier's superior service level.
S } Y }	Standard	This provides carrier's Standard level of service.
K } M } Q } L } V }	Discount Coach Class	This provides carrier's discounted fare for standard level of service.

Depending upon restrictions, route and carrier, the first class fare may be 35-50 % higher than the standard coach and Business class may be 20-35 % higher than coach class.

9.7.2 FARE BASIS

It is determined by the class of service and other factors such as the destination, season, day of the week, type of trip, advance purchase, length of stay, etc. Each fare basis has one primary code and one and more secondary code.

Primary Codes are booking codes, which represent the class of the services being used. Table 9.4 shows the Primary codes of the Fare basis.

TABLE 9.4
Primary Fare Codes

Primary Code	Description
P	Premium First Class
F	First Class
A	Discounted First Class
J	Premium Coach
C	Premium Coach
S	Standard Class
Y	Economy Coach
K, B, M, Q	Discount Coach
L, V	Discount Coach (Off Peak Economy)
X	Free – Travel (e.g., Mileage Club Member)

Secondary codes make each fare basis distinct from other fare bases with the same primary code. For example ‘AP’ indicates advance purchaser, ‘IT’ indicates inclusive tour fare, and ‘Z’ indicates youth fare. Table 9.5 shows Secondary fare codes:

TABLE 9.5
SECONDARY FARE CODES

Secondary Code	Description
AP	Advance Purchase
CD	Senior Citizen Discovery
CH	Child’s Fare (2-11 yrs.)
CL	Clergy fare
D	Discount Fare
DG	Discounted Government Fare
E	Excursion Fare
G	Group Fare
I	Inclusive Tour Fare
N	Night
L	Low (Day of week time of day, or season)
M	Military Discount
MR	Military recruits
NR	Night off peak
P	Family Plan
PE	Penalty for cancellation
R	Round Trip fare

S	Stand by fare
Z	Youth Fare

Fare Basis- Primary code represents class of service while secondary code represents other factors.

For example, **FAP 5** where **F= First Class, AP= Advance purchaser**, indicates travel in First class and 5 days advance purchase i.e., the ticket to be purchased at least 5 days before departure.

In some cases, the booking code is the same as the fare basis. For example, F is for first class, Y is for economy or coach class. Different airlines use various primary codes for the same class. For example, 'C' class is same on some airline as 'J' class is for another airline.

Number may be used to indicate days of week. For example, Y5 indicate a coach fare valid only for departure on Friday. One or two letters may indicate weekday, for example, TU for Tuesday, W for Wednesday and TH for Thursday.

Check Your Progress 1

For calculating airfare, what will be the fare bases in following cases?

(i) BTU

(ii) BAP12

(iii) YE5

9.7.3 FARE RULES

Discounted air fares are always subject to certain restrictions. Lower the fare; the more are the restrictions applicable. These restrictions, commonly referred to as fare rules, they fall into six main categories: -

Minimum or Maximum stay: With most discount fares, the length of time between outbound and return flights is restricted. For example, a fare may be valid only if the passenger is willing to stay over until the next Sunday before starting a return trip. This may be called a Saturday stay-over. A maximum stay may also apply. For example, passengers may be required to return no later than 21 days after arriving at their destination.

Advance Purchase: In most of the discount fares, advance purchase prior to departure date is required; say 30 days in advance, which is commonly known as 'Super Saver'. Generally, the longer the advance purchases requirement, the lower the fare.

Validity Dates: The discount travel is generally valid on certain dates. It has both an effective date and an expiration date. Certain dates may also be blacked out, meaning that the travel is not valid on those dates.

Combinability: Discount fares can be combined with other fare types. For example, a traveler using an M-class fare on one segment may be able to use a V-class fare on another segment in the same trip.

Routing: Only permitted routings may be used in restrictive fares. The rating specifies the connecting and stopover points that can be used with a particular fare basis.

Penalties: Generally for cancellations or changes in itinerary under restrictive fares, penalties are imposed. In some cases restrictive fares are non-refundable.

Other Restrictions: A number of other special conditions may also apply to discount fare. For example, a fare rule may require all segments of the itinerary to be confirmed at the time of ticketing, or may prohibit travel on certain dates of the week.

9.8 CATEGORIES OF AIRFARE

The airfares fall into two categories: -

- (1) Normal Fares
- (2) Special Fares
 - Promotional Fares
 - Group Fares
 - Military Fares
 - Senior Citizen Fares
 - Tour/ Discounted Fare

9.9 BASIC AIRLINE TICKETING PROCEDURES

The travel agency is accountable for ticket stocks and the collection on behalf of the airlines. Therefore, it must follow some guidelines while issuing an airline ticket, which are as follows:

- Confirm seat through a computer or other modes.
- Check the travel documents.
- Select the form of passenger ticket.
- Use the identification plate of an area settlement plan of the carrier.
- At the time of delivery of a complete ticket, detach the auditor's and the agent's coupons.
- All entries in tickets must be in Block Letters.
- Write the full name of each city in an itinerary.
- Enter the stopover codes clearly.
- Enter the fare box and total fare box properly and carefully.
- Be sure about special fares MPM, TPM and ticket validity.

Keeping the above points in mind, a travel agency gets the reservation sheet filled.

9.9.1 RESERVATION SHEET

First step to be done in airline ticketing is the preparation of a Reservation Sheet. The basic information included in this Sheet is concerning the following:

- Date_____
- Name_____
- Number of tour participants_____
- Home Address including Zip code_____
- Telephone_____
- Tour Plan_____
- Carrier_____
- Flight No_____
- Day of Week_____
- Status_____
- Taxes_____
- Airline Code_____
- Airport Code_____
- Type of Service_____
- Other Information_____

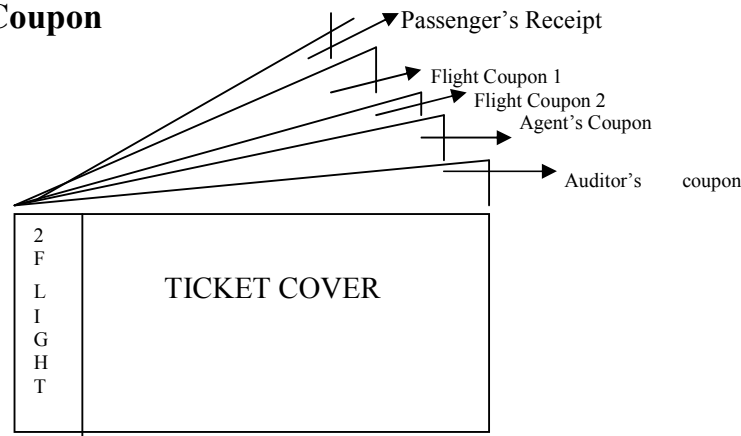
The different meanings of status may be expressed as follows:

OK:	The segment has been confirmed by Airline.
OK/F/WL/Y:	This segment has been confirmed on First Class And is 'Waitlisted' on the Y/ coach class.
RQ:	This segment has been placed on request from another airline.
NO-OP:	This leg does not operate as requested by the Customer.
UK:	This leg is unable to confirm in either class of Service.

9.9.2 TICKET COUPONS

Air tickets are issued in many parts known as Coupons, which are arranged in sequence. The main coupons are:

Ticket Coupon



1. Front Cover.

2. Auditor's Coupon: It is kept by the agency for accounting purposes. It has the information about the travel segment, fare calculation and mode of payment.

3. Flight Coupon: It is a portion that entitles the passenger to board a flight. A separate flight coupon is issued for each segment and this is also known as passenger coupon. It is an agreement between the airline and the passenger for the seat on a specific date and flight. A Boarding Pass accompanies this.

4. Agent's Coupon: It is also kept by agency for accounting purposes. It helps the agent to guide the passenger to the correct flight.

5. Passenger's Receipt: It is kept by the passenger. This receipt lists all the flight segments for which flight coupons have been issued and serves as of proof that passenger has paid the fare, but it is not valid for travel.

9.9.3 ISSUE OF AIRLINE TICKET

Travel companies who have approval from IATA can issue Air Tickets and are generating more than 50% of their revenue from this.

The tickets are of two types – Machine Tickets and Hand Tickets. These two differ in design but basically contain the same information:

- Name of the issuing airline: it appears on the upper left corner.
- Endorsement/restriction box: Any important restriction or penalty that applies to the ticket appears here.
- Passenger's Name: Surname appears first, followed by initial.
- Itinerary box: The following information is required:
 - (i) The 'From' box shows the board point of each segment.
 - (ii) The 'To' box shows the off point of each segment.
 - (iii) The carrier box shows code of carrier code, the 'Flight' box show flight number and 'Class' box shows class of service.
 - (iv) The 'Date' box shows departure date.
 - (v) The 'Time' box shows departure time
 - (vi) The 'Status' box shows whether the reservation is confirmed denoted by 'ok' or some other status (refer to Reservation Sheet mentioned earlier)

The 'Fare Basis' box shows the fare basis code. Thereafter in the lower left corner total base fare, tax and total fare are shown. The 'Fare calculator' box shows how the fare has been calculated. The form of payment boxes, the mode of payment – cash, cheque, credit card etc. The Airline number and ticket number appear at the bottom of the ticket. It also appears on the upper right corner on paper ticket.

- **PNR** number: Passenger number also appears on the upper right side of the ticket. PNR is only a reference number required to check all the flights of that person or group.

CHECK YOUR PROGRESS 2

1. Name the different parts of a Ticket coupon.

2. List the information required in a ticket.

9.9.4 SPECIMEN OF FLIGHT COUPON AND BOARDING PASS (DOMESTIC TICKET)

Flight coupon is a proof that the fare mentioned in the coupon has been paid. It should be filled up very carefully.

Boarding pass mentions the seat number and class of services to be used. It allows passenger a smooth passage between the two points of the flight. That is why it is also called the 'Boarding Pass'.

A specimen of Flight coupon and Boarding pass is shown as follows:

The image shows a specimen of an Indian Airlines flight coupon and boarding pass. The coupon is for a domestic flight from Delhi to Mumbai and back to Delhi. It includes fields for passenger name (DHANUMURTHY K V), fare basis (IC 443), and total fare (105822079623470). The boarding pass is for the same flight, showing the seat number (443) and the airline's logo.

Boarding Pass

 इंडियन एयरलाइन्स Indian Airlines		बोर्डिंग पास इकोनोमी क्लास Boarding Pass Economy Class	
नाम Name MURTHY/K MRS	सीट न. Seat No 16F		
उड़ान सं. Flt No. IC 805	दिनांक Date 02FEB6	से From DELHI	
बोर्डिंग समय Boarding Time 1730	गेट न. Gate No. 1C	तक To MUMBAI	
		सुरक्षा मोहर Security Stamp <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	
एस आई डी IFS			
कृपया प्रस्थान समय से 20 मिनट पहले गेट पर पहुंचें। Please be present at the gate 20 minutes before departure time.			

9.9.5 INTERNATIONAL TICKETING

The International ticketing requires more or less similar information as domestic ticketing. The issue of an International ticket is more complex as it involves the problem of change of currency. This is based on Neutral Units of Construction (NUC) system. To determine the price of an international itinerary, the NUC fares are added and the total is then converted to the currency of the country, where the ticket is sold. The rate of exchange for converting NUC to various currencies is published from time to time by IATA. If the client is planning to travel to different countries, the fare is converted to NUC first. All the NUC fares are added and are converted from NUC to the currency of the country where the ticket would be sold.

One NUC equals one US Dollar.

TABLE 9.6:
Currency Codes

Country	Currency Code
AUSTRALIA	DOLLAR
	AVD
AUSTRIA	SCHILLING
	ATS
BAHAMAS	DOLLAR
	BHD
BARBADOS	DOLLAR
	BDD

BELGIUM	FRANCE
BERMUDA	BEF
CANADA	DOLLAR
	BMD
	DOLLAR
DENMARK	CAD
	KRONE
FRANCE	DKK
	FRANC
FRENCH POLYNESIA	FRF
	FRANC
GERMANY	FRF
	MARK
HONG KONG	XFF
	DOLLAR
IRELAND	DEM
JAPAN	LIRA
	YEN
KENYA	ITL
	SCHILLING
LUXEMBOURG	JPY
	FRANC
NETHERLAND	KES
	GUILDER
NORWAY	LUF
	KRONE
SPAIN	NIG
	PESETA
SWEDEN	NOK
	KRONE
SWITZERLAND	ESP
	FRANC
UNITED KINGDOM	SEK
	POUND
UNITED STATES	CHF
	DOLLAR
ZAIRE	GBP
	ZAIRE
	LRZ

9.10 AIRFARE CALCULATION

This is considered to be the most complex task of Ticketing. This means dividing of air itinerary into different fare parts and showing how each fare has been calculated. The calculation also depends on the type of journey – for example, one way, round, circle or open jaw.

9.10.1 AIRFARE CALCULATION FOR DOMESTIC AIRLINES

The domestic airfare calculations are comparatively easier to understand. They are not governed by so many regulations and conditions. In India there are 6 private sectors airlines whereas there is only one public sector airline for domestic travel.

Till early 1990s, Indian Airlines occupied the maximum market share, i.e. 60% of the total domestic market. The transformation began in the mid 1990s, when the government scrapped a ban on privately owned airlines. A host of smaller carriers sprouted up. Some had restricted growth but others like Jet Airways flourished, Jet Airways now has more than 40% of the market share while market for Indian Airlines has fallen to less than 40%. The company distributes free of cost 'Fare Chart Sheet' which includes point-to-point airfare and its network (Operation).

It includes following

Base Fare +Inland Air Travel Tax +Passenger Service Tax.

Passenger service tax at present is calculated at 0.51% of base fare.

Example: 1 Mrs. Chopra wants to travel from Delhi to Mumbai one way after twelve days from today, in the morning. She wants her booking done in Economy Class. She wants to know the domestic fare that she is requested to pay.

Solution: She can get her booking done online which provides information about all such flights available from host of public and private airlines.

Jet Airways charges air fare in the following manner: -

Base Fare	=	Rs 3610
Add: Air port tax	=	Rs 221
Add: Service tax (0.5%)	=	Rs 19
		<u>Rs 3850</u>

Example: 2 Calculate the fare to be paid by Mrs. Kapoor for the flight, which she wishes to take from Mumbai to Hyderabad for one way travel.

Solution: Base Fare from Bombay to Hyderabad = Rs. 8000

Inland Air Travel Tax = Rs. 840

Service Tax = Rs. 40

Total Fare	= Rs. 8880
------------	------------

Travel Agents get commission from Airlines on the Sale of Tickets. They pass on part of this commission by way of discount in Airfare to their clients. This is what we can find, if she has to get the ticket straight from Airline. If she has to pay, in case she gets it from travel agent, the Airfare arrived at is shown below.

Since travel agent gets discount from airlines of around 5%, he may pass on 3% of it to the client: -

Base Fare	=	Rs. 8840 (Inclusive of IATT)
Service tax (0.5%)	=	Rs. 45
Total	=	Rs. 8885
Discount (3%)	=	Rs. 265

Net Fare to be paid	=	<u>Rs. 8620</u>
---------------------	---	-----------------

Example 3: Calculate fare to be paid by Mr. Tiwari for the itinerary shown as below:

BOM-HYD-BOM

Base Fare is 5000, Airport tax is 400, and Service tax is 0.5%. Agent is allowing discount of 2%. What will be the final amount that Mr. Tiwari is required to pay?

Solution:

Base Fare	=	Rs. 5000
Airport Tax	=	Rs. 400
Service Tax (0.5%)	=	<u>Rs. 25</u>
Total	=	<u>Rs. 5425</u>
Discount (2%)	=	Rs. 108
Net Fare to be paid	=	Rs. 5317

Service Tax Charged by Domestic Airlines at present is @ of 0.51%. It is @1.02% for International Airlines.
--

CHECK YOUR PROGRESS 3

Activity - 1

Find out using internet what shall be the fare that Mr. Das may have to pay if he wishes to go to Bangalore from Delhi ten days from now in Business Class. He wishes to travel by an Indian Airlines flight.

9.10.2 AIRFARE CALCULATION FOR INTERNATIONAL AIRLINES

The International Air Transport Authority (IATA) provides the fares applicable to the participating air carriers. Airlines and travel agencies must have a complete copy of all tariffs at all offices where air tickets are being sold in order to obtain the correct fares.

It is essential for travel agents & airline employees to follow the approved rules of IATA.

The joint one-way and round- trip fares and rules are published to cover transportation in two different airlines. The joint fare is available as a single amount covering transportation of two different carriers and the passenger pays a single amount with the condition that he changes carriers in a certain specified city.

While finding the international fare and other rules, the travel agent must observe following points:

- (ii) Refer to the latest edition of tariff rules.
- (iii) Check the airline tariff fare schedule for the applicable rule.
- (iv) Check the rule for normal and special fares

- (v) Check the rules regarding the carrier in question.

Whenever fare between two points is not established the following methods can be used to establish the airfare:

- (i) Lowest combination of fare method
- (ii) Mileage System
- (iii) More Distant Point Principle

Lowest Combination Method:

In this method, fare is established by combination of two or more rational results in the lowest fares.

The desired route can be constructed by imagining the points to which passengers are not, really traveling and find if it produces lower fare.

Example 4:

Mr. Raj wants to travel Bombay- New York –San Francisco-Bangkok. What should be the airfare according lowest combination method?

Solution:

There are two possible combinations: -

First Combination fare: -

Bombay – New York	Rs. 20,000
New York – Sanfrancisco – Bangkok	Rs. 24,000
	Rs. 44,000

Second Combination Fare: -

Bombay – New York – Sanfrancisco	Rs. 22,500
Sanfrancisco – Bangkok	Rs. 18,500
	Rs. 41,000

Hence, lowest combination of fares is constructed over New York.

Mileage System:

For constructing fare under this system, three elements should be understood:

- (i) Maximum Point Mileage (MPM)
- (ii) Ticket Point Mileage (TPM)
- (iii) Excess Mileage Surcharges (EMS)

MPM: - It is the maximum number of miles a passenger is allowed to travel enroute between the particular points at the direct fare.

TPM: - TPM is used to calculate the total mileage of the flown journey.

EMS: - Excess mileage surcharge is used when the desired route TPM exceeds MPM.

Example 5: A client wishes to travel from Mumbai to Bangkok. What should be his fare?

Solution: Under Mileage system, the fare will be calculated as follows: -

Base fare from BOM to BKK	= Rs. 8000
MPM	= 4340
TPM (given in air tariff manual)	= 3590

Since $TPM < MPM$, there will be no surcharge

Example 6: A client wishes to travel from Delhi with the following itinerary:

-

DEL – NYC – ROM, what will be his fare?

Solution: Base fare from DEL to NYC = Rs 10000

MPM from DEL to NYC and

MPM from NYC to ROM = 6520

TPM from DEL to NYC and NYC to ROM = 7210

Since the sum total of $TPM > MPM$, surcharge becomes necessary. The client will have to pay EMS calculated on the basis of chart over and above Rs. 10000. According to the category of EMS, the percentage is found from the Excess Mileage percentage table to find the surcharge.

Note: Service tax Charge on Tickets on International Airlines @ 1.02%

9.11 SUMMARY

Ticketing requires grasping the knowledge of codes of airlines, air carriers and air ports and terminologies such as air fare, ticket, blocking, itinerary, airline geography and so on.

Basic ticketing technique requires the knowledge of ticketing procedures, filling of reservation sheets and issue of different parts of ticket coupon and so on.

Ticketing requires computation of airfare, which depends on type of journey and class of services being used. International ticketing is based on approved rules of IATA.

9.12 KEY WORDS

Blocking, Routing, Itinerary, Open Jaw, Tariff Structure, Airline Geography, Hubs and Spoke System, Class of Service, Fare Basis, Fare Rules, Reservation-Sheet, Ticket Coupons, Boarding Pass, International Ticket, Airfare Calculation.
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9.13 GLOSSARY

IATA (International Air Transport Association):

IATA is a non-political and voluntary association formed by six airlines to promote collaboration between air transport operators. This is explained in detail in the next lesson.

Stand by travel:

A 'stand by' passenger is not assured of a seat until the passengers who hold confirmed reservation have checked in at the departure. If all the seats are occupied, stand by passengers are denied boarding on that flight.

Discount Fares:

IAC discount fares manual are available to guide the discount applicable in different cases, for example, to students, armed forces, teachers, blind persons, common interest groups and so on.

Arrival and Departure Time:

Most schedules work on 24 hours time clock and not on AM/PM. For example, IC493 arrival (A) at 17:45 and departure (D) at 19:25 means that Flight carrier IC493 arrives at 5:45 PM and departs at 6:25 PM.

PNR Number:

Whenever reservation is made, a file is opened in the computer for that person or group of person and it automatically generates a file number, which is called PNR Number.

9.14 SELF - ASSESSMENT QUESTIONS

- 1) What should a travel agent know about the booking or reservation of Airline ticket?
- 2) Explain the restrictions applicable according to Air fare rules in the following cases: (i) Maximum or Minimum Stay (ii) Validity Dates (iii) Combinability
- 3) According to Fare Basis rule, what is the description of following codes:
(i) FN (ii) Y2 (iii) FCH (iv) Q21RT
- 4) Mr. N.P. Singh is planning a round trip itinerary from New Delhi (ND) to New York (NYC). He would like to stop- over in Milan (MLN), Zurich (ZRH) and Paris (PAR) enroute.

The itinerary is as follows:

	MPM
ND-MLN	5500
MLN-ZRH	103
ZRH-PAR	299
PAR-NYC	4004

Assuming that permitted mileage from ND to NYC is 10000 will there be any surcharge?

5) Mr. Bhushan is a regular customer of Raj Travels and wishes to take a circular trip. The itinerary is shown as below:

DEL – BOM – CHENNAI – CAL – DEL

The base fare counted together along with IATT is 25000. Calculate Net Airfare including the service tax, provided that agent gives a discount of 4% to regular customer and 2% to new customers.

- (i) Calculate fare charged from Mr. Bhushan.
- (ii) What will he charged from Mr. Rana, a new customer, for purchase of a ticket?

6) Which of the following key words relating to itinerary includes surface travel also?

- (i) Circle Trip
- (ii) Round Trip
- (iii) Open Jaw trip
- (iv) One-way trip.

7) Based on booking code, which of the following doesn't belong to first class service category in Air travel fare construction?

- (i) P
- (ii) C
- (iii) A
- (iv) F

6.15 SOURCES AND FURTHER READINGS

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9.16 ANSWERS TO CHECK YOUR PROGRESS

CHECK YOUR PROGRESS 1:

- (i) Fare basis is travel in discount coach valid for Tuesday.
- (ii) Travel in Economy Class where ticket is to be purchased 12 days before departure.
- (iii) Travel in Economy Class, Excursion fare valid only for departure on Friday.

Self-assessment Question:

- 3. (i) First Class ticket valid only for night departure.

- (ii) Coach fare valid only for departure on Tuesday.
- (iii) First Class fare, which includes Child's fare.
- (iv) Discount Coach fare for Round Trip, which requires ticket to be purchased 21 days before departure.

4. Since $TPM < MPM$, no surcharge will be charged.

5. (i) Rs. 23878 (ii) Rs. 24375

6. (iii)

7. (ii)

LESSON – 10

TOURISM BODIES

Dr. Abha Mathur

STRUCTURE

- 10.0 Introduction
- 10.1 Objectives
- 10.2 DTTDC – Delhi Tourism & Transportation Development Corporation
- 10.3 ITDC – Indian Tourism Development Corporation
- 10.4 TAAI – Travel Agents Association of India
- 10.5 IATA – International Air Transport Associates
- 10.6 W.T.O. – World Tourism Organization
- 10.7 Summary
- 10.8 Self Assessment Questions
- 10.9 Glossary
- 10.10 Key words
- 10.11 Sources & Further Readings

10.0 INTRODUCTION

Currently, with the tremendous boost in travel, world over, it has been realized, not only by the individual governments, particularly of the developing nations but also by the International organisations that “World belongs to man and everyone has a right to know & enjoy the world not just around him but also beyond him”.

To emphasis the significance of the above statement it will be appropriate here to quote the extract from the United Nation’s Conference on **International Travel and Tourism held in 1963**, which underlined the need for a **National Tourism Administrative (NTA)** using the following words:

“The Conference considers that it is incumbent on governments to stimulate and coordinate national tourism activities and is convinced that this task can, in the main, be carried out through the medium of National Tourist Organisations”.

Therefore the planning process in tourism should outline the optimum objectives to be attained in a given period of time. This planning should be treated as an integral part of the country’s general economic and social planning. **The key phases in tourism planning are as follows:**

- ❖ Assessment of tourism demand and a scientific planned approach to the supply of such demands.
- ❖ Tourism objectives should cover the overall development of a nation.
- ❖ Tourism site planning should be done by totally avoiding damage to natural and cultural assets.

- ❖ Focus should be on development of basic infrastructure which would be needed by any tourist.
- ❖ Financial planning should be done involving public, private agencies and foreign investment.
- ❖ Appropriate man-power planning must be done, especially because tourism is a service industry.
- ❖ There is also a need for efficient Administrative planning.
- ❖ Focus to be placed also on tourism marketing, promotional strategies within & outside the country.
- ❖ Lastly, monitoring and evaluation must be done on a consistent basis.

Tourism planning in India

The tourist organisations of India had their beginning in the report of the **Sargent Committee in 1945**. Sir John Sargent, the then, Educational Advisor to the Government of India, was the chairman of a committee set up to survey the potential of developing tourist traffic to this country. The Committee recommended that a separate tourist organization should be set up at the centre with regional offices at the metro cities. It was in 1948 that the independent government under the transport ministry set up ad hoc Committee constituting representatives from **tourist, transport and Hotel industries**.

From time to time, the Government has included in its five year plans, planning & development of travel & tourism. The functions of the ministry cover both **promotional and organizational activities under following divisions:**

- ❖ Planning and Programming
- ❖ Publicity and conference
- ❖ Travel trade
- ❖ Hospitality and accommodation
- ❖ Supplementary accommodation and wildlife
- ❖ Market Research
- ❖ Administration

The activities of the Ministry of Tourism cover a wide range of subjects:

- ❖ Collection, compilation and dissemination of Tourist information in India and abroad.
- ❖ Cooperation with international travel and tourist organization.
- ❖ Development of tourist facilities.
- ❖ Publicity of tourism significance at home and abroad.
- ❖ Simplification of frontier formalities in respect of international tourists.
- ❖ Regulation of tourist activities.
- ❖ Compilation of statistics and market research.

In order to upgrade the quality of human resources in tourism, the government has implemented the **South Asia Integrated Tourism Human Resource Development Project (SAITHROP)** with support from the European Commission. For continuation of the Project, the India Tourism Human

Resource Development Committee has been established. Several Public sector organisations and bodies have been created to help tourism prosper in India.

10.1 OBJECTIVES

You have already gone through lesson 6 of Unit II which dealt with Air, Road & Rail Travel Arrangements. After having gone through that lesson, you would be, by now, be curious to know about the bodies that have been set up to **monitor, plan & look after travel management in India**. This lesson, therefore, will deal with the various bodies that have been set up for the development of tourism in India.

After having gone through this lesson you should be able to:

- ❖ Know the history of tourism planning in India.
- ❖ Learn aims, objectives & schemes by DTTDC.
- ❖ Understand the setting up of & functions performed by ITDC.
- ❖ Learn about TAAI & its role in tourism development.
- ❖ Know about IATA.
- ❖ Understand about WTO & its functions.

10.2 DTTDC – DELHI TOURISM & TRANSPORTATION DEVELOPMENT CORPORATION.

DTTDC was set up to promote tourism in Delhi. It develops tourism Infrastructure, undertakes publicity measures and other activities to develop and promote tourism in Delhi. These include dissemination of Tourism related information and services, providing recreational facilities, etc. With a view to provide facilities to the tourists coming to Delhi, DTTDC set up its first Tourist Information Centre at Connaught Place, in Delhi in 1976. Subsequently in different years, 15 other centers were established in Delhi as well as outside Delhi. At present the DTTDC is operating 16 Tourist Information Centres as under:-

A)	In Delhi	Year of opening
1.	Connaught Place, N- Block,	1976
2.	New Delhi Rly. Station	1977
3.	Old Delhi Rly. Station	1977
4.	ISBT, Kashmiri Gate	1971
5.	International Airport	1979
6.	Domestic Airport	1915
7.	R.K. Puram, Coffee Home	1993
8.	Dilli Haat	1994
9.	Central Reservation Office, Connaught Place	1995
B)	Outside Delhi	Year of Opening

10.	NOIDA	1991
11.	Mumbai	1990
12.	Chennai	1992
13.	Calcutta	1993
14.	Bangalore	1995
15.	Secunderabad	1997
16.	Ahmedabad	1991

Out of 9 Information Centres in Delhi 5 are working in two shifts. The Information Centre at Indira Gandhi International Airport works round the clock and the remaining work on single shift. The 7 information Centres including NOIDA outside Delhi work in single shift.

The aims and objectives of the Tourist Information Centre are to render, free of cost, all necessary help to the tourists like information regarding mode of transport, accommodation, local sight seeing tours, places of tourist interest, etc. They provide free literature in the form of brochures and other services like Hotel Reservation, Transportation and Tours. This literature provides reliable information on historical and cultural facets Delhi. For providing of this information to the tourists, all the Tourist Information Centres have sufficient, colorful and informative literature supplied by their headquarters which is given to the tourist free of cost.

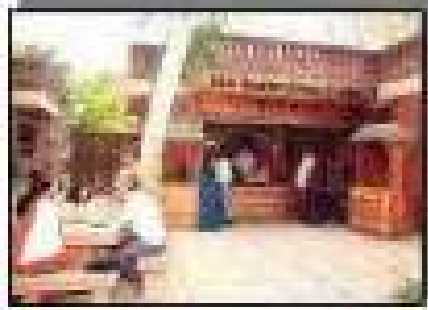
Festival organized by DTTDC:

- **Roshnara & Shalimar Festivals**
- **Qutub Festival**
- **Garden Tourism Festival**
- **Mango Festival**



Delhi being one of the greenest capitals in the world and a scattered citadel of erstwhile dynasties which now co-exist with residential localities attracts these festivals which in turn invite tourists & entertain them. In addition to the above said festivals, Dilli Haat offers tantalizing glimpses of vast storehouse of Indian Culture by holding regional festivals at its open-air theatre. These are held from time to time, throughout the year. **Dilli Haat** is a venture jointly

set up by the New Delhi Municipal Council, Ministry of Textiles, and Government of India. It is a project of DTTDC schemes undertaken by DTTDC during the year 2005-06.



During the year 2005-06 the schemes which are to be undertaken/continued under the major head ‘Tourism Infrastructure’ are given below.

- a) Water sports Tourism Complex at Bhalswa**
Facilities for outdoor leisure have been provided by undertaking water sports & allied activities in the Bhalswa Lahe which has been in possession with Delhi Tourism for over a decade.
- b) Establishment of wayside amenities**
Effort is being made to introduce modern techniques of dissemination of tourist information, identification of new destinations of new destinations and better marketing of services.
- c) Development of Dilli Haat type projects in different parts of Delhi.**
- d) Restoration of Denotified monuments**
A total of 100 monuments have been identified out of which 34 have been restored.
- e) Refurbishment of monuments**
This is being done by making tourist aware of the monuments, and providing drinking facilities, public conveniences, food kiosks, souvenir shops, etc.
- f) Signage at monuments & other historical places for identification & awareness of tourists.**
- g) Accessibility to destination through trail etc.**
The management of the natural and historic environment being the prime objectives, the proposal aims at developing a series of pathways for access and maintenance.
- h) Illumination of monuments**
Many tourists feel that, there is so much to see during the day but there is hardly anything for the evening. Therefore to attract interest of tourist and to enhance the beauty of Delhi, monuments are illuminated.
- i) Development of lakes**
Delhi has more than 30 big ancient lakes and now efforts are on to add more lakes, as well as add new sports such as Bungee Jumping etc.
- j) Development of Coffee Homes in different parts of Delhi.**



New Schemes

DTTDC has also contemplated and introduced the following new schemes.

- a) **Setting up of night bazaar.**
- b) **Chhawal and Kanganhin Project for adventure sport.**
- c) **Adventure Park at Azad Hind Gram**

To conclude, Delhi Tourism and Transportation Development Corporation has been actively involved in conservation and preservation of Delhi's heritage which includes the conservation of 30 monuments in Mehrauli Archaeological Park Area along with installation of signages and heritage trail connecting all the major monuments. Through the proposal of heritage walks, DTTDC aims to achieve:-

- ❖ An increased citizen awareness of key historic areas within Delhi.
- ❖ To help Delhities and tourists to the city relate to the historic parts of the city in a more personal and intimate manner. During the walks visitors will get an opportunity to visit famous streets and historic neighbourhoods, havelis, temples, mosques, churches and other religious structures, amongst other building types.
- ❖ To draw the citizens of Delhi and tourists into areas of rich cultural and architectural Heritage yet not on the tourist itinerary.
- ❖ Increased number of visitors should result in heightened sensitivity of the local populace towards historic value of settlements and encourage communities to conserve and preserve their own heritage and unveil a

sense of pride and appreciation among them. To generate awareness about traditional architecture and its inherent advantage.

- ❖ Initiate community based restoration efforts involving citizens, volunteers, and other organizations.
- ❖ To popularize local and traditional craftsmanship and art.

Tourism Department proposes to organize four heritage walks in association with INTACH, Delhi Chapter as mentioned below:-

- ❖ Two heritage walks in Old Delhi (Shahjahanabad) in collaboration with MCD.
- ❖ One walk in the Mehrauli Archaeological Park in collaboration with DDA.
- ❖ One walk in Lutyens Delhi in Collaboration with NDMC.

CHECK YOUR PROGRESS

- a) Name the area in Delhi where Dilli Haat is being constructed.

- b) Describe your experience in brief, if you have ever been a part of any festival organized by DTTDC.

- c) Name some countries where Night Bazaars are very successful state why such Bazaars are not successful in India.

10.3 ITDC – INDIAN TOURISM DEVELOPMENT CORPORATION

ITDC is a public sector corporation created by the government to undertake major responsibilities in areas which the government, due to its own limitations, could not participate actively. It was set up in the year 1966 with the aim to undertake development, expansion and promotion of India as a tourist destination. It has the largest hotel chain in India that caters to travel, accommodation, duty free shopping, entertainment and restaurants under a single window. It can boast of having **four thousand rooms in ITDC(s) 35 Hotels, Motels and Resorts. It has 11 Travel & transport units & employs**

over 71060 employees. Its Hotels have been divided into the following three categories:

- ❖ **Elite**
- ❖ **Classic**
- ❖ **Comfort**

Entertainment & other functions of ITDC

- (a) It runs “sound & light” shows at Red Fort, Delhi.
- (b) It runs duty free shops at five international airports namely Kolkata, Mumbai, Chennai, Delhi and Tiruvananthapuram.
- (c) Helped in growth of tourist attractions, off the beaten track, such as Kovalam, Mahabalipuram, Garhwal etc.
- (d) It is doing pioneering work in production of tourist literature.
- (e) Its travel agents **ATT – Ashok Travels & Tours** offers services to both foreign and domestic travelers.
- (f) ATT has introduced exciting tour packages, shopping tours, Honeymoon Heavens, Religious Tours, and Mountain Tours, etc.
- (g) Its participation in “**Food Festivals**” all over the world has popularized Indian food.

However, the ITDC will have to undergo several structural changes in the coming years to cater to the current environment.

10.4 TAAI – TRAVEL AGENTS ASSOCIATION OF INDIA

TAAI was formed towards the end of **the year 1951** by a group of twelve leading Travel agents, who felt that the time had come to create an Association to regulate the Travel Industry in India.

The Association has its registered office in Mumbai and regional offices in Kolkata, Delhi and Chennai. A monthly magazine “**Travel News**” for its members is also published by the Association.

Following are the Primary activities of the Association

- ❖ To protect the interests of those engaged in the industry.
- ❖ To promote the orderly growth and development of the travel industry.
- ❖ To safe-guard the rights of the travelling public.
- ❖ To build trust and credibility in the market place.

TAAI represents all that is professional, ethical and dynamic in our nation’s travel related activity and has been recognized as the “Voice” of the Travel & Tourism Industry of India.

With a **membership base of over 11000** active, allied & associate members, comprising of IATA, accredited Travel Agencies, Airlines & General Sales Agencies, Hotels & Tour Operators, TAAI is the largest Travel Association of India.

In fulfilling its mission and supporting traditional values as well as embracing change, TAAI's objectives are to work towards:

- A committed national membership.
- Widening its area of influence by judiciously delegating authority and responsibility to Regions, Chapters and City Committees.
- Professional management of its affairs at all levels.
- A responsive and well-equipped Secretariat which benefits all members.

The manner in which TAAI conducts itself on issues of trade principles and practices will determine its contribution to the Travel and Tourism industry.

10.5 IATA International Air Transport Association

The International Air Transport Association is an international trade organization of airlines headquartered in Montreal, Quebec, Canada.

IATA was formed just after World War II in April 1945, in Havana, Cuba. It is the successor to the International Air Traffic Association, founded in The Hague in 1919, the year of the world's first international scheduled services. At its founding, IATA had 57 members from 31 nations, mostly in Europe and North America. Today it has over 270 members from more than 140 nations in every part of the globe.

The main objective of the organization is to assist airline companies to achieve lawful competition and uniformity in prices. For fare calculations IATA has divided the world in three regions:

1. South and North America.
2. Europe, Middle East and Africa. IATA Europe includes the geographical Europe and the countries Morocco, Algeria and Tunisia.
3. Asia, Australia, New Zealand and the islands of the Pacific Ocean.

To this end, airlines have been granted a special exemption by each of the main regulatory authorities in the world to consult prices with each other through this body. However, the organization has been accused of acting as a cartel, and many low cost carriers are not full IATA members. The European Union's competition authorities are currently investigating the body. In 2005 Neelie Kroes, the European Commissioner for Competition, made a proposal to lift the exception to consult prices. In July 2006 the United States Department of Transportation also proposed to withdraw antitrust immunity.

Air Transport is one of the most dynamic industries in the world. The International Air Transport Association is its global trade organization. Over

the last 60 years, IATA has developed the commercial standards that built a global industry. Currently the IATA's mission is to do the following:

- ❖ **Represent**
- ❖ **Lead**
- ❖ **Serve the airline industry**

Its members comprise of 265 airlines – the World's leading passenger and cargo airlines among them – representing 94 percent of international scheduled air traffic.

It is a global non-governmental organization that came into existence in **Havana, Cuba in April 1945**. The organization is a common platform for interairline co-operation in promoting **safe, reliable, secure and economical services** to the consumers.

Flight Planning by IATA

Flight Planning is the process of producing a flight plan to describe a proposed aircraft flight. It involves the following functions.

- (a) Safety critical aspects
- (b) Fuel Calculations

To ensure that the aircraft safely reaches its destinations. In addition, it ensures the compliance with air-traffic control, to minimize the risk of mid-air collision. Above all the planners normally desire to reduce flight costs and make them as cost effective and as affordable as possible. For minimizing the flight cost, planners resort to choice of route, height and speed. Flight planning requires accurate weather forecasts so that fuel consumption calculations can account for the fuel consumption, effects of head or tail winds and air temperature. Safety regulations require aircraft to carry fuel beyond the minimum needed to fly from origin to destination, allowing for unforeseen circumstances or for diversion to another airport if the planned destination becomes unavailable. Furthermore, under the supervision of air traffic control, aircraft flying in controlled airspace must follow predetermined routes known as airways, even if such routes are not as economical as a more direct flight. Within these airways, aircraft must maintain flight levels, specified altitudes usually separated vertically by 1000 or 2000 feet, depending on the route being flown and the direction of travel. When aircraft with only two engines are flying across oceans, they have to satisfy extra safety rules to ensure that such aircraft can reach some emergency airport if one engine fails.

Producing an accurate optimized flight plan requires a large number of calculations (millions), so commercial flight planning systems make extensive use of computers (an approximate unoptimized flight plan can be done by hand in an hour or so, but more allowance must be made for unforeseen circumstances). Some commercial airlines have their own internal flight planning system, while others employ the services of external planners.

This aspect of use of computers and other Information Technologies will be dealt with in detail in Lessons 12 & 13.

IATA undertakes the following activities:

- ❖ Technical research and development in aviation.
- ❖ Formulation of a sound legal frame-work in aviation policies such as loss, death or injury and rates pattern, tariffs, revenue allocation, rules for multi-sector trips, debt settlement between airlines and clearing House etc.

The air transport industry has undergone change to a great extent from the time IATA was born. As the technical and economic scenario is changing and the demand of the consumer is growing throughout the world, IATA is continuing its endeavor so that the world's most challenging and exciting industry achieves its greatest possible potential.

10.6 W.T.O. – WORLD TOURISM ORGANISATION

WTO, a specialized agency of the United Nations, is the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and practical source of tourism know-how. It came into existence on **2nd January, 1975** and the first general assembly was held in Madrid, Spain in May 1975. The rapid growth of tourist industry led to the transformation of the IUOTO into WTO. By the year 2005 its membership comprises of **145 countries, 7 territories and more than 300 affiliate members** representing the private sector, educational institutions, tourism associations and tourism associations and local tourism authorities.



WTO performs following functions:

- ❖ Serves as a clearing house for all available information on international and domestic tourism.
- ❖ Assist in reducing of frontier formalities.
- ❖ Organizes international conferences & seminars.
- ❖ Prepares drafts of international agreements.
- ❖ Formulates training programmes.
- ❖ Participates in tourism projects.
- ❖ Indulges promotes in Environment and Planning.
- ❖ Provides basic information for Communication and documentation.

WTO has come out with a number of publications to provide desired information and to cover all aspects of Tourism sector, some which are as follows:

- i. World Travel and Tourism Mondial?
- ii. International Travel Statistics.
- iii. Economic Review of World Tourism.
- iv. Technical Bulletins and Travel Research Journal.

The WTO plays a catalytic role in promoting technology transfers and international cooperation, in stimulating and developing public – private sector partnerships and is encouraging the implementation of the Global code of Ethics for Tourism. It ensures that member countries maximize the positive economies and reap full benefits while minimizing the negative social and environmental impacts.

CHECK YOUR PROGRESS

- a) IATA's mission is to _____
the airline industry.
- b) WTO came into existence on _____ and currently
comprises of _____ member countries and
_____ affiliate members.
- c) Three publications by WTO are:

10.7 SUMMARY

Most governments subscribe to the view that tourism is good for their people and should be supported. However, not many have developed policies which are mandated by their legislature and implemented effectively. More successful tourist countries have National Tourism Policies mandated by their

parliaments; among them are **Canada, U.K., Ireland, France, Japan, Spain and U.S.A.** All of them have similar goals.

“To support growth of domestic and international tourism, contribute to international friendship, development of economy and reduction in regional economic and social differences”.

The International as well as domestic organisations are set up with a view to encourage tourism. In India, the National Tourism Organization is the **Department of Tourism (DOT)**, which works under the over all control of the Ministry of Tourism – which deals only with tourism matters.

We have tourism and civil aviation which have separate identities, although they may be under the same minister. Accordingly ITDC is a public sector organization which works under the ministry of tourism.

Some of the international organisations set up are as follows:

- i) **France Hispano Portuguese Federation of Tourist Association-** The first international Tourist organization set up by the collaborative effort of Spain, France and Portugal.
- ii) **The International Union of National Tourist Propaganda Organization (IUNTPO)** – Set up in 1925 which was discontinued after world War II.
- iii) **World Tourism Organization (WTO)** – has been discussed in the lesson.
- iv) **Pacific Asia Travel Association (PATA)** – set up in 1951.
- v) **Universal Federation of Travel Agents Association (UFTAA)** – set up in 1966 is the highest and largest world body representing the interests of the travel agents world wide.
- vi) **International Civil Aviation organization (ICAO)** – set up in December 1922 in Paris.

Besides these there are several other bodies such as the **FHRAI, IATO** etc. which serve as the trade body of inbound tour operators. With the help of all the international agencies and the domestic bodies, the tourism industry is streamlined and the policy makers also strongly believe that through the capacity of its tourism resources and untapped market potential, India has considerable scope for expansion and development leading to an overall national development programme.

In the year **1996**, Prime Minister Rajiv Gandhi set up **National Committee on Tourism (NCT)** which unanimously recommended establishment of an autonomous tourism authority to replace DOT. However the two year long labour went waste due to government apathy and ignorance. Although some steps have been taken in developing tourism but there is still huge scope &

potential in this rapidly growing industry, besides Delhi has got all that is required for Promotion of Tourism.

10.8 SELF ASSESSMENT QUESTIONS

- a) Discuss some key phases in tourism planning.

- b) Write in brief about any one International Tourism Agency highlighting its functions.

- c) Discuss in brief any two domestic tourism agencies and their role in promoting tourism in India.

- d) How, in your opinion, tourism can be promoted in India? Do the existing bodies need restricting or is there a need to set up a new tourism Agency?

10.9 GLOSSARY

- i) FHRAI – Federation of Hotel & Restaurant Association of India which was set up in 1955.
- ii) IATO – Indian Association of Tour Operators – premier body for inbound tour operators in India.

10.10 KEY WORDS

- i) Hospitality
ii) Accommodation
iii) Attraction
iv) SAITHROP
v) ATT
vii) Civil Aviation
viii) United Nations

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LESSON- 11

MARKETING- CONCEPTS AND PRACTICES

Seema Gupta

STRUCTURE

- 11.0 Introduction
- 11.1 Objectives
- 11.2 Definition of Marketing
 - 11.2.1 Aspects of Marketing Concept
- 11.3 Marketing Mix
 - 11.3.1 4 P's of Marketing Mix
- 11.4 Target Market
 - 11.4.1 Market Segmentation
 - 11.4.2 Bases of Market Segmentation
- 11.5 Concept of Tourism Marketing
 - 11.5.1 Special Features of Tourism Marketing
- 11.6 Tourism Product
 - 11.6.1 Characteristics of Tourism Product
- 11.7 Marketing Mix in Tourism Marketing
- 11.8 Tourism Marketing Strategy
- 11.9 Summary
- 11.10 Key Words
- 11.11 Glossary
- 11.12 Sources and Further Readings

11.0 INTRODUCTION

Before the introduction of price mechanism in the world, the goods and services produced were exchanged through simple barter system. These exchanges however, have undergone a great change in the past since the early nineteenth century. Before Industrialization, most of the production was conducted in small manufacturing units, as the market for the goods was limited to the surrounding areas of unit. The inefficient and expensive transport system, the absence of distribution channels, poor quality products due to lack of competition, and low purchasing power of people were inhibiting factors for goods manufactured.

The post-industrialized period witnessed the introduction of mass production of goods. Rapid industrial advancement also witnessed the growth in communication and transport systems. The railway and road transport systems enabled the goods to be distributed to far-off places. The mass communication means like telephones, telegraphs and newspapers helped the manufacturers in disposing of their goods and services. All these developments eventually led to

the introduction of a new concept i.e., the marketing concept by larger manufacturing organizations.

This unit takes into account the various concepts related to marketing. It attempts to define their relevance to understand marketing in tourism.

11.1 OBJECTIVES

After going through this lesson you should be able to understand:

- The Concept of marketing and its characteristics
- Elements of marketing mix
- How to define target market and segment the market
- The Concept of tourism marketing and its special features
- Tourism product and its characteristics
- Marketing mix in Tourism marketing
- How to design a marketing strategy for tourism product

11.2 DEFINITION OF MARKETING

The concept of marketing can be viewed from social and managerial perspectives. At its simplest, marketing can be defined as exchange transactions that take place between the buyer and the seller. Marketing is the management function, which organizes and directs all those business activities involved in assessing and converting customer purchasing power into effective demand.

Philip Kotler defines marketing as “*a social process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others*”.

In essence, the marketing concept is customer orientation aimed at generating customer-satisfaction through integrated marketing.

11.2.1 ASPECTS OF MARKETING CONCEPT

The important aspects of marketing concept are:

- **Creation of demand:** Marketing tries to create demand through various means. The producers first ascertain what the customers want and then produce goods according to the needs of the customers. There is a systematic effort to sell goods and services according to the needs of the customers.

- **Customer Orientation:** Marketing involves undertaking a range of business activities directed at the creation of customer satisfying products and services.
- **Integrated Marketing:** The customer orientation alone is not enough on the part of management. To be effective must be backed by an appropriate set up within the country. The responsibility of marketing department is to ensure coordination of the various departments of the company i.e., finance, purchase, research and development.
- **Profitable sales volume through customer satisfaction:** Marketing tries to realize long-term goals of profitability, growth and stability through satisfying customers' wants. All the basic activities of a company are planned to meet the wants of customers and still making reasonable profits. Modern marketing thus begins with the customer and ends with the customer.

CHECK YOUR PROGRESS -1

1) "Marketing and Sales are related concepts". Discuss.

2) Today, most leading companies are developing customer-oriented approach towards marketing. List and describe the ways marketers use marketing concept to satisfy customers.

11.3 MARKETING MIX

Marketing concepts had been originally developed in the context of tangible consumer goods. Marketing mix refers to the ingredients or the tools, which the marketer mixes in order to interact with a particular market. Kotler defines marketing mix as "set of marketing tools that the firm uses to pursue its marketing objectives in the target market". Each of the elements in the marketing mix is important and has an influence on the customer.

11.3.1 4 P'S OF MARKETING MIX

McCarthy has classified the main elements of a marketing programme in terms of **4 Ps- Product, Price, Promotion and Place**.

Product includes design, features, quality, range, size, models, appearance, packaging, and warranties. It also includes pre-sales and post-sale services like training for use, repairs, maintenance or replacements.

Price includes concessions on basic price, discounts, rebates, credits, installation facilities and delivery terms.

Promotion includes advertising, publicity media choices, messages, and frequency of exposure, campaigns, sales promotion, point-of-purchase, displays and merchandising.

Place or channels of distribution includes retail outlets, wholesalers, transportation, warehousing, inventory levels, order processing procedures, etc.

Consumers generally form their perceptions of products and services based on prices. Pricing products and services is a complex process. It is based on the uniqueness of product attributes and the perceived value, which the consumer is willing to pay. Pricing strategies are planned according to consumers' cultural norms and the political, legal and social environment of the place where the tourist product is located.

Example of Price: Indian Airlines has offered Super Saver tickets in January 2006, a multicoupon ticket is being offered with each coupon valid for travel between any two domestic destinations connected by a direct flight. The offer gives two options, one is about four-ticket option priced at Rs. 20000 in Economy class and the other is Rs. 28000 in Executive class. This is an example of good Bargain. There is also the option of buying additional ticket(s) at incredibly low prices. Such convenience of booking provides the comforts of flying with wide choice of travel.

Distribution systems or channels serve as the intermediary between consumers and suppliers and are an essential part of the travel and hospitality marketing strategy. Many companies such as hotels or airlines use their central reservation systems to facilitate sales directly to customers.

Example of Channels of Distribution: It is estimated that in the year 2004, out of a total 730 million Internet users, only 35.8 percent use English language websites. Therefore, local language should be part of the distribution strategy and many hospitality companies also provide localized websites with several languages.

Let us understand how a marketer uses the tools of marketing mix by taking the example of a product like 'Tanishq' watches by Titan Industries. The watch is packed in plastic box, has a design, features, quality and company ensures warranty. It has list price but at times the dealer permits discount or rebate. The company distributes the watch through exclusive retail outlets. The company promotes it by using advertising and sales force. All the activities of Titan are the ingredients that have gone into the making of 'Tanishq' for the purpose of creating exchanges with the potential customers.

The successful marketers exhibit proficiency in mixing these ingredients. Thus, marketing mix is the main building block of marketing efforts of the firm.

11.4 TARGET MARKET

The term 'market' refers to the collective of existing and prospective customers for the product.

People who need to stay outside their usual residence use a hotel. A person may not have such a need but if such a need arises later, he is a prospective customer. The marketing effort is aimed at such prospective customers who would choose to buy the marketer's hotel services. However, all persons who need to stay outside are not prospective customers for the 5-star hotels. They may stay at budget hotels. Hence, the market for the five star hotels is only part of the total market of total hotel users. Such parts are called segments of the market.

The customers of the hotel are those who come to stay as well as users of other facilities. They are different groups and each group constitutes different segments since the needs and expectations of each one of these groups are different. For example, segmentation is possible on the basis of usage of swimming pool. The segments using the pools for training are different from regular guests in terms of age, behavior, attention required, hours spent in the pool or cleanliness demanded and so on.

11.4.1 MARKET SEGMENTATION

Market segmentation is the process of identifying groups of buyers of the total market with different desires. Most markets are too large for an organization to provide all the products and services needed by all buyers in that market. This leads organizations selecting target markets necessitating market segmentation.

Market segmentation has certain obvious advantages in that the organization is:

- Better placed to spot and compare marketing opportunities,
- Cater to the specific needs of the buyers,
- Develop marketing programmes for specific market segments.

In tourism, market segmentation is very important. The strategy of market segmentation in tourism is to divide the present and the potential market on the basis of some characteristic and then concentrate marketing efforts like pricing, supply and promotion efforts to the target markets.

11.4.2 BASES FOR MARKET SEGMENTATION

Segmentation is usually done on the basis of one or more of the following characteristics:

- **Geographic-** region, district, density of population, climate, urban-rural.
- **Demographic-** family size, religion, gender, income, occupation, language, education.
- **Psychographics-** value system, lifestyles, and personality types.
- **Buying behavior-** volumes of purchase, delivery requirements,

Usually the tourist market is segmented in terms of demographic, geographic, psychographic, social and economic criteria. For example the market for a particular area might be the businessmen in the age group of 40-60 years who have an income of over \$100,000 per year and who live in southern parts of Germany. The tourist market may be segmented on the basis of:

- Place or origin of tourists.
- Destinations.
- Purpose of tour like holidays, pilgrimage, sightseeing, shopping, etc.
- Economic status and spending tendencies.
- Preferences of staying, like camping, luxury hotels, caravans, etc.
- Preferences of travel, like air, sea, road, or rail.

Each segment of the market differs in terms of needs and expectations. No one organization can cater to the needs of all segments. Each organization has to decide on the particular segment or segments it would cater to. The segment so identified is called the target segment.

Having identified the market, all activities will have to be planned keeping this target market in mind. The services being offered, the messages in communication, the media used for communication, the pricing policies, the arrangements have to be consistent with the preferences and behavior patterns of the target market. For example, if the hotel is targeting on the domestic tourists at religious places, then providing foreign food or advertising in business magazines would be the waste of resources. Instead, provide vegetarian thali food and advertise in religious magazines and on channels like Aastha and Sanskar.

CHECK YOUR PROGRESS-2

1) Match the following:

i)	Price	Advertising
ii)	Channel of distribution	Internet Advertising
iii)	Marketing	Yoga and Ayurveda
iv)	Product	Coupon and Concessions
v)	Promotion	Internet

2) Visit a tourist operator in your city and enquire about their

- a) Pricing strategy to attract visitors,
- b) Facilities, accommodation provision,

c) Sight- seeing programmes.

Evaluate how their pricing package changes according to additional facilities being provided to tourists.

11.5 TOURISM MARKETING

It is a well known fact that as long as the inherent sense of curiosity and adventure dwells in the hearts of human beings, the desire to travel in order to see new sights and experience new things, to live under different environments will always grows. The marketing in tourism industry has evolved as part of the process initiated by the desire for travel in people. Without exception, all human beings will always nurture a desire to travel in order to see places. The question arises that if the desire is ever present in people to travel and experience new things, why then would the tourism industry need marketing efforts at all?

The marketing problems in tourism is quite different from marketing problems in other industries, and this justifies making marketing in tourism, a subject for separate and specialized enquiry. The concepts and principles, the techniques and methods of marketing can be equally applied to tourism. The concept of tourism marketing can be better understood by identifying and considering the differences between markets for physical, tangible goods on the one hand and the market for tourism on the other.

Tourism marketing could be defined as the systematic and coordinated efforts exerted by tourist enterprises at international, national and local levels to optimize the satisfaction of tourists, groups and individuals, in view of a sustained tourism growth. According to Krippendorf, *“Marketing in tourism is to be understood as the systematic and coordinated execution of business policy by tourist undertakings, whether private or state owned, at local, regional, national or international levels to achieve the optimal satisfaction of the needs of identifiable consumer groups, and in doing so to achieve an appropriate return.”*

Tourism is a very complex industry because of its multifaceted activities, which together produce the tourist products otherwise considered as independent industry (lodging industry, transport industry, etc.). Besides, its complexity lies mostly in the fact that tourists are located in different places, have different socio-economic structures, different needs, tastes, attitudes, expectations, and behavior patterns. The marketing concept helps the tourist organization to establish a consistent and effective communication system with actual and potential tourists in the selected markets. It also helps them to know their customers’ wishes, needs, motivations, likes and dislikes.

11.5.1 SPECIAL FEATURES OF TOURISM MARKETING

From ancient times when travel was a prerogative of a select few who travelled in search of adventure to the present day jet travel, there have been many changes. Travel in ancient times was a simple affair. The type of facilities that were required by the people to travel was provided by a handful of suppliers of such services. In the present scenario of travel expansion, markets necessitated the application of marketing techniques. Marketing of tourist products has certain peculiarities.

The difference arises due to peculiar nature of tourist products:

(i) **Tourism is an intangible, non-material product.** Unlike a tangible product, no transfer of ownership of goods is involved in tourism. Instead certain facilities are made available for a specified time and for a specified use like a seat in an aeroplane or room in a hotel.

(ii) **Production and consumption of tourist services are closely interrelated.** The travel agent who sells his product cannot store it since there is a close link between production and consumption of tourist services. Production can only take place or can only be completed if the customer is actually present.

(iii) **A tourist product is assembled by many producers.** The tourist product cannot be provided by a single enterprise. In tourism, airline provides 'seat' to travel, hotels provide 'accommodation', a travel agent 'bookings' while a museum provides 'place of experience'. So, the tourist product is an amalgamation of many components, which together make a complete product.

(iv) **Tourism demand is highly unstable.** Tourism demand is influenced by seasonal, economic, political and other such factors. For example, political unrest affects inflow of tourist to a particular destination.

(v) **Intermediaries play a dominant role.** In tourism, sales intermediaries like tour operators, travel agents, reservation services and hotel brokers play a dominant role. They determine to a large extent which services will be sold and to whom.

(vi) **Travel motivations are diverse in nature.** The reasons, expectations, and desires, which influence tourists' choice for certain holiday destinations, types of accommodation and vacation activities are varied. Very often people make exactly the same choice for entirely different reasons.

To a considerable extent, tourism marketing depends on various market factors mentioned above. Therefore, marketing of tourism as compared to other industries needs a somewhat different approach.

The general principles of marketing, which has proved quite effective in the marketing of products of other industries, could be applicable to marketing of tourist products.

11.6 PRODUCT IN TOURISM

The needs of the tourist relate to comfort and pleasure in travel, stay, food arrangements and visiting spots of interest and attraction. Hence, the tourist expectations are:

- To be looked after and cared for,
- Be able to visit places of interest, spend adequate time at such places,
- Facility of transportation available,
- Not to be hurried or hustled against the preferred place,
- Getting suitable food to one's tastes and health,
- Able to experience the new places –their life-styles, food, culture, heritage, etc. as per one's own choice, and
- Facing no risk to one's person or belongings, etc.

The three basic components of a tourist product are:

- **Attractions,**
- **Facilities, and**
- **Accessibility.**

Attractions constitute an important feature of the product. Attractions are those elements in the tourist product, which determine the choice of the particular tourist product, to visit one particular destination rather than another. These are things to see and enjoy like cultural sites, historical buildings, beaches, mountains, national parks, or events like trade fairs, exhibitions, music festivals, etc.

Facilities are those elements in the tourist product, which are a necessary aid to the tourist centre. The facilities complement the attractions. These include accommodation, food, communications, guides and so on.

Accessibility is a means by which a tourist can reach the areas where attractions are located. Tourists' attractions are of little importance if their locations are inaccessible by the normal means of transport. It also relates to the formalities in reaching the places like visas, customs, bookings etc.

In Tourism, the products are varied. A travel agent may arrange for itineraries and airline bookings and may also help in getting passport, visas, foreign exchange clearances, embarkation facilities at airport and so on. Similarly attractions are added to a destination. For example, 18 rooms of Buckingham Palace have been opened to visitors, which are a major tourist attraction to visitors. Apart from the Throne Room, Drawing Room and the Picture

Gallery, the Souvenir shop selling white china mugs with Buckingham Palace written on it or Crystal Balls with details from the State Dining Room is also a part of the attraction.

A product in tourism is the place of destination and what one may experience while proceeding to and staying at that destination. For example,

- Sentosa islands of Singapore, is packaged as a place where there are no shops, no skyscrapers, no offices- a place of quiet and tranquility, to relax and be with nature, so different from Singapore. Travelling by cable car to the island is also a part of the package.
- Places in Rajasthan like Jaisalmer are being offered as tourism products to experience the life-style of Maharajas, living in real palaces with kingly comforts, travelling on ‘ Palace on Wheels’, the luxuriously fitted railway train, going hunting (with cameras) on elephant back and so on. The product is not merely the city of Jaisalmer and what it may offer as historical and cultural importance. The product is the total experience of travel and other attractions, all related to the royalty of Jaisalmer.

The tourism product may be developed with emphasis on art, architecture, culture, religion, history, sports, leisure, temples, life-styles, etc.

- Himalayas are a product not only for sports and adventure tourism, but also for nature lovers and spirituality.
- Varanasi is a product based on religion, the Ganges capturing the essence of Oldest Hindu heritage.
- The accommodation provided, is as much a part of the safari in the African forests as the prospect of seeing wild-life. Many prefer and pay more to live in the open country ‘with nature’ instead of in five-star comfort.

11.6.1 CHARACTERISTICS OF TOURISM PRODUCTS

A product is something that a producer makes and offers to consumers to provide satisfaction of needs. Like all products, tourism also needs marketing and it is different from marketing of manufactured goods since tourism product has different characteristics.

Intangible

Manufactured goods are tangible in the sense that they have physical dimensions and attributes and can be seen, felt, or tasted. The tourism product is an intangible product. Take for example, an aviation industry. One can see the airplane, the facilities provided within, etc. But none of these would determine the nature and quality of services imparted by the airline. One cannot see, feel, smell, touch or measure a service performed. It can only be experienced from the effects produced during the journey.

Inseparability

A physical product is produced in the factory, bought in the shop and consumed in the customer's premises at his convenience. But when the customer buys a service like travelling in an airline, the production and consumption of the services takes place at the same time. The experience of the tourist product exists when it is produced as well as consumed. The service in the airline is the promptness of delivery of baggage or courtesy of the airhostess or safety of travel.

Perishability

A manufacturer of a physical product can anticipate the demand in advance and store the goods in warehouse and deliver them to the customers at the time of need. But the supply of the tourism product cannot be stored because tourism products are highly perishable. A seat in the plane or a room in the hotel not used today is a total waste. If an advertisement placed in the media channel is not seen or read, it is a waste. If the supply is not used, it perishes. So, the seats in an aircraft, the rooms in the hotels, the space in the ship, the services of a tourist guide, the time of the travel agency, etc. all perish if not utilized when available. What is not sold cannot be carried forward like stocks to be sold the next day or at any other time.

Ownership

No ownership passes from seller to buyer in a service. The buyer only acquires the right to certain benefits of what the seller offers. One may have the right to use a hotel room or a railway berth for a period of time, but the ownership of the room or berth remains with the hotel or the railways.

CHECK YOUR PROGRESS- 3

1) Mention in what aspects tourist products are different from manufactured goods.

2) Give short answers

a) Can the services of restaurant of a 5-star hotel be over to the beach?

b) The ownership of the plane seat in the Jet airways remains with the customer after the departure of the flight. Comment.

-
- 3) In your area, visit
- i) Tourist monument,
 - ii) Museum,
 - iii) Religious place,
 - iv) Hotel and
 - v) Airline office.

Discuss how the characteristics of tourist products discussed above can be applied to these places you visited.

11.7 MARKETING MIX IN TOURISM

MARKETING

Tourist marketing mix is largely a complex group of factors to achieve the 'end products', which helps the marketing manager to understand the demand in relation to supply and marketing investments. A balanced mix is necessary to reach this targeted result. The tourist marketing mix can include the following elements:

The Product

- The characteristics of the product
- Size and facilities offered
- Staff members and their attitudes
- Image, reputation, positioning

The Price

- Normal
- Promotional
- Discounted
- Corporate
- Wholesaler rates
- Seasonal

The Promotion

- Advertising (electronic, press)
- Sales promotion
- Public relations
- Direct mail

The Distribution

- Channels of distribution
- Reservation systems

- Intermediaries (travel agents, tour operators)
- Airlines
- Clubs/ Associations

‘Marketing mix’ has both short-term as well as long-term aspects. Long-term plans are based on study of natural, economic, social and technological aspects of the markets and customers. The short-term aspects relate to price reduction, aggressive promotion, or introduction of a new product in the market.

An Example: New York is one of the largest states and the commercial hub of U.S.A. The city’s major tourist attraction is the Broadway Theatre, mountains and lakes, and the famous Niagara Falls. In the late seventies, the city of New York acquired a very bad image when tourists were scared of being mugged, molested, or burgled. Even if there were only two incidents on an average in a day in a city of twelve million people, it would be prominently featured in newspapers. Due to this, the number of visitors to New York decreased, tax revenue declined, and hotel business was badly affected. The authorities of New York decided to change the image of the city and created a new division of marketing and advertising to create a new image to attract visitors by conducting research to know why tourist would like to visit New York. The research revealed that most Americans visited New York State for (a) Broadway Theatre for musicals, and (b) its open country, mountains and lakes. The State of New York took a number of steps:

- People were encouraged to call up and seek information about New York on a toll-free telephone number and 95,000 calls were obtained in the first five weeks.
- A variety of publicity material was created to give information about New York.
- A major television campaign was launched highlighting the two attractions, leading Broadway actors sang a theme song on: *I Love New York* on the commercials.
- Airlines flying out of New York also created their own TV commercial and started its advertising campaign.

The campaign was an instant success. Within a year, it was discovered that average hotel occupancy increased by eighty percent, tax revenues increased, new jobs were created and people started wearing *I Love New York* shirts. The change of New York’s image is an example of tourism marketing creating a new product in the minds of people, which consumers could relate to. The marketers created the product by fulfilling the needs of the customers.

The ‘marketing mix helps in the integrated approach to marketing. It helps the marketing manager, whether an individual of the firm or an official tourist organization, to stimulate the demand and to understand where the marketing action can be initiated.

11.8 TOURISM MARKETING STRATEGY

One of the basic considerations for successful marketing strategy is the need for research. It provides the information base for effective marketing. It relates to providing answers to various questions pertaining to the marketing activities.

Market research can be defined as the “*systematic collection of information relating to supply and demand for the product in such a way that the information may be used to make decisions about its policies and objectives*”. In order to formulate any marketing strategy, it is essential for a tourist organization and others engaged in marketing of tourist products to know the answer of following questions:

- a) Who are the persons engaged in tourism and where do they live?
- b) Who are the potential customers and where do they come from?
- c) What are their likes and dislikes?
- d) What are their travel preferences and interests?
- e) What do they buy and where do they stay?
- f) What mode of transport do they use?
- g) What are their entertainment preferences?
- h) What are the trends in competition?
- i) What type of marketing programmes would be needed?

Market research provides answers to all the above questions. To make the overall marketing efforts effective and successful, as in the case of manufactured products, the tourist organization has to be totally aware of the trends in travel habits, vacation habits and complete knowledge about potential customers. It is very important to have detailed information on all aspects of a market. Results of such research will work as a guideline for designing and launching a successful marketing programme.

A lot of data can be collected through publications, commercial analysis, trade information, press cuttings, previous studies etc. Other ways to obtain data are:

- Tourism Departments,
- Discussion with tourists (customers),
- Observation of customers at premises,
- Observations and discussions with visitors in exhibitions and trade shows,
- Attitudes, image perceptions and awareness studies,
- Advertisement and other media response studies,
- Studies of usage pattern.

11.9 SUMMARY

Today's successful companies-whether small or large, share a goal of customer satisfaction and are committed to marketing. The marketing

comprises many activities- product development, pricing, personal selling, effective channels of distribution, all aimed to achieve profits through customer satisfaction.

To be successful in tourism, all the players will have to be strongly market focused. They need to identify market segments since buyers are numerous, widely scattered and different in their needs and preferences. The tourist product is highly perishable since the supply of services cannot be stored for future use; therefore marketing in tourism is different from marketing of manufactured goods. The tourist product is developed and other tools of marketing mix are designed to formulate prices, advertising and distribution channels to reach the target market efficiently. Market research helps to design and formulate such a strategy.

11.10 KEY WORDS

The various key words that arise in this chapter are:

Marketing concept

Marketing mix

Market Research

Market Segmentation

Marketing strategy

Tourism Marketing

11.11 GLOSSARY

Attitude: A person's consistently favourable or unfavorable evaluations, feelings, and tendencies toward an object or idea.

Customer satisfaction: The extent to which a product's perceived performance matches a buyer's expectations.

Discount: A straight reduction in price on purchases during a stated period of time.

Product Positioning: The way the product is defined by consumers' on important attributes- the place the product occupies in consumers' minds relative to competing products.

Service: Any activity or benefit that one party can offer to another that is essentially intangible and does not result in ownership of anything.

11.12 Sources and Further Readings

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LESSON- 12

TOURISM PROMOTION

Seema Gupta

STRUCTURE

- 12.0 Introduction
- 12.1 Objectives
- 12.2 Promotion
 - 12.2.1 Promotional Objectives
- 12.3 Integrating Communication Process with Promotion Programme
- 12.4 The Promotion Mix
- 12.5 Advertising
 - 12.5.1 Some Examples of Tourism Advertisements
 - 12.5.2 Certain common terms used in Advertising
- 12.6 Development of an Advertising Programme
 - 12.6.1 Some Advertising Techniques in Tourism Marketing
- 12.7 Sales Promotion
 - 12.7.1 Objectives of Tourism Sales Promotion
 - 12.7.2 Techniques of Tourism Sales Promotion
- 12.8 Personal Selling
- 12.9 Public Relations
 - 12.9.1 Public Relations Tools
- 12.10 Summary
- 12.11 Key Words
- 12.12 Glossary
- 12.13 Sources and Further Readings
- 12.14 Answers to Check Your Progress

12.0 INTRODUCTION

The development of a good product, pricing it to attract customers and making it available to target customers by companies need to be integrated with proper communication with current and prospective customers. Modern marketing managers need to effectively develop promotional techniques as a proper medium to disseminate information about their products. The companies have woken up to realize the importance of the various communication channels as important promotional tools.

A company's total marketing mix – also called its promotion mix- consists of the blend of advertising, personal selling, sales promotion and public relations. These are the various tools that the company uses to pursue its marketing objectives. Before each is described in detail it is important to understand a number of general features about the promotional process.

12.1 OBJECTIVES

After studying this chapter you should be able to:

- Know the concept of promotion and promotional objectives.
- Understand the role of marketing communication in the promotion of tourism.
- Be able to identify the tools of the promotion mix.
- Understand the role of advertising, sales promotion, personal selling and public relations in promoting tourism marketing.

12.2 PROMOTION

Promotion means activities that communicate the merits of the product and persuade target customers to buy it. Ford spends about \$2.3 billion each year on advertising to tell consumers about the company and its many products. The franchised dealers and salespeople assist potential buyers to buy a Ford car. Ford and its dealers offer promotions- sales, cash rebates and low financing rates as purchase incentives.

The promotion activities of marketing are concerned with communication with the customers that the product is available at the right price and at the right place. The promotional communication aims at informing and persuading the actual and potential customers into actual purchase of the product. An effective marketing programme moulds all the marketing mix elements – product, price, place and promotion to achieve the marketing objectives.

12.2.1 PROMOTIONAL OBJECTIVES

Effective promotion starts from an analysis and formulation of clear-cut objectives. These include:

- Identification of the target audience to be reached;
- Identification of the purpose of the communication;
- Formulation of message to achieve the goal;
- Choice of media for delivering the message to the target audience;
- Allocation of the budget to achieve the desired purpose;
- Evaluation in terms of sales and feedback obtained from the customers.

The more carefully objectives are set the better promotion works. Promotional planning can be done with a view:

- To create new ideas and attitudes: The purpose could be to create awareness of completely new tourism products such as Spa and Spirituality in Himalayas.
- To change the image: The purpose could be to change the unfavorable image of an existing tourism product in the minds of customers. For

example New York, in late seventies changed the image of the city to promote tourism.

- To reinforce the image: Larger firms try to reinforce the attitude of customers to retain their existing market like visit to Disneyland and destinations like Goa, Uttaranchal and Singapore.

12.3 INTEGRATING COMMUNICATION PROCESS WITH PROMOTION PROGRAMMES

Every consumer goes through various stages of the decision- making process to arrive at a satisfactory decision. The process of decision-making is a sequence of various steps:

- Need recognition
- Information search
- Evaluation of various alternatives
- Choice of product/ services
- Post-purchase evaluation

The marketing communicator needs to effectively design the promotion programme in order to help the consumer in making a proper decision. The good communication strategy should address target consumers needs and wants and help them to choose a particular tourism product.

Steps in Developing Effective Market for Tourism Product

The marketer needs to address various issues while designing the programme to effectively market the tourism product.

1. Identifying the Target Market:

A tourist organization needs to know their target market consisting of actual and potential customers. The target audience will determine the promotional campaign on *what* to say, *how* to say, *when* to say, *where* to say and *who* will say.

2. Determining the Promotional Objective:

Once the target market has been identified, the marketer must decide about the purpose of promotional activity.

- Awareness: The target market may be totally unaware of the product. The communicator needs to make them aware and knowledgeable about the tourism product.

- Preference: If consumers know the product, they need to be made to feel favourably about the product and then moved to the stage of being convinced about preferring such a product to other products.
- Purchase: Some members of the target market might be convinced about the product, they need to be taken to the action stage of making an actual purchase of the product. Offering special promotional prices or rebates can persuade them.

3. Designing a Message:

It is an important step after deciding upon the promotional objective. The communicator needs to develop an effective message to decide what to say and how to say it. “Incredible India” campaign on television is aimed at capturing the attention of viewers about various tourist places all over the India.

4. Choosing the Media:

The communicator must select between personal and non-personal channels of communication.

- Personal communication channels include face-to-face interaction, telephone or mail and are effective channels of influencing the customers of target market.
- Non-personal communication channels include media such as newspapers, magazines, radio, television, billboards, posters and websites. They are a major source to influence, create and reinforce the image of a product among consumers.

5. Feedback:

After deciding and sending the message, the marketing communicator needs to obtain feedback on its promotional efforts. They need to know about target consumers’ attitudes toward the product and company. Such feedback facilitates changes in the promotion programme or in the product itself. For example, most of the Airlines and 5-star hotels ask consumers about their experience after the flight or stay in the hotel.

CHECK YOUR PROGRESS- 1

1) What is Promotion and what does it aim at?

2) How is an effective market created for a tourism product with the help of promotional tools?

12.4 THE PROMOTIONAL MIX

After knowing about the main objectives of promotion, let us understand the four main elements of the promotional mix.

A company's **total marketing communication mix**- also called its **promotion mix**- consists of the specific blend of advertising, sales promotion, public relations, and personal selling that the company uses to pursue its advertising and marketing objectives.

The four major promotional tools of promotion are as follows:

1. **Advertising:** Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.
2. **Sales Promotion:** Short term incentives to encourage the purchase or sale of a product or service.
3. **Public Relations:** Building a good reputation of the company with the public by obtaining favorable publicity, good corporate image, and handling unfavorable events if any.
4. **Personal Selling:** The sales force of the company makes personal presentations to make sales.

Each promotional mix has its own specific tools. For example, advertising includes print and broadcast media. Sales promotion includes discounts, point-of purchase displays, premiums, and distributing coupons. Public relations include press releases and special events. Personal selling includes sales presentation and trade shows.

In this chapter we will examine each category of promotional mix and discuss its concept in detail.

12.5 ADVERTISING

Advertising has been defined as any non-personal presentation by an identified sponsor for the promotion of ideas, goods, or services in exchange for value. While in designing the advertising program, the target audience and message requirements should be analyzed carefully.

Advertising in tourism has many uses. They include:

- Creating awareness (e.g., Euro Disney launch in 1993);
- Advertising a special offer (e.g., a special weekend price for all hotels of Taj Group);

- Providing information on seasonal deals (e.g., Goa hotels deals in the rainy season);
- Informing about special services (e.g., new timing of an airline during summer holiday rush);
- Direct selling (tour operator selling cruises through corporate bookings);
- Soliciting consumer information (e.g. questionnaire on a new hotel to be launched to know consumer profile);
- Overcoming negative attitudes (e.g. adverts to assure people after flu scare at a destination)
- Reaching a new target audience (e.g. advertisement promoting mountaineering among school children during summer holidays);
- Providing a new use (promoting health tourism in Kerala).

12.5.1 SOME EXAMPLES OF TOURISM ADVERTISEMENTS

Britain: In 1970, British Airways created advertisement that attracted lot of tourists from USA to Great Britain.

*London Bridge is in Arizona,
Queen Mary is in California,
Come to Britain
While it lasts!*

Singapore: The tropical greenery of Singapore has been described as:

*While most countries have a Park in the City
Singapore has a City in the Park.*

Thailand: Tourism Authority of Thailand – TAT has jointly advertised with their only national airlines – Thai International Airways, hotels and other organizations to promote tourism in Thailand.

*Visit the world's Most Exotic Country
Flying the world's Most Exotic Airline.*
(Tourism Authority of Thailand with Thai International).

Discover Asia's Most Exotic Country with a Touch of Hyatt.
(TAT with Hyatt Hotels).

*Where on Earth
Will you find a herd of Elephants?
In a Rose Garden.*
(TAT with Rose Garden Resort Hotel).

India: The Department of Tourism, Government of India also advertised in foreign markets to attract tourists.

India
It is not just another country
It is another world.

12.5.2 CERTAIN COMMON TERMS USED IN ADVERTISING

A number of technical concepts are needed to be understood in media planning. While selecting media channel as a tool of promotion, the advertising planner has to decide on

1. **Media Class:** The basic medium to be used, e.g. T.V, radio or press.
2. **Media Vehicle:** The individual medium within each selected class e.g. Aastha channel or Discovery channel within T.V.
3. **Media Unit:** The specific time or space to be utilized within a vehicle e.g. a 30 second commercial or half space advertisement.
4. **Frequency:** An estimate of how many times the advertising campaign is exposed to target audience over a period of time.
5. **Reach:** The total percentage of people in the target market who are exposed to the ad campaign during a given period of time.
6. **Impact:** The advertiser must decide on the desired media impact of a message through a given medium. For example, the visual impact of “Incredible India” campaign has more impact on audience if advertised on T.V as compared to print media.
7. **Circulation and Readership:** These two concepts are often confused. Circulation is the number of copies of a print medium sold. Readership is the number of the people who actually read it. Readership of the newspaper is often 2-3 times higher than its circulation.

12.6 DEVELOPMENT OF ADVERTISING PROGRAMMES

Marketing management must make four important decisions when developing an advertising program:

1. Setting advertising objectives
2. Setting the advertising budget
3. Selecting advertising Media
4. Evaluating Advertising Campaigns

1. Setting Advertising Objectives

The advertising objectives should be set with a view to define the job and task to be accomplished with target audience during a specific period of time. Advertising objectives can be done with the purpose to *inform, persuade, or remind*.

Informative Advertising is used when

- Introducing a new product category,
- Suggesting new uses for a product,
- Informing the market of a price change,
- Describing available services, and
- Building a company image.

Persuasive Advertising is done to influence the customer to actual purchase of the product and is done while

- Building brand preference,
- Persuading consumer to purchase now,
- Changing consumer's perception about product, and
- Encouraging consumer to switch to your brand.

Reminder Advertising results in consumer recalling the product again and again and is done while

- Reminding consumer where to buy it,
- Reminding consumer during off-season, and
- Reminding consumer that the product may be needed in future.

2. Setting the Advertising Budget

In general, marketing of products can be done with a variety of media options available but certain particular features exist with relation to advertising of travel and tourism in media:

- Tourism has a large and highly fragmented advertising market, consisting of few big enterprises with huge advertising budgets and a large number of small firms with less to spend on advertising.
- Print is the dominant medium in travel and tourism advertising. The higher cost of advertising on TV has made press a more economical medium to reach the target audience.
- Much of the expenditure on travel and tourism is done on brochures, destination guides, and point-of-sales displays. Tourist Boards, tour operators, and tourist information centers provide large amounts of information through printed material to prospective customers.

These specific factors should be kept in mind while setting the advertising budget for a tourism product.

3. Selecting Advertising Media

The media planner has to essentially choose the most economical combination of media channels to reach desired target audience. There are various factors to be considered while appraising the media options.

Some of the main factors in media selection are:

- Readership or audience size;
- Geographical reach;
- Repetition and frequency of advertisement;
- Segment target market size;
- Unit cost and cost per thousand (cost of reaching thousand people through a particular medium);
- Seasonal/ period discounts available;
- Availability of medium (prime poster sites have to be booked in advance);
- Reproduction quality (glossy magazines provide better visuals than newspaper).

4. Evaluating Advertising

The evaluation of advertising programmes is done to measure the

- Communication effect, and
- Sales effect.

The communication effect is measured to know whether the advertisement has resulted in consumer product awareness, knowledge and preference. It can be done by placing the ad before the consumers and asking them specific question how they like it and whether it has changed their attitude.

Sales effect is measured by knowing what sales are caused by an ad by comparing sales with advertising expenditure. However, the sales effect of advertising is more difficult to measure than the communication effects.

Although advertisers develop strategies to plan their overall advertising efforts, specific advertising programs must also be developed to meet target customers, local cultures, customs, media availability and legal regulatory requirements.

CHECK YOUR PROGRESS-2

1) In the following statements, indicate which one of the four advertisements (a), (b), (c) or (d) is correct.

- i) Promotion may be of
- a) Country as a whole

- b) Special Attraction
- c) Specific destinations
- d) All of above.

ii) Advertising means

- a) Unpaid form of promotion
- b) Promotion by unidentified sponsor
- c) Paid form of nonpersonal promotion.
- d) Personal form of presentation

iii) In Tourism Marketing, higher cost of advertisements exists in which medium:

- a) Press
- b) Television
- c) Brochures
- d) Logos

iv) Readership in print medium refers to:

- a) Number of copies sold
- b) Number of people who read it
- c) Number of people who are influenced by it
- d) Number of target audience

2) Design an advertising programme for the cultural festival of your college.

12.6.1 SOME ADVERTISING TECHNIQUES IN TOURISM MARKETING

The advertiser creates the message in such a manner that will capture the target market's attention and interest. In tourism marketing some techniques of message presentation have been extensively used by advertisers over the years such as following:

Slice of life:

This technique shows some characters using or discussing the product's uses/benefits. For example, husband and wife recalling their experiences to a particular destination and decide to visit the place again.

Lifestyle:

This style shows how a particular product fits in with a particular lifestyle. For example, Uttarakhand Tourism prints advertisement exhorting adventurous people to come for river rafting in Rishikesh.

Testimony:

The method of selling the product is through the testimony of satisfied customers. A single person, a number of people or a famous celebrity can do it.

Problem solution:

This method starts with a problem, introduces the product and its benefits and shows the problem resolved at the end. For example, a T.V commercial shows an Indian family that wants to go to Europe for a tour and there is a problem of choosing a holiday package that provides Indian vegetarian food during the tour. The advertisement introduces a particular package and its features and finish with a satisfied family.

Demonstration:

This method uses an actual description of the product or its use. For example, an advertisement showing the interiors of a cruise ship for promotion to make an impact on customers.

Documentary:

This TV technique involves using real-life short films of destinations. For example, Discovery channel showing a documentary on Mystic India or Geographic channel showing a documentary on wild life of India.

Fantasy:

This method creates a fantasy around the product or its use. For example, ads showing a honeymoon couple enjoying a particular destination for its blissful peace and privacy.

Musical:

This method shows one or more people singing about the product. For example, Broadway actors sang the song 'I Love New York' to encourage tourists to visit New York.

The tourist organizations often use a combination of the above-mentioned techniques while promoting tourist product.

ACTIVITY

1. Design an advertisement to attract domestic tourists inviting them to your state with a focus on any two tourist products:

- a) Famous Dance form of your state
- b) Famous Festival celebration
- c) Cultural Heritage
- d) Wild-Life
- e) Fairs and Shopping

2. Collect any two print advertisements of the following tourist products and destinations and compare them on the basis of information given, text, color and visual outlay.

- a) Airlines
- b) South India
- c) International Hotels
- d) Domestic 5-Star Hotels
- e) Uttaranchal Tourism

Determine the selling point of these various products on the basis of print advertisements.

3. Visit few websites like www.ruralindiaorg.com and enlighten yourself with the photo gallery.

12.7 SALES PROMOTION

Sales promotion can be defined as: Those marketing activities other than personal selling and advertising and publicity that stimulate purchases such as exhibitions, shows, and demonstrations. In a way they refer to short –term incentives offered to the consumer to induce a booking, reservation or sale.

12.7.1 OBJECTIVES OF SALES PROMOTION

The sales Promotion in tourism is done with the following objectives:

Creating awareness:

Sometimes companies devise special promotions like two or more companies join or tie up together to build awareness. For example, an Airline and hotel group tie-up to promote a particular destination.

Encouraging early bookings:

Tour operators often offer discounts at the start of the season to generate immediate bookings. For example, Deccan Airways providing airline tickets at auction to Pune, Bombay or Goa if booked in advance.

Increase trial:

The tourists are encouraged to try the product by giving incentives like free stays or trial coupons at much discounted prices.

Enhanced repeat buy:

Some promotions are done to encourage repeat stays or visits. For example, Indian Airline offers of multi-coupon discounts to frequent flyers.

Combating competition:

Tour operators or hotels may cut down their prices to combat any price cut by competitors or may be done to block competitors' moves in advance.

Promote use of tourist product during off- season:

When demand is low for hotel rooms, during low season, special season offers are used to attract customers. For example, Goa hotels offer special discounts during the rainy season; Jaipur and Agra hotels offer discounts during the summer season.

Motivating sales force:

The travel agencies give commission to travel agents for selling a certain number of tickets. The agents are also provided coupons, free offers, sales aids and training materials.

12.7.2 Techniques of Tourism Sales Promotion

Some of the sales promotion activities used in travel and tourism are as follows:

Rebates: The tourist product is made available at special price less than original price for a limited period of time.

Discounts: Certain percentage of price is deducted as discount from the original price to induce them to buy or buy more. For example, hotel stay for two children at discounted price for a particular package.

Refunds: The seller offers to refund a part of the price paid by the customer on previous purchase of the product.

Contests: These are another form of promotion. In these consumers are required to participate in some competitive event involving application of skills and winners are given some reward.

Quantity deals: The tourist operator provides special package in which buyer is offered additional product at lower or no price. For example, a tourist operator coming out with the offer in family package 'two children for the price of one'.

Some other techniques of sales promotion are:

- Vouchers,
- Competitions,
- Prizes,
- Gifts and premium,
- Additional night stay,
- Slide shows,
- Point of purchase displays, and
- Posters.

Sales promotion: the Virgin Freeway Membership Card:

In March 1990 Virgin Atlantic announced the Virgin Freeway Card to 3 million frequent air travelers to collect points, which could be redeemed against gliding courses, free travel with Virgin and Orient Express. These points were added monthly. Other companies involved in the offer were Thomas Cook Direct, Holiday Inn, Budget Rent-a-car and London City Airport.

Source: The Sunday Times, 25 March 1990.

12.8 PERSONAL SELLING

Selling is one of the oldest professions in the world. Selling is so pervasive that everyone lives by selling something. In personal selling, an individual performs the task of selling in person by having face-to-face interaction with the prospective buyer.

In tourism, services provided by the people affects

- The sale of the product, and
- Customer satisfaction with the tourist product, which is related to the experience of the customer.

Selling has much wider role in services marketing. Selling involves more than making the purchase, it includes:

- Delivering the product to the customer;
- Manner of dealing the enquiries by the travel agent;
- The courtesy of the waiter in the restaurant;
- The appearance of the receptionist at the front-desk;

- The honesty of the cab driver carrying the tourist from airport to hotel;
- The politeness of air-hostess on the airline;
- The knowledge and presentation of the tourist guide accompanying the tourists from the hotel; and so on.

The essence of personal selling depends upon the careful training of all sales force and personnel who are in direct interaction with the public and tourists.

As an element of the promotion mix, the sales force is very effective in achieving marketing communication objectives. To be successful in personal selling, a company must first build and manage an effective sales force.

12.9 PUBLIC RELATIONS

Public relations are another major promotional tool of building good relations with the public by obtaining favourable publicity, good corporate image and handling unfavourable events.

Public relations is used to promote

- Products such as Spas in Kerala,
- People such as Spirituality Guru or Yoga Guru,
- Ideas such as Ayurveda healing for health,
- Organizations such as Museums,
- Activities such as River rafting and mountaineering, and
- Even nations such as ‘Incredible India’ or ‘Malaysia on sale’.

Trade associations have used public relations to rebuild interest in declining interest of the consumers such as a group of hotels coming together to build a favourable image after the flu scare. Nations have also used Public relations to attract more tourists such as New York campaign ‘I Love New York’ to dispel bad images about the city and boost tourism.

12.9.1 PUBLIC RELATIONS TOOLS

Public relation professionals use a variety of methods and tools to influence the public opinion. These include:

News:

News is considered as one of the most credible sources of information for the public. The public relations department of the company finds or creates favourable news about the company and its product and people. Certain events and activities are undertaken to create news that is favourably placed before the public. For example, news can be implanted as to how a particular airline is buying new airbuses to expand air travel.

Speeches:

Speeches can also create product and company publicity. The corporate professionals should create occasions to arrange talks at trade associations or sales meetings to build the company's image.

Special events:

Events are image-building tools used by organizing news conferences, press tours, grand openings, multimedia presentations, hot air balloon releases and educational programmes to reach and interest the target audience.

Written material:

Public relations people prepare written material to reach out to and influence their target markets. This material includes annual reports, brochures, articles, and company newsletters and magazines.

Audiovisual material:

The films, slide- and-sound programmes, and video and audio cassettes can also be used as communication tools.

Corporate identity material:

Such material is created to form a corporate identity that the company immediately recognizes. Logos, brochures, business cards, uniforms and company cars have become attractive tools to give a distinctive identity to a company.

Public service activities:

The companies improve public goodwill by undertaking some activities and contributing money and time to public service activities. For example, a tourist association may involve itself in the upkeep of a tourist place at a particular destination.

Public relation is becoming the most powerful marketing tool of communication and should be blended smoothly with other promotion activities.

CHECK YOUR PROGRESS- 3

1. In Tourism Marketing, selling has a significant role to play in promoting a tourism product. Explain

2. Indicate which of the following statement is True (T) or False (F).

- a) News is considered as one of the controversial source of information for the public. ()
- b) Publicity of a tourist product can be favorable as well as unfavourable. ()
- c) Annual Reports, Articles and Brochures are different forms of Public Relations tools. ()
- d) Logos help to give distinctive identity to a company. ()

12.10 SUMMARY

Promotion is one of the important elements of the marketing mix. The development of a good product, pricing it attractively and making it available to prospective customers should be communicated to them. A company's total communication mix- also called its promotion mix- consists of advertising, personal selling, sales promotion and public relations that the company uses to pursue its marketing objectives.

Advertising is a paid form of non-personal presentation of ideas, goods and services. Personal selling is personal presentation by a company's sales force for the purpose of making sales. Sales Promotion is short-term incentives to encourage the sale of a product or service. Public relations is an image-building exercise by unpaid publicity. Modern tourist organizations skillfully blend all these promotional tools to communicate their tourist product to the current and prospective customers.

12.11 KEY WORDS

Advertising, Advertising objective, Marketing communications mix, Non-personal Communication Channel, Personal communication Channels, Public Relations, Sales Promotion

12.12 GLOSSARY

Customer satisfaction: The extent to which a product's perceived performance matches a buyer's expectations.

Marketing communications mix: The specific mix of advertising, personal selling, sales promotion, and public relations a company uses to pursue its advertising and marketing objectives.

Non-personal Communication Channels: Media that carry messages without personal contact or feedback, including media, atmosphere, and events.

Personal Communication Channels: Channels through which two or more people communicate directly with each other, including face-to-face, person to audience, over the telephone, or through the mail.

Point-of-Purchase Promotion: Display and demonstration that takes place at the point of purchase or sale.

Selling Concept: The idea that consumers will not buy enough of the organization's products unless the organization undertakes a large-scale selling and promotion effort.

Service: Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Target Market: A set of buyers sharing common needs or characteristics that the company decides to serve.

12.13 SOURCES AND FURTHER READINGS

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Seaton, A.V. and M. M. Bennett, *Marketing Tourism Products- Concepts, Issues, Cases*, International Thomson Press, 2000.

12.14 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 2

Indicate the option

- (1) (d)
- (2) (d)
- (3) (a)
- (4) (b)

Check Your Progress -3

True or False

- (a) True
- (b) False
- (c) True
- (d) True

LESSON – 13

INFORMATION & COMMUNICATION TECHNOLOGIES

Dr. Abha Mathur

STRUCTURE

- 13.0 Introduction
- 13.1 Objectives
- 13.2 Communication Technology: Significance
- 13.3 New Communication Technologies
- 13.4 Information Technology in the Transport Sector
- 13.5 Information Technology in the Accommodation Sector
- 13.6 Information Technology in the Attraction Sector
- 13.7 Information Centers & Communication Technologies
- 13.8 Information Technology & Growth of Tourism world over.
- 13.9 Summary
- 13.10 Self Assessment Questions
- 13.11 Glossary
- 13.12 Keywords
- 13.13 Sources & Further Readings

13.0 INTRODUCTION

“Atithi Devo Bhava” - Lets welcome tourists as guests and send them back as friends.” The new advertisement by the Ministry of Tourism has been seen by all of us. **Using Information Technology**, this message, is being sent out for Tourists, Tour operators, Travel agents, public at large for the following two basic purposes.

- (i) To create a sense of security amongst Tourists.
- (ii) To change the attitude towards Tourists in India.

ICT(s) Information Communication Technologies have been transforming tourism globally. The ICT driven re-engineering has gradually generated a new paradigm-shift completely changing the Industry structure and developing a whole range of opportunities & threats. The new technologies enable the customers to customize, purchase and select the tourism products with pace and ease. In fact the information technologies are undergoing a revolution world over. They are a key determinant for maximizing the gains. However the success of ICT deployment requires constant improvement and innovative management. The customer's decision risk has increased manifold because he has only information to rely on as he neither sees or inspects or tries out tourist services before deciding to use them. He can rely on the Internet, which is the latest product of Information Technology. It is possible once the customer has access to Internet site; he gets various opportunities out of which E-mail (Electronic-mail) is one. The latest one to be used is video-conferencing, which is fast being identified as a powerful means of communication between

the service providers of Tourism & the users of such services. In fact the communication technologies have completely revolutionized the Tourism Industry. Role of Communication Technologies is vital to any business and particularly to the tourism business. They are important for cost savings and improved communications that arise from an internal network. They help in reaching out and connecting with customers, suppliers and collaborators, which, in the case of Tourism Industry are:

- ❖ Tourists and Travellers
- ❖ Tour operators and Travel agents
- ❖ Hotels & all the other types of accommodation
- ❖ Airways, Railways and Roadways

To be precise, following benefits are offered by telecommunication to Tourism as well as other businesses:

- ❖ Enables sharing and dissemination of information of all tourism partners.
- ❖ Promotes new ways of tourism partnership.
- ❖ Helps geographically separate persons to come together.
- ❖ Restructure relationship with partners.

However the communication technologies are also prone to following limitations:

- ❖ High initial set-up cost
- ❖ Practical difficulties
- ❖ Security Risks

In spite of the above mentioned limitations, Information Communication Technologies are being used in a big way by the Tourism Industry. In fact, it will not be wrong to say that no successful Tour operator or Travel Agent can function without using information technologies. It is, therefore, extremely significant to the Tourism Industry. It will be appropriate here to extend the following quote.

“A Journey of a thousand miles must begin with a single step” Lao Tzu.

“No single step by a tourist can be taken without using Information Technologies”.

13.1 OBJECTIVES

So far you have learnt about the concept of marketing and understood that Tourism marketing stands apart from marketing of other products and their advertising techniques and Public relations are also unique. After having this basic knowledge, with respect to tourism marketing, this lesson will deal with the basic concepts of information technologies in tourism marketing. After having gone through this lesson, you should be able to:

- ❖ Understand Tourism with respect to changing communication technologies.

- ❖ Define & explain different information technologies.
- ❖ Realize the benefits of information technologies for the user as well as Tour & Travel agents.
- ❖ Know various sectors of Tourism that require information technologies.
- ❖ Understand the role of Information Technologies in Information Centres.
- ❖ Understand how the use of information technology has led to the growth of Tourism world over.

13.2 COMMUNICATION TECHNOLOGY: SIGNIFICANCE

The communication technology is significant in tourism industry in following ways:

- ❖ Results in enhancement of processing capabilities.
- ❖ Possibility of handling complex details with increase in speed.
- ❖ Enables central control & outsourcing of non-core functions.
- ❖ Allows organizations to use their resources more wisely & profitably.
- ❖ Most devices result in information power storage & profitability.
- ❖ Helps in development of extensive growth between partner organizations & between employees, consumers and organizations.
- ❖ Information technology devices help in linking and sharing data and processes electronically, to build complementary services, expand, reach and enhance collaboration.
- ❖ Creates a sense of security amongst tourists and also provides a friendly environment.
- ❖ Develops new avenues and new tourist spots.
- ❖ Helps in sustaining and promoting the existing ones.

Davis and Meyer (1998) state “Almost instantaneous communication and computation, for example, are shrinking time and focusing us on speed. Connectivity is putting everybody and everything on line in one way or the other and has led to the **“the death of distance”, a shrinking of space.** Intangible value of all kinds, like services and information is growing explosively reducing the importance of tangible mass”.

The above opinion clearly highlights the importance and impact of emerging communication technologies in this highly dynamic industry. The concept of **“Global Village”** would be very appropriate in this scenario because it is growing communication technologies, which have opened doors for tourists and travellers and have made availability of information only with the press of a button, with the help of several new Information Technologies.

CHECK YOUR PROGRESS

- (a) Do you think that a tour operator or travel agent can function without using communication technologies?

(b) In what ways have these technologies helped the Tourism Industry?
State at least three benefits?

(c) Do you think these communication technologies are prone to any
limitations? If yes, state how?

13.3 NEW INFORMATION TECHNOLOGIES

- a) Computer Technology
- b) Satellite Television
- c) Cable Television Technology
- d) Videotex Technology
- e) Teletex Technology
- f) Telefax Technology
- g) Telecopy Technology
- h) Internet and Travel & Tourism
- i) Websites
- j) Sky Track Technology

(a) Computer Technology



Computer is a tool, which is capable of processing a very large amount of data rapidly, or it is any device capable of processing information to produce a desired result. No matter how large or small they are, computers typically perform their work in three well-defined steps:

- (i) Accepting input
- (ii) Processing the input according to predefined rules (programs)
- (iii) Producing output

Computer is a multi-function electronic device that can execute instructions to perform a task. Therefore an electronic device that performs pre-defined or programmed computations at a high speed and with great accuracy; a machine that is used to store, transfer, and transform information is known as “**Computer**” to us.

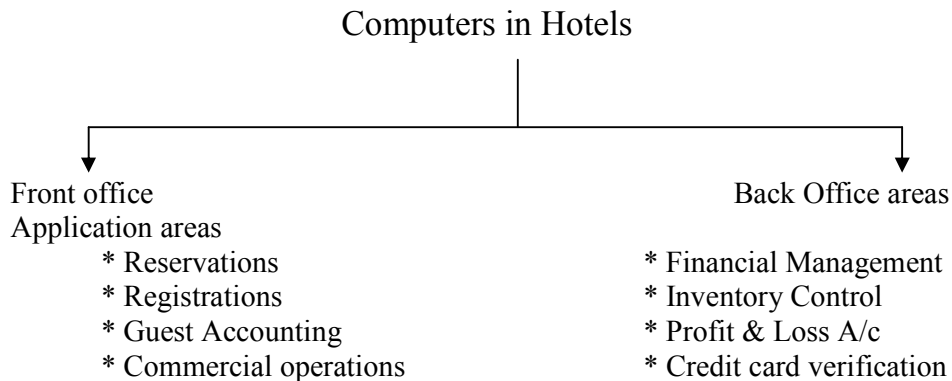
It has made its entry in the field of tourism in a big way. In fact, computers are in use in some way or the other in various branches of tourism since the early sixties. Be it travel agencies, hotels, Airlines or recently even in the Railways, Computers have played a key role in making the task of providers of travel services an easy affair. Not only this, through home terminals, computers are undertaking, among other jobs, the planning of vacations for an individual and his family.

Computer applications are used in:

- ❖ Airlines
- ❖ Cargo
- ❖ Hotels
- ❖ Terminals
- ❖ Travel Agency
- ❖ Railways

In the year 1983 – Thompson Holidays first used computers using on-line programmes and introduced reservations via Prestel. Several other big tour operators, since then used similar to sell their various programmes.

Similarly, the Hospitality Industry has vast applications of computers; some other major applications are given as under.



(b) Satellite Television



Satellite television is television operated by means of orbiting communication satellites located 37,000 km (22,300 miles) above the earth's surface. The first satellite television signal was relayed from Europe to the Telstar satellite over North America in 1962. The first domestic North American satellite to carry television was Canada's **Anik 1**, which was launched in 1973. Satellite can also be described as a television system in which the signal is transmitted to an orbiting satellite that receives the signal and amplifies it and transmits it back to earth. Therefore, it refers to courses that are broadcast, usually live, by an electronic signal sent to a satellite orbiting the earth and then retrieved by a satellite dish. The satellite dish broadcasting the programme is called an "uplink", and the receiving dish is called a "downlink".

For Tour operators, as well as Travel agents it serves as a linking device for making available the information of one corner of world to the other corner and Tourists are also, accordingly, benefitted by this linking device.

(C) Cable Television Technology

Cable television or Community Antenna Television (CATV) (and often shortened to 'cable') is a system of providing television, FM radio programming and other services to consumers via radio waves transmitted directly to people's televisions through fixed coaxial cables as opposed to the over-the-air method used in traditional television broadcasting (via radio waves) in which a television antenna is required. Cable system covering defined areas, such as the UK's franchise to install and operate a cable system granted by the Cable Authority and Department of Trade and Industry, offering TV channel output and, increasingly, local loop digital telephony services. The Cable Television Association is the CATV industry's representative organization. Therefore it is a transmission system that distributes and broadcasts television signals and other services by means of a coaxial cable.

Cable Television Technology has also greatly helped in information transfer and information sharing. Therefore, it has brought the tourists, the tour operators and the destinations close. It immensely helps in advertising and marketing of Tourism products.

(d) Videotex Technology

Videotex is a system for sending of pages of text to a user in computer form, typically to be displayed on a television. It is computer technology of the 1980s that uses ordinary television sets, or similar low-cost monitors, to display computer information. Videotex systems, such as Canada's Telidon, were a complete commercial failure in North America, but achieved a modicum of success in Europe – e.g. France's Teletel and, to a much lesser degree, the UK's Prestel. Therefore, it is a form of electronic publishing consisting of computer-generated text distributed through telecommunications and received and viewed on home television.

It occupies a special position among the 'new media'. It plays a key role in the link between telecommunication and the computer sciences. Its advantage lies in the possibility it provides for linking computers and also in its interactive dialogue capabilities. Using Videotex, information and communication systems can be converted into interactive systems capable of communicating with one another. In fact, Videotex is a multipurpose instrument with multiplicity of uses. It serves as:

- ❖ **an instrument for data processing**
- ❖ **an information medium**
- ❖ **an organizational aid**
- ❖ **a communication system**
- ❖ **a marketing instrument**

This relatively new service connects various forms of use of the above-mentioned facilities and at the same time offers some other possibilities. To operate this service, a television set with a decoder and telephone is necessary, without which the service cannot operate. In Europe, nearly all the households have television sets and a telephone & with the help of Videotex, separate households can be reached in large areas. Members of German BTX service as well as Members of France Telecom services can now obtain all kinds of information from external computers or use data bank all through their television sets. In many other European countries & USA, similar systems are in use. It is being used in a big way in Tourism, also in India because

- ❖ **It allows rapid message transmission**
- ❖ **Fast & inexpensive data collection**
- ❖ **Keeps up-to-date information, which is crucial for advertising**

It has been found that Videotex is the most advantageous means of Communication, taking into account its low cost and wider range of applications.

This technology enables the tour operators and travel agents or hoteliers to send complete pages of information text to the tourist to assist him in deciding and finalizing his tour plans.

Satellite, Cable & Videotex technologies are very important because of their wider coverage and their technical methods of transmission, however, they have one shortcoming that none can be directed to one specific person. In addition, the person receiving information is only partially informed. The receiver of information cannot also start a dialogue or communicate.

However, the following gives possibility of direct transmission of information to a single consumer:

(e) Teletex Technology

Teletex is a text and document communications service that could be provided over telephone lines. Teletex allows for the transmission and outing of Group 4 facsimile documents.

It is neither like **Telex** nor like **Teletex**. Although it may not be as versatile a technology as some others that have been mentioned earlier in this lesson, but helps in transmitting information which is required by a tourist from a tour operator, Travel agent or a Hotel. Computer information and even copies of documents can be transferred to the tourist with efficiency.

It is an improvement over telex & has in fact developed from it. The receiver for Teletex is an electronic 'typewriter', which can send electronically enriched 'letters' to owners of ordinary telex equipment. The transmission of message time is usually shorter in comparison with time taken with telex. Besides, it is also possible to transmit more office typewriters, symbols. A normal electronic typewriter can also be used as a receiver for telefax.

(f) Telefax Technology

It is an electronic post office box system. Each member of the system has his or her '**post office box**' in the computer, where other members can leave their message. The owner of each box can electronically contact the others. All the above means discussed permit the exchange of information electronically through a data 'network'. The exchange of information between the members with the assistance of electronic transmission is very fast. The data is also available in written form in printouts. 'Network' is a system of transmission linking facilities for automatic data processing. In this way, different computers are

connected, permitting data exchange and processing over long distances. Telecommunication is possible only when there is such a network available. Telephone is the simplest and best communication network. In addition there is also separate clear data network for the exchange of data, which works digitally. In this way, a high transmission speed is achieved and there is a very low ratio of errors during transmission. There are different types of networks, which can be used for telecommunication purposes either separately or combined. In Tourism, in addition to travel agents, tour operators, hoteliers, airlines, travel journalist's etc. use this technology.

(g) Telecopy

It provides the possibility of exchanging photocopies through a data network. Information, in the form of either written document or technical drawing, is remote copied. This means that two facilities for copying are connected. One at the sender's end and the other at the receiver's end. Transmission time is only a few minutes. Usually the details of packages, booking details or list of itineraries are sent to this tourist by the Tour operator, Travel agent or the Hotel.

(h) Internet and Travel and Tourism

So far the information technology dealt with has been of the kind where intermediaries, travel agents, tour operators etc. are an indispensable part in the distribution and marketing of travel and tourism products, and as an important point of sale or product outlets. This is an information technology where the producer and the consumer are directly communicating, by putting the indispensability of travel intermediaries in question.

As has been discussed earlier, the intangibility of the product where risk and uncertainty for the customer is higher, his need for reliable pre-purchase information is stronger.

Through Internet, which is the latest product of information technology, this need is fulfilled. This **interactive information-supplying medium** is user friendly and gives enormous information of all kinds related to travel. Apart from supplying information about the world's leading and emerging tourist destination of all kinds, it is now possible to book and buy holidays through Internet using plastic money. It gives information on all Airlines, Hotels and Car hire companies, which are in its database. Microsoft is a travel agent. Its Internet site branded Expedia is one of the most important examples of the new generation of travel intermediaries. Distribution of travel and tourism products using the Internet has a substantial cost reduction advantage for providers of tourism services. The cost incurred by suppliers in receiving a customer booking is the one, which is costly. So, Internet gives a practical aid both in supplying information and receiving bookings or selling tourism products on the principal's behalf.

Marketing tourism products on the Internet is also possible. This is done through the page of the company's Internet site. Once the company gets access to the Internet, it gets various opportunities. Of these, Electronic-mail (e-mail) is one. As a tourism product supplier, especially with business travel as a selected target market, it can communicate with the person through his/her e-mail address wherever the client is. Unlike telephone communication, there is no need for the presence of the receiver of the message during message transmission. It also gives a typed copy of the message. E-mail communication medium is very cheap yet efficient and effective. On the other hand, marketing on the Internet has an advantage of being used by all company's of all sizes as long as they can establish their Web Site on the Internet.

(i) Websites

A website is a collection of all pages under one domain. Sometimes, the subdirectories of large ISP(s) are also referred to as websites as they have been designed by different users and with different interests in mind.

Benefits of Websites

No matter how small or large a business is, one can profit enormously from a website in following ways.

- Reduces advertising costs.
- Information remains on line & always up-to-date.
- Pictures, product description, newly won awards, customer questions and instruction videos are possible on the web-site.
- Announcement of a package, deal, and sale can be promptly updated on the website.
- Customers find it simpler to surf the net and log-on to the websites for desired information.
- Websites almost eliminate waste of time in travelling for the desired information centre.

The tourist can make use of the websites, sitting back at home for making tour plans. Accordingly enormous websites are there by tour operators, travel agents, Hotels etc, some of which are given below.

- [Luxury Resortsindia.com](http://LuxuryResortsindia.com)
- [Destinations India.com](http://DestinationsIndia.com)
- [Jaipur JodhpurUdaipur.com](http://JaipurJodhpurUdaipur.com)
- [India Tours & Travels.com](http://IndiaTours&Travels.com)
- [Asia Tours & Travel.com](http://AsiaTours&Travel.com)
- TravelinIndia.com

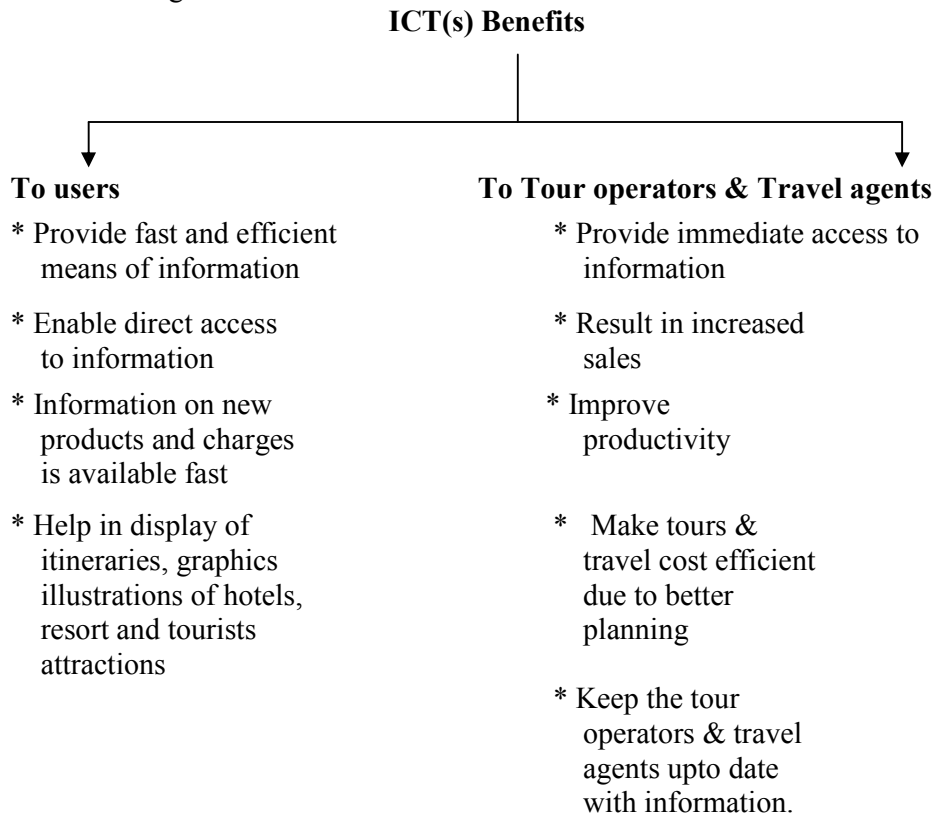
(j) Sky Track

It is an automated airline reservation system, which enables travel agents to make bookings on hundreds of world's airlines using standard Prestel

Television set and a keyboard. Possibility of direct transmission between tourists, tour operators and travel agents. This system invented by British Telecom is a way of providing computerized information terminal. The only requirement is a Telephone line and a standard colour Television set with an Adapter to link it to a decoder and keyboard. The information is transmitted quickly and accurately via ordinary telephone lines. The required information is rapidly transmitted through this technology and is very helpful in providing desired information to tourists.

Information Communication Technology Benefits

All the above mentioned Information Technologies have provided the following benefits.



CHECK YOUR PROGRESS

- (a) Think about the Websites searched by you before undertaking a tour & write a few website names?

- (b) The first domestic North American Satellite was Canada's

- (d) Satellites, Videotax & Cable Technologies have a limitation which other information technologies do not have. Is the statement true/false? Give reasons for your answer.

Tourism industry is made up of three major components which have been studied by you in the previous units.

- i) **Transport sector including air, water & surface transport.**
- ii) **Accommodation sector that offers lodging to visitors.**
- iii) **Attraction sector, both natural & man-made.**

Information technology plays a very significant role in all the three areas, which are being discussed as under, highlighting the contribution of Information Technology in each sector.

13.4 INFORMATION TECHNOLOGY IN THE TRANSPORT SECTOR



Transport provides the essential link between tourism origin and destination areas and facilitates the movement of holidaymakers, business travellers, people visiting friends and relatives and those undertaking educational and health tourism. Before setting out on a journey of any kind, every traveller makes sure which Transport Company has a good safety record. To this effect, airplane coaches and even taxis are equipped with good communication equipment. An Airplane flies with the help of modern information technology equipment, which provides information ranging from weather, altitude and other information to the pilot, to communication made during emergency by

the pilot with other airplanes and air traffic control stations. In-flight entertainment is also a product of information technology, video games, video films are examples.

In the case of buses/coaches and taxis, in many countries with developed tourism business, they are equipped with radio communication systems for various uses. For example, the driver or the tour guide updates the Tour Company headquarters about the progress of the tour throughout the touring period. This communication ensures the safety of tourists. Fast and easy information flow is of paramount importance to build confidence in the travelling public. In recent years, the confidence built due to the use of modern IT has been demonstrated by a tremendous increase in the number of travellers worldwide.

13.5 INFORMATION TECHNOLOGY IN THE ACCOMMODATION SECTOR



In the accommodation sector also the contribution of information technology is prominent. Any individual or group wishing to travel to any part of the world now has an easy access to the accommodation service providers. A visitor can access information about the kind of hotels at the destination, their ranges of product, the price and other relevant information without leaving his/her office or home. What one has to do is to ring up a travel agency and get the expert advice. This will help any visitor greatly as to where to stay during any kind of trip away from home. Here the information can be obtained aided by still or moving pictures in order to give an exact feature of an accommodation, facilities and services of one's choice. At a destination also visitors are at ease during their stay in every respect, in getting information about their business, family or other information back home. They are also at ease to relaxing with the videos and television entertainment programmes, which nowadays are part and parcel of many accommodation units.

13.6 INFORMATION TECHNOLOGY IN THE ATTRACTION SECTOR



In the case of attractions, both man-made and natural the owners need to communicate or inform their customers and potential customers about their product. Information about the kind of attraction, where it is located and how to get there is of vital importance. The attraction owners, particularly the national tourist offices, discharge their duty of promoting their country's tourist attractions using the information technology products. Information through promotional videos, Internet web Sites, television advertisements and travel documentaries are the main information dissemination tools. There is, in fact, competition amongst tour operation to create better and better sites for the user to enable the tourist to decide in their favour. More and more people around the Globe are getting computer literate or so to say computer savvy, due to which, they have increasingly become information seekers. Before deciding on the desired destination, they not only rely on the sites of tour operators or travel agents, they even take feedback from other travellers to find out about their experiences. In the Attraction Sector communication technologies are thus very significant.

13.7 INFORMATION CENTERS & COMMUNICATION TECHNOLOGIES

Several information centres & tourist offices of Government of India are currently located at India & abroad. Overseas offices are located in Australia, Canada, France, Germany, Italy, Japan, Netherlands, Singapore, Spain, Sweden, UAE, U.K., U.S.A., New York, Israel, the Russian Federation and South Africa.

With the help of Information communication Technologies, **offices within India** perform the following function.

<u>Functions</u>	<u>Information technology</u>
<ul style="list-style-type: none"> • Up-to-date information – • Liaison with all segments of conferencing Travel Trade - 	website Internet, Email, Video
<ul style="list-style-type: none"> • Assistance in clearance of various tourist formalities • Distribution of tourist literature- • Development and maintenance Various amenities • Maintaining tourist statistics • Organizing cultural activities 	videotext computer email, website, satellite. computer, Videotex & cable technology Computer Cable Television, Internet

Offices abroad perform following functions:

<u>Functions</u>	<u>Information technology</u>
Acquainting the potential visitor about various tourist attractions.-	Website, cable
Providing on the spot facilities. -	Computer, Internet
Sell all inclusive tours. -	email, computer, telefax
Help promoting specialized tours for Buddhist pilgrims, lovers of wildlife or those interested in India's cultural heritage.	videotext, website, telefax, Internet

13.8 INFORMATION TECHNOLOGY AND GROWTH OF TOURISM WORLD OVER

It was in **1908** that the first move was made for promoting tourism by only three countries namely **Spain, France** and **Portugal** who founded the France Hispano Portuguese. Federation of Tourist Association is considered the first international tourist organization. After first the World War, several other countries realized the need as well, but due to lack of communication technologies, the endeavour could not take off inspite of setting up the International Union of National Tourist Propaganda Organization (**IUNTPO**) in **1925**. After the Second World War, this endeavour was revived from the year **1963**. With the revolution in the Information Communication Technologies the world Tourism, as a joint effort gained momentum. It was in the **1980s** that the Tourist did not feel lost or insecure due to lack of information. Interestingly, during the same period, India was perceived as a country, which was backward and inhabited with wildlife and natives because India lagged far behind in growth of communication technologies. It was only the late 1980s due to the advent of computer technology in a big way & satellite network that India could change that perception among foreigners. India also saw tourism increasing due to changed perceptions, advertising,

marketing and attracting the tourists using information technologies. Currently, tourist arrivals are predicted to grow by an average **4.3 % a year** over the next two decades, while receipts from international tourism will climb by **6.7% a year**.

Tourism: Mega Trends for the 21st century.

- Globalization versus localization
- Electronic technology will become all-powerful in influencing destination choice and distribution
- Fast track travel – emphasis will be placed on facilitation and the speeding up of the travel process
- Customers ‘**call the shots**’ through technology such as CDROM atlases, internet, internet inspection of hotels and other facilities, brokers offering discounted rooms on websites, last minute emails, low fares etc.
- The tourist world shrinking by the day, due to technology, the tourist is nearly reaching ‘**space tourism**’
- Growing impact of technologies, helping aggressive campaign is kindling the urge for travel consumption.

However, growth and related benefits of tourism cannot be taken for granted. The competition among countries, tour operators, destinations, etc. is becoming so fierce, that, in order to be a winner the following imperatives will have to be kept in mind by every country

- Development focused on quality & responsibility
- Value for money
- Full utilization of information technology to identify & communicate effectively with market segments & niches.

CHECK YOUR PROGRESS

(a) Which technologies are not directed towards an individual customer?

(b) Name three countries where the offices of Govt. of India have been set up?

- (c) State why growth related benefits of tourism cannot be taken for granted?

13.9 SUMMARY

The information age and Globalisation will continue to drive changes in the way the consumer of tomorrow will do business with companies in the Tour, Travel & Hospitality Industry. The customer will demand greater assurance of **quality, safety & well being**. However, the unique characteristics of tourism products is the need for several intermediaries about which you have learnt in earlier lessons namely travel agents, tour operators, conference organizers, booking agents, etc. For instance, for big Airlines, tickets can be bought from many travel agencies in a single city. This implies that the travel agents become indispensable partners for the Airlines because the Airlines would not be able to afford so many offices on their own due to very high fixed costs. The travel agencies are in this case performing the task of intermediaries, by the use of computers involving CRS-Computer Reservation System.

In this chapter, you have learnt about the need & significance of Information & Communication Technologies and their kinds in brief. You are also familiar with Tourism & the contribution of Information Technology in all the three components of Tourism namely the Transport sector, Accommodation sector & the Attraction sector.

The chapter can be summed up by quoting **Arther C Clarke** who while addressing the Its meeting of Inter-Governmental council of the International programme for development of communication in **Parsi** said in the **year 1981** “In many ways and for many purposes, printed matter, books, newspapers & wallpapers, will always be the best and the cheapest form of communication. But now electronics has given us tools that can perform miracles impossible to the printed world and which of course can reach millions who are unable to read. The newest and most powerful of these communication devices depend upon pace, technology, a fact that is generally accepted.”

In the next lesson you will be learning about the Computer Reservation System, its procedure, future customer & tourists trends of tomorrow.

13.10 SELF ASSESSMENT QUESTIONS

- (a) Suggest some benefits of Information Technology

- (b) Write about at least four new Information Technologies, which are used in Tourism.

- (c) Write some advantages that the user and the Travel & Tour operators derive from the Information & Communication Technologies.

- (d) Write briefly about the three major components of Tourism & how Information Communication Technology is contributing to their success.

- (e) Using which Information Technologies do the attraction owners promote their products?

- (f) Suggest how Tourism can be improved in India with the help of Information & Communication Technologies.

13.11 GLOSSARY

1. Global village
2. Uplink down-link
3. Local loop
4. Digital telephony
5. Prestel
6. Teletel
7. Telex
8. Website

13.12 KEYWORDS

1. Computer
2. Satellite
3. Cable Technology

4. Videotax
5. Teletex
6. Telefax
7. Telecopy
8. Internet
9. Websites
10. Sky track

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LESSON – 14

COMPUTER RESERVATION SYSTEM

Dr. Abha Mathur

STRUCTURE

- 14.0 Introduction
- 14.1 Objective
- 14.2 CRS (Computer Reservation System)
- 14.3 Procedure for making reservations
- 14.4 Role of Computers in Reservation
- 14.5 Customer of Tomorrow
- 14.6 Future E-Tourism Trends
- 14.7 ICT enabled and empowered tourists trends
- 14.8 Summary
- 14.9 Glossary
- 14.10 Self Assessment Questions
- 14.11 Sources & Further Readings

14.0 INTRODUCTION

“The world is a Book and those who do not travel read only a page” St. Augustine We have already learnt in the previous lesson that Travellers and Tourists increasingly use ICT (Information Communication Technologies) throughout all phases of their trip, beginning with information search and booking before the trip, some of the examples of such technologies used, en-route, by them are as follows:

- ❖ Mobile technologies
- ❖ Hand-held devices
- ❖ Interactive Kiosks
- ❖ Internet access
- ❖ Personal web-sites
- ❖ Virtual Communities
- ❖ E-mail, news letters
- ❖ Blogs

The reasons for using technology would often depend upon the context of life and the specific needs of the consumer at a particular point of time. The present customer not only has many demands but also changes his demands rapidly. The customer of today looks for comfort and ease while on the journey, during travel or sight-seeing. The greater use of on-line systems confirm that consumers seek experiences, fantasies, feelings, friends and fun, in addition to functional benefits while using communication technologies. The technology which is now being increasingly used by the hospitality industry and travel agencies is the computer reservation system.

14.1 OBJECTIVES

You are already familiar with new communication and information technologies in tourism. This lesson will go a little further and after having gone through this lesson you will be able to:

- ❖ Understand Computer Reservation System
- ❖ Procedure of reservation
- ❖ Define the utility of CRS
- ❖ Learn communication technology uses in the hospitality and travel business
- ❖ Know the customer of tomorrow and his needs
- ❖ Understand the tourist trends influenced by ICT
- ❖ Make suggestions for increasing efficiency & improvement in ICT tourism.

14.2 COMPUTER RESERVATION SYSTEM (CRS)

Travel agents/Tour operators, who use computers, are viewed as automated agencies. They use following two types of automation:

- Sales Automation
- Business Automation

Sales automation refers to the use of computer reservation system to handle sales and ticketing which has been explained to you in the previous unit, Lesson – 8. Business automation, however, refers to the use of computers to handle accounting and keep records.

A computer reservation system, or CRS, is a computerized system used to store and retrieve information and conduct transactions related to travel. Originally designed and operated by airlines, they were later extended to travel agents as a sales channel; major CRS operations are also known as Global Distribution Systems (GDS). Airlines have divested most of their direct holdings to dedicated Global Distribution System companies, and many systems are now accessible to consumers through Internet gateways for hotels, rental cars, and other services as well as airline tickets.

Computer Reservation System was first used in the 1950s by the Airlines who are till date viewed as pioneers in this area. Subsequently, all Airlines used the CRS, which is at present, indispensable to all Airlines, none of which can function without CRS.

However, its potential as quickly realized and it is now being used as a versatile system, by the

- ❖ **Hospitality Industry**
- ❖ **Travel Agencies**
- ❖ **Car-hiring services**

This technology works by using special kind of computers and leased telephone lines. The respective travel/tour/hotels, etc. are connected on-line to the central Host computer system or CRS. The Host computer is always a main-frame with enormous data-base attached. The main frame host polls each terminal every second to see whether any message has been received. Therefore, in the system, it is possible for **Airlines, Hotels, Tour operators, travel agents** to remain connected to each other. This system has contributed a great deal in the following areas:

- ❖ **Increased sales volume**
- ❖ **Providing precise information**
- ❖ **Selling the product efficiently**
- ❖ **Increase in profitability**

However all the big companies are today facing challenges and have begun selectively migrating processes from their legacy mainframe platforms to service oriented architectures (SOA). By utilizing high performance, lower cost open systems platforms in an SOA approach, they further improve their capacity to cost effectively handle a fast-rising “look-to-book” ratio, i.e., the number of shopping transactions compared to actual purchases. The explosive growth of this ratio was driven initially by the creation and utilization of robotic software and, more recently, by the rapid growth of consumers’ multi-site shopping behavior on the Internet.

Beginning in 2004, several companies – including ITA Software, G2 Switch works, Farelogix, and Innovative Network Systems – claimed to be developing complete GDS alternatives. The new entrants tout lower fees and greater flexibility. Unsurprisingly, the big four GDS companies cast doubt on their viability.

However, it is still very uncommon for a travel agency to operate without the use of at least one of the big four GDS systems. The GDS companies are playing catch-up in the technology arena. All now have a browser based system.

Major Global Distribution Systems of 2002

Name	Created by	Also used by	Market share
<u>Amadeus</u> (based on Eastern Airlines’ System One)	<ul style="list-style-type: none">• Air France• Austrian• Iberia• Lufthansa• SAS	<ul style="list-style-type: none">• Amadeus Link• Continental• British Airways• Qantas	27.7%

		<ul style="list-style-type: none"> • Opodo 	
<u>Galileo</u> (based on United Airlines' Apollo, merged with Ansett's Southern Cross)	<ul style="list-style-type: none"> • Aer Lingus • Air Canada • Alitalia • British Airways • KLM • Swissair • TAP • US Airways 	<ul style="list-style-type: none"> • Cheap Tickets 	26.4%
<u>SABRE</u> (merged with Abacus and QANTAS' Fantasia)	<ul style="list-style-type: none"> • American Airlines(Abacus) • All Nippon Airways • Cathay Pacific Airways • China Airlines • Singapore Airlines 	<ul style="list-style-type: none"> • Dragonair • EVA Airlines • Garuda Indonesia • Malaysia Airlines • Phillippine Airlines • Silkair • Travelocity • US Airways • Air Malta • Aeroflot 	30.8%
<u>WORLD-SPAN</u>	<ul style="list-style-type: none"> • Delta • Northwest • TWA 	<ul style="list-style-type: none"> • Expedia • Orbitz 	15.1%

Functions of CRS

- Fare display
- Flight availability display
- Flight booking
- Storage of passenger records
- Queue functions/ waiting line
- Ticket & documentation production
- Auxiliary segments
- General information

A CRS can also be used to display reference information, such as weather forecasts, in-flight services, foreign exchange rates, city descriptions and so on. The encode/decode function is used to determine codes for airlines, cities, airports, countries and equipments.

14.3 PROCEDURES OF RESERVATION THROUGH COMPUTER

This reservation can be made by the Tourist easily if he/she has basic operational knowledge of computers. To understand the reservation system following areas are being discussed.

1. Making a Reservation
2. Delete a Reservation
3. Checking Reservation status
4. Check out & return
5. Advance reservations
6. Same day reservations

1. Making a Reservation

- i. Enter the Web Page “Computer Reservation System” (CRS) by clicking ‘CSC Mobile Computer Service’ link under “Facilities Booking” section of “School Services” within CityU e-Portal.
- ii Click the ‘Reserve Notebook’ button from the menu bar in the upper screen.

There are 3 classes of users:

Class A Users can make reservation 2 days in advance

Class B Users can make reservation 1 day in advance

Class C Users can make to-day in advance

- ❖ Click the corresponding ‘Reserve’ button from the panel if the desired reservation date and session is available for reservation.
- ❖ Click the ‘Reservation’ button in the window to confirm the reservation.
- ❖ Click the ‘Close’ button in the “Reservation Completed Successfully” window.
- ❖ Click the ‘Logout’ button from the menu bar in the CRS Web page to log out the system and complete the process.

2. Delete a Reservation

- ❖ Enter the Web Page “Computer Reservation System” (CRS) by clicking ‘CSC Mobile Computer Service’ link under “Facilities Booking” section of “School Services” within CityU e-Portal.
- ❖ Click the ‘Amend My Reservation’ button from the menu bar in the upper screen.
- ❖ From the “My Notebook PC Reservation(s)” panel showing information on reference ‘Confirm’ button to confirm the cancellation.

The corresponding point added due to reservation will not be deducted system cancellation is made.

- ❖ Click the 'Logout' button from the menu bar in the CRS Web page to log out of the system and complete the process.

3. Check Reservation Status

- ❖ Enter the Web Page "Computer Reservation System" (CRS) by clicking 'CSC Mobile Computer service' link under "Facilities Booking" section of "School Services" within CityU-e-Portal.
- ❖ Click the 'Check Status' button from the menu bar in the upper screen.
- ❖ From the "My Notebook PC Reservation Account" panel, you can find information on reservation account, type of student, user class, priority point, number of reservations made, validity (from and to), status and the 'Reservation History' button. Click the button if you want to examine the reservation history. If you do so, the "Notebook PC History" window will be displayed showing the information on reservation date, reservation session, check out time, return time, status as well as point(s) added. Then, click the 'Close' button to close the window.
- ❖ From the "My Loan History" (including those without reservation) panel, you can find the information on reference number, session date, time, stock type, stock number, points(s) added, check out time, return and return status.
- ❖ Click the 'Logout' button from the menu bar in the CRS Web page to log out of the system and complete the process.

4. Procedures on Check out and Return

Check Out

- ❖ Place your ID card on the smart card reader (Mobile Computer Service Counter [Counter] staff may ask for further identification, if necessary).
- ❖ Enter your password through the keyboard at the Counter as informed by the voice message.
- ❖ Collect a notebook with its accessories and a hand-carrying bag.
- ❖ Check the notebook and its accessories quickly before leaving the Counter.
- ❖ Carry out the further inspection

Return

- ❖ Turn on the computer in a Windows environment.
- ❖ Leave the Counter only after hearing the voice message "thank you for using our service", indicates that the return record has been cleared by the counter staff.

If the return procedures are successfully completed, corresponding record will be cleared and electronic mail will be sent to you.

5. Advance reservations

You can make reservations via the Internet, by personal computer or mobile telephone.

- a. Date of Start of acceptance of advance reservations: February 25, 2005 (tentative for instance).
- b. Reservation period: from 9:00 AM one month before the day of admission to 12 midnight two days before; advance reservations will not be accepted on the day before or on the day of the visit/event.
- c. Advance reservations will be accepted for about 20 percent of the seating capacity.
- d. No more than two advance reservations will be accepted from the same visitor for the same day.

6. Same-day reservations

Through the same-day reservation service, you can make reservations for pavilions and certain other facilities after entering the site. To do so, hold your ticket up to the special reservation terminal installed on the ground of the pavilion or other facility and reserve the earliest time.

- i. No more than one same-day reservation will be accepted from the same visitor.
- ii. Visitors will be able to make another same-day reservation after the event.

Same-day reservation cannot be cancelled.

CHECK YOUR PROGRESS

1. CRS is being used in which area of tourism.

2. State three benefits of CRS

3. Assignments that you have to take a tour next month an advance reservation for yourself

14.4 ROLE OF COMPUTER IN RESERVATIONS

- (a) Computer in Airlines**
- (b) Computer in Cargo**
- (c) Computers in Hotels**
- (d) Computers in Railways**
- (e) Computers in Travel Agencies**

(a) Computers in Airlines:

The sudden growth about thirty years ago in the global travel meant a huge pressure on the existing handling of air traffic, especially, the passenger traffic for the airlines. It was then that a need was felt to computerize passenger reservation systems in major airlines. Growth patterns in passenger traffic had begun to indicate that handling reservations manually could not be sustained long without affecting the efficiency in the customer service. It was in the early 1960s, that IBM took the initiative and developed a computerized reservation system known as Programmed Airlines Reservation System, PARS. The system was not developed for or with any one airline. It was designed as an all-purpose software package that would fit the requirements of any domestic airline. The system was designed around IBM's new hardware range system 360, which was later to revolutionize the entire computer industry.

It became obvious that the system was too costly for smaller international airlines. These airlines developed their own IBM oriented reservation systems in the early 1970s. The system developed was known as PARC (C for compact). This system was followed by a system known as Univac Standard Airline System, USAS. With the passing of the years, more and more systems developed, incorporating more functions to enable the airlines to have more transactions and instructions. The popularity of any system to a large extent also depends on its coverage and online reservation network. The number of terminals, which a system has, is also an important consideration. The more terminals a system has, the larger will be the online reservation network. The number of reservation transactions carried out by a system in a given time is yet another important aspect to be considered by an airline before using a system. To sum up, the following main aspects are important to make a system perfect and universally acceptable:

- ❖ Number of reservation transaction to be handled
- ❖ Data links with other airlines
- ❖ Information processing capacity
- ❖ Data volume capacity

Recently a major advance has been made, in the airline reservation systems in West Germany. A computer system capable of carrying out as many as 1000 reservation transactions every second, involving data links with 28 airlines, a host of car hire agencies and hotels and about 20000 travel agencies in Europe alone has been set up at Eroding in the southern part of Germany. The system

known as 'Amadeus', has been developed jointly at a cost of DM 350 million by four airlines, Air France, Iberia, SAS and Lufthansa.

(b) Computer in Cargo

Most of the airlines are now using computers for cargo handling operations as well. The handling of cargo shipments on ground is a costly affair and the cost has been increasing over the years. Almost 50 per cent of the handling of cargo shipment reflects the cost of manual information processing. Freight rate increases have not kept pace with cost increases, so airlines had either to accept reduced margins or take steps to reduce overheads. Computerization of cargo has helped reduce costs as this speeds up the handling of information related to consignments and also reduces the time the cargo spends on the ground. The pioneer in cargo computerization was Alitalia, whose PO 4-cargo system was adopted and modified by many major airlines, such as Swissair, TWA and British Airways. Univac's USA has a fully developed cargo module. Almost all major airlines in the world have now adopted one or the other system of cargo computerization. To sum up, computerization in airlines has the following major advantages:

- ❖ High profile applications like reservations
- ❖ Applications of departure, control and cargo
- ❖ Forecasting and planning
- ❖ Engineering management
- ❖ Revenue accounting
- ❖ Fare construction and fare quotations
- ❖ Ticket printing
- ❖ Crew scheduling
- ❖ Crew management
- ❖ Yield optimization

In addition to the above, airlines derive several other advantages from the use of computers. Each airline is developing its own system to suit its requirements. In addition to the airlines, the computer industry itself has also benefited a lot with the introduction of computerization in airlines.

(c) Computers in Hotels

Computers in the hotel industry started being used as far back as in the late 1960s; it was only in the 1970s that the technological advances in the computer technology made possible the right combination of compactness and versatility for different sizes of hotels. The lower cost encouraged many individual hotels to install the system. Today computers are installed in large numbers and are widely accepted in the hotel industry. One of the most important factors for its large-scale acceptance in the industry has

been its reliability. The computer system has been found to be very reliable in the dissemination of the right kind of information at the push of a button. Hotel industry today is a major market for the computer manufacturers and the software vendors. It has been increasingly realized that the hotel computer systems achieve better internal and external control and through the use of analysis methods, provide the opportunity to improve the overall profitability of the unit. Like in the airlines, the computers offer substantial advantages for reservation systems in terms of speed and accuracy.

(d) Computers in Railways

Railway systems in Europe and some other countries are now using computers extensively. In countries like France, Germany and Belgium, to name a few, computers have been in use for over a decade. The most important use of computers in Railways, however, is in the area of ticket reservation. The information regarding availability of seats is now available instantly in various networks. In addition to the use of computers by railway retail agents, travel agents and tour operators, these are also being used directly by the railway systems. Railway systems use the computers for route planning, engineering, accounting, inventory planning and control, purchase and a host of other functions. The most remarkable use of computer in railways has, however, been made by France. The metro system in Paris is one of the best in the world. France has been making great advances in the reservations, hotel accommodation, amendments and cancellations, processing of documents such tickets, processing, account and management information, etc. just at the push of a button and this has proved to be a boom to the travel industry. India has also started using CRS in Railways.

(f) Computers in Travel Agencies

A Computer Reservation System is very useful for the travel agency business. In addition to data processing, computers are getting popular to handle business functions, reservations and ticketing. The system which is used is called **Agency Automation System (AAS)**. An AAS that communicates directly with a Computer Reservation System is called as an integrated system. When two hardware devices communicate directly, they are said to be interfacing. All interfaced systems are menu-driven. To activate a function, the user selects from a list, or menu displayed on the screen. The procedure also prevents the system from being accessed by unauthorized users. Regular customers of the Travel agency have account numbers that identify the name address, telephone numbers and other information about the company or passenger. When the account number is entered in the “Customer field”, the address is automatically entered in the “sold field”. The

Agent next types his/her agent number in the “Agent field”. A ticket code devised by the Agency to identify different customer groups can also be entered. Similarly, Air segment, Car segment and Hotel segment can be entered by the customer, for various services provided by the respective service providers.

It will not be wrong to say, after this discussion, that with the press of buttons on a computer, any kind of reservation is possible these days with Tour operators, Travel Agents, Airlines, Ships, Cars etc.

14.5 CUSTOMER OF TOMORROW

The information age and globalization will continue to drive changes in the way the consumer of tomorrow will do business with companies in the hospitality industry. This customer will demand greater assurances of quality, safety & well-being. Following changes will be noticed in tomorrow customer.

- ❖ Brand loyalty will probably go to the highest bidder.
- ❖ Satisfaction of specialized needs in discontinuous patterns.
- ❖ Acquiring product knowledge through several filters.
- ❖ Will sell information about themselves for overall value, money, integrity, authenticity, honesty and reality.
- ❖ Would like to remain connected with other customers to cross-check information and share experiences.

These are only some of the characteristics which have been anticipated in future customer who would be, undoubtedly, far removed from his early counter part of the ancient times that traveled without much information and felt that his travel was more of an adventure. It used to be full of risks and uncertainties. Now, with the growth and advancement of information technologies, the tourist is, definitely, at a very advantageous position. Accordingly, the tourism trends would also change.

14.6 FUTURE E-TOURISM TRENDS

ICT(s), have profound implications for E-Tourism which reflects the digitization of all processes and value chains in tourism, travel, hospitality and catering industries. Tactically E-tourism enables organizations to manage their operations and undertake e-commerce. Strategically, E-tourism revolutionizes business processes, the entire value chain as well as strategic relationships with stakeholders. E-tourism determines the competitioners of organizations by taking advantage of the Internet for reorganizing internal processes extracts, for developing transaction with trusted partners and the Internet for interacting with all stakeholders. ICT developments generate both opportunities and challenges for tourism. Emerging trends can be examined within the framework of change. Increasingly tourism organizations need Information Communication Technologies to develop following strategies:

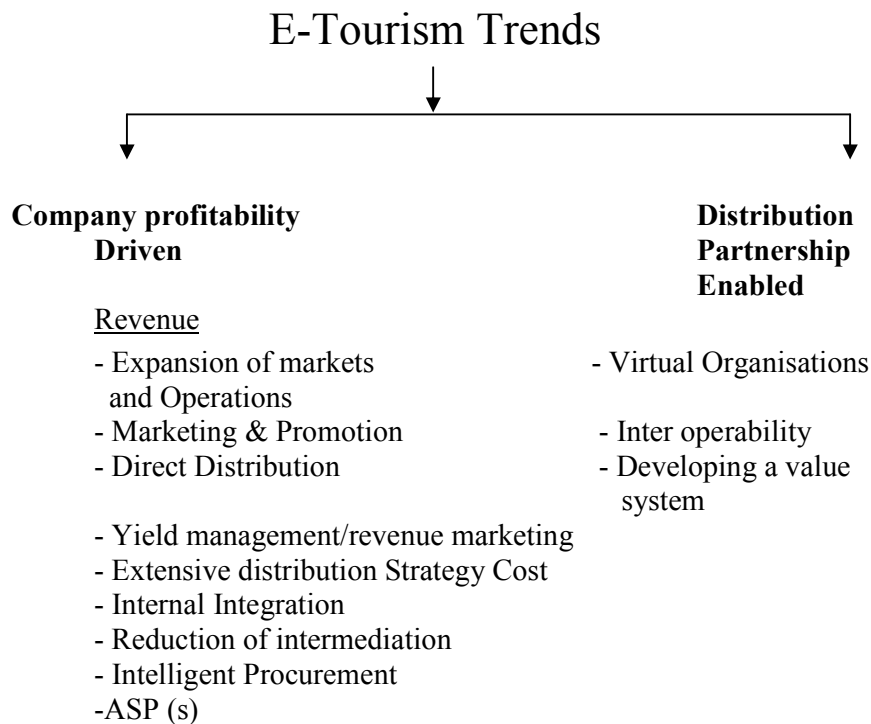
- ❖ **Customer Centric**
- ❖ **Profitability Driven**

❖ Partnership enabled

This will assist them to focus on their customers, organizational needs and distribution strategies respectively.

14.7 ICT ENABLED AND EMPOWERED TOURISM TRENDS

The E-Tourism trends, which are profitability driven and partnership enabled, are as follows:



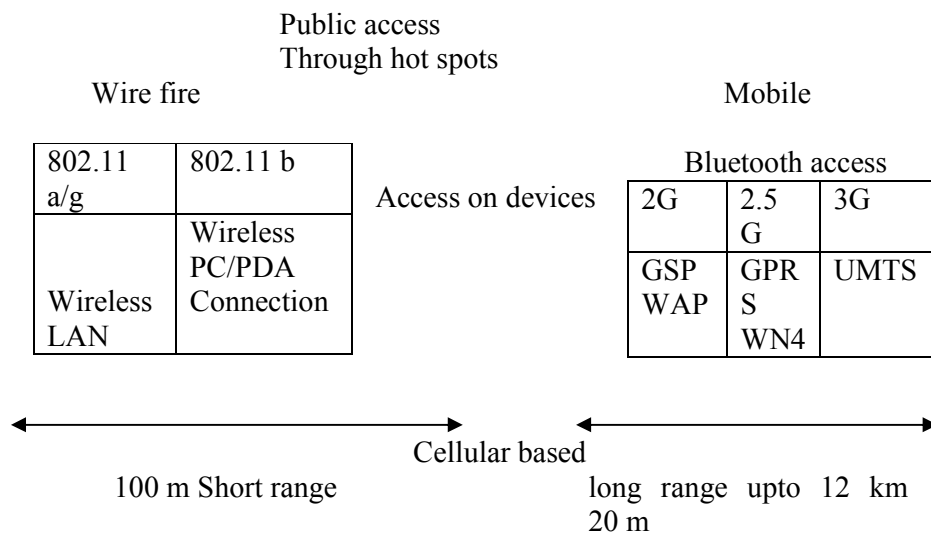
IT empowered developments enhancing Customer Satisfaction

- User-friendly & customized interfaces.
- Consumers have more information and enjoy greater choice.
- Accurate & richer marketing research by collecting data from all transaction and enquires.
- Better understanding of consumer needs based on research-interaction and data mining.
- Differentiated and customized services according to personal preferences and attitudes.
- Pricing becomes more flexible and transparent.
- Reduction of bureaucracy and paper-work frees employee's time for better customer services.
- Customizing the product and establishing 'one-to-one' marketing through loyalty schemes.
- New personalized value-added services.

- Automation of respective operative tasks through ITC(s).
- Personalized services.
- Language barriers reduced through interface that market through automatic translations.

Technological developments and ICT empowered change

- ❖ Major hardware developments and enhancements in processing capabilities.
- ❖ Possibilities of handling complex algorithms with increase in speed of computers.
- ❖ Enables central control and to outsource selected non-core function.
- ❖ Allows organizations to use their resources more wisely and profitably.
- ❖ The development of mobile and portable devices-laptops, tablets PC(s) to PDA(s) (Personal digital Assistants) and smart phones also offers significant computation power, storage and profitability.
- ❖ Extensive networking is growing between partner organizations.
- ❖ Internet, Intranet and extranet support communication between employee units, organization, partners and consumers.
- ❖ By linking and sharing data and processes electronically, organizations formulate alliances to build complementary services, expand reach and enhance collaboration.
- ❖ Broadband provides fast ‘always’ on accesses to services, applications and context resulting in life style and productivity benefits.



Wireless Technologies Convergence

Lines of Technologies Evolution

(Source: adapted from Werthner & Kelin, 1999)

Network(ing)	Information Management	Intelligent application	User Interface
ISO/OSISGML	Databases relational object-oriented	Artificial Intelligent	What you use is what you get
Internet World Wide Web Hypertext Markup Language	Multimedia Data Modeling	Logics Optimization	Multimedia Windowing
XML	Datamining & Warehousing	Simulation	User Modeling
Cryptography GSM, WAP	Unified Modeling language	Statistics	Natural Language Processing
ATM---Ipv6	Programming Language Java	Knowledge discovery and data mining learning systems agents	Metaphors
Client server	CSCW (Computer supported cooperative work)	Agents	Visualization
Distributed and mobile computing	Authoring tools participating design	Artificial life	Adaptive interfaces

CHECK YOUR PROGRESS

- (a) Which communication technologies are used by tourism industry as strategy to develop tourism?
-
- (b) What changes in attitude do you perceive in the customer of tomorrow?
-
- (c) In what ways do IT empowered developments enhance customer satisfaction.
-
-
-

14.8 SUMMARY

You have so far understood the computer reservation system, its meaning background and procedure for reservation. After understanding how

communication technologies have affected a tourist's needs and satisfaction, ICT(s) have become indispensable. Therefore, you further, learnt what a customer of the future would appear to be in terms of demand, desire, attitude, temperament, etc. Accordingly the technology drivers, E-Tourism trends were discussed. In view of what you learnt upto unit I and unit II and from lesson I to IV of Unit III, following new ethos for world tourism emerge?

- ❖ The last bit of 'master and servant mentality' in tourism must vanish.
- ❖ "Every guest is a king, but every king is only a guest."
- ❖ Relationship between supplier of services and customer would be that of a partnership and parallel interests.
- ❖ Tourists would also understand their duties and responsibilities.

After learning about the new ethos for world Tourism, the logical question that would crop up would be as under:

- ❖ How will the Guest be communicating in Future?
- ❖ How will the Guest be travelling in future?
- ❖ How will the seller distribute his product in future?
- ❖ What new benefits the would customer demand in future?
- ❖ What standards in terms of services and technology would be acceptable in future?

While seeking answers to these questions, a huge amount of creativity and innovative talent would be required. This will help in bringing about more efficiency in tourism especially in Information Technology. In fact, we have reached a stage where we cannot even think about a tour/travel plan without the help of Information Technologies. Tourist of today is completely dependent of Information Technologies. After having the working knowledge of computer Reservation system in all areas of Tourism, you shall be learning about Tourism policy and performance in lesson 14 of Unit IV.

14.9 GLOSSARY

Kiosks	-	counters
Broadband	-	used for better internet speed
"Always an access"	-	Internet-on-line

14.10 SELF ASSESSMENT QUESTIONS

After having gone through the entire lesson, you should be able to answer the following question.

1. Define Computer Reservation System

2. When was CRS introduced for the first time?

-
-
-
3. State in brief the procedure for making reservations.

-
-
-
4. State at least three requirements of a customer of the Future.

-
-
-
5. Write five IT enabled and empowered tourist trends.

-
-
-
6. What suggestions do you have for increasing the efficiency of Information Technologies?

-
-
-
7. Can you suggest any other ICT (not mentioned in the lesson) that is used by the Tourists – if yes – in what way?

14.11 SOURCES & FURTHER READINGS

1. Buhalis, D and Costa, C; *Tourism Management Dynamics – Trends, Management & Tools*.
2. Gupta, S; *World Tourism in the new Millennium*: ABD Publications
3. Lundberg, D.E. Stagenga, M.H. and Krishnamurthy (1995): *Tourism Economies*; N.Y: John Wiley & Sons, INC.

LESSON - 15

EVOLUTION, IMPORTANCE AND PLANNING OF TOURISM IN INDIA

STRUCTURE

- 15.0 Introduction
 - 15.1 Objectives
 - 15.2 Traditional Tourism
 - 15.3 Emergence of Modern Tourism
 - 15.4 Planning and Importance of Tourism in India
 - 15.4.1 Importance of Tourism
 - 15.4.2 Five Year Plans and Tourism
 - 15.5 Summary
 - 15.6 Key Words
 - 15.7 Self Assessment Questions
 - 15.8 Sources of Information and Further Readings
-

15.0 INTRODUCTION

3. We have already learnt about the various concepts, terminology, kinds and definitions of tourism; the impact of tourism as an industry in Unit 1; and About travel management which includes, different modes of transport and basics of ticketing in Unit 2. The various strategies of marketing and the impact the IT revolution has had on the Tourism industry in Unit 3. We can now very safely move on to tourism in India. Travel and tourism in India is an integral part of the Indian tradition and culture. The beauty of India's cultural heritage and the richness of nature's endowments, makes India a tourists' paradise.

4. The dimensions of tourism changed in the post independence era. In the olden days, travel was primarily for pilgrimage - as the holy places dotting the country-side attracted people from different parts of the vast sub-continent. The establishment of the Indian Railways by the British, modernization of ports, and development of hill stations-have all added to the growth of the Indian tourism industry in the 19th and the early part of the 20th century. Thus the traditional role of tourism in promoting mutual understanding was naturally in focus. Pandit Jawaharlal Nehru's oft quoted remark: "Welcome a Tourist and send back a friend" was the essence of India's tourism approach in the post independence era.

15.1 OBJECTIVES

After going through this unit you will be able to:

- See how tourism has evolved in India
- Describe how tourism has helped in the economic development of the Indian economy
- Understand the need for tourism planning
- Analyze the allocation of funds under the five year Plans
- Focus on the important areas in the tenth five year plan.

15.2 TRADITIONAL TOURISM

Tourism is not new to India. In fact even in our religious book "*Upanishads*" there is a word called '*Charaibate*' meaning to go on moving and this more than any other thing explains that tourism is deep rooted in the Indian system.

During Chandragupta Maurya's time we hear of tourists like Megasthenes, Hieun Tsang or later Iban Batuta undertaking long tours of Buddhist pilgrimage centres or visiting places like Nalanda University in Takshila.

In the early days pilgrimages or pilgrim travel assumed great importance. Ashoka the Great, travelled a great deal in his eagerness to spread the doctrines of Buddha. Throughout his travels, from Pataliputra to Lumbini and finally to Gaya, Emperor Ashoka had special memorials set up at each spot as well as rest houses where travellers could rest. Trees were planted along the roads so that the traveller was protected from the harsh sun. Harsha was another great emperor who greatly influenced by the Buddhist scriptures, he built institutions and dharamshalas for the traveller. Rest houses were built in the villages. A number of monasteries were also built for the pilgrims. This shows that travel facilities were very good and travel was not a cumbersome

experience. At this time the Buddhist Sanga established the tradition of pilgrimage, where monks went from village to village preaching the value of the middle path.

Some of the first foreign visitors to India were perhaps the Persians. There is evidence of caravans of the Persians coming to India, in the inscriptions dating back to the reign of the Persian king, Darius. There is also reference to trade, commerce and cultural exchanges between Persia and India. One of the most important developments of this era, owing to the emergence of trade and commerce, was the emergence of communication and accommodation. When Alexander the Great reached India, it is said that he found good roads which were well-maintained and covered with shady trees.

The Arthashastra also reveals the importance of the travel infrastructure for the state, classification of routes and types of vehicles. This is an indication that there was a well-developed mode of travel in India, for the military, the commercial traveller as well as the civilian. All this was under state protection.

Travelling for pleasure on the rivers and to the hills was a tradition started by the royal courts. However such movements attracted all those who had business at the court to move with it. During the rule of the Mughals, the emperors travelled extensively and contributed to the development of the resorts.

With the fall of the great empires, there was a setback in trade and commerce. This reduced the mobility of the people with the exception of the pilgrims. The seaside resorts, hill stations and spas which were the centres of recreation and pleasure, were hardly ever used by the early medieval period.

Over the years, however the scenario changed and the complex character of tourism emerged. The growth of modern technology, rising incomes and improved facilities contributed to the emergence of modern tourism.

15.3 EMERGENCE OF MODERN TOURISM

The purpose of travel to or in India was either of religious nature or for higher education. This is in sharp contrast to the modern day tourist who is more into leisure or experiencing a new culture which is quite different from their own.

The systematic development of tourism in India is also linked with the Industrial revolution and the change in the modes of travel with the introduction of railways, automobiles and aviation. The air travel supplemented by the Railways brought about a sea change in global movements and India also became a tourism partner. Much has been achieved by way of increasing air seat capacity, increasing trains and railway connectivity to important tourist destinations, widening of roads to four lanes, connecting important tourist centres and increasing availability of accommodation by adding heritage hotels to the hotel industry and encouraging paying guest accommodation.

However in the 19th as well as the 20th centuries India did not become a prime destination for the overseas traveller. It has mainly domestic tourists with a prime focus on pilgrimage tourism. But this changed when the middle class backed by higher disposable income and the Leave Travel Concession (LTC) started to travel for leisure. Concessions were also given to the youth and students which also prompted more travel in the country. All this coupled with better infrastructure in terms of hotels, roads and air connectivity to the remotest place in the country has really made tourism in the country take off.

As LTC changed the earlier picture; so did the increase in the disposable income of the Indian middle class, the explosion of the Internet, the travel bonanza on the Discovery and National Geographic channels, the discounted airline fares and the mushrooming growth of the hospitality industry. All this has given a fresh perspective to holidaying.

This has been possible mainly due to the attempts made by Government to:

- a) improve tourist infrastructure at important destinations/circuits;
 - i) focus attention on growth of hotel infrastructure, particularly budget hotels;
 - ii) enhance the connectivity through augmentation of air seat capacity and improving road infrastructure to major tourist attractions;
- b) directly approach consumers through electronic & print media through “Incredible India” campaign;
- c) launch centralized electronic media campaigns;
- d) have greater focus in the emerging markets, particularly in the regions of China, North-East Asia and South-East Asia;
- e) use internet and web connectivity;
- f) launch road shows in the big source markets of Europe.

Gradually a change is coming about and the modern day tourist is looking for more and hence tourism has again diversified.

Having seen how the concept and form of tourism has evolved in India, you will now be able to comprehend the contribution which tourism is making towards the Indian economy in the coming section.

CHECK YOUR PROGRESS - 1

a1. Has the concept of tourism changed in India? If yes, then state two important reasons for the change.

Activity

Talk to your grandfather or any elderly person as well as someone from the younger generation about whether they did/do travel and what motivated/motivates them to do so. How many times did/ do they travel? Write down your observations.

15.4 PLANNING AND IMPORTANCE OF TOURISM IN INDIA

In the above units, while discussing the history of tourism it has already been pointed out how different modern tourism is from tourism of the past. Similarly, the constituents of the tourism industry are also varied and there is intense competition amongst the destinations to attract tourists. In order to direct the development of tourism in our country or at a particular destination, there has to be a policy with identified targets and a plan to achieve them. This is even more necessary in order to maximize the benefits, remove or prevent the negative impact of uncontrolled mass tourism and go in for sustainable development. Hence, tourism planning is needed for a variety of reasons like

- To coordinate the role of public and private sectors
- To properly direct development
- To demarcate the areas for development
- To determine the types of tourism to be promoted
- To prevent negative impact
- To regulate and legislate
- To improve the quality of services
- To train human resources
- To market a destination

15.4.1 IMPORTANCE OF TOURISM

Tourism is one of the most important economic sectors. As seen in unit 1, tourism not only has direct contribution to the economy but it has significant linkages with several other sectors like agriculture, poultry, handicrafts , construction, transport, etc.

Tourism is a development activity which enhances the quality of life, preserves the national heritage and encourages the appreciation of India's diverse cultures both by Indians and foreign visitors. It has become an important segment of the Indian economy as it creates

employment opportunities and contributes substantially to its foreign exchange earnings.

Table 1
Foreign Exchange Earnings from Tourism
(Rs.

Crores)

Years	Earnings	% Change
1991	4318	--
1992	5951	37.8
1993	6611	11.1
1994	7129	7.8
1995	8430	18.2
1996	10046	19.2
1997	10511	4.6
1998	12150	15.6
1999	12951	6.6
2000	14238	9.9
2001	14344	0.7
2002	14195	-1.0
2003	16429	15.7
2004	21828	32.9

The estimated foreign exchange earnings in 1999 were Rs.12951 crores, an increase of 6.6% over the previous year. Foreign exchange earnings from tourism during 2000 also registered an increase of 9.9 per cent over 1999. In 2004, total earning was Rs.21828 crore, 32.9 per cent higher than the previous year, as shown in Table 1. The foreign exchange earnings in 2004 were USD 4.8 billion which was 36.1% more than 2003 as shown in Table 3. India has everything that can attract tourists. The unprecedented growth in tourism in India has made it the third largest foreign exchange earner after gem and jewellery and ready-made garments. Tourism has thus become the second largest net foreign exchange earner of the country.

Tourism contributed Rs.24, 241 crore during 1998-99 towards country's Gross Domestic Product. In 2003 tourism's contribution to the GDP was 4.8%. If tourism can increase to 10% of India's GDP as against 4.8% nearly 26 million new jobs can be created.

Amongst the economic sectors, the tourism sector is highly labour intensive. A survey by the Government of India notes that the rate of employment generation (direct and indirect) in tourism is 47.5 persons employed per Rs.10 lakhs investment (based on 1985-86 Consumer Price Index). This is much higher than the rates of employment

generation in most other economic sectors as can be seen from the Table 2 below

Table 2

Sector	Jobs
Agriculture	44.7
Manufacturing	12.6
Mining and Quarrying	2.6
Railways	0.9
Other transport	13.8
Tourism	47.5
(Hotels & Restaurants)	89.0

Seeing the importance of tourism, let us now see how importantly the government has regarded this activity, by looking at the total Plan outlays

CHECK YOUR PROGRESS - 2

1. Write any one important reason for tourism planning

2. How is tourism contributing to economic development? State any two reasons.

15.4.2 FIVE YEAR PLANS AND TOURISM

As has been discussed above tourism planning leads to tourism development. In fact tourism planning is the process for tourism development. Planning not only guides actions to be taken in the future, but also helps in problem solving and arriving at decisions which help planners in achieving desired objectives. Planning is not static but dynamic and guides future actions. The tourism planning process involves creating a future that is acceptable to the host community as also to others who would be part of the host community as tourists for a short period of time. Since tourism involves hospitality, planning for various tourism facilities must be based on the guests. In other words planning essentially attempts to allocate scarce resources between different competing uses with a view to maximizing output, income and employment and to ensure the balanced growth of various sectors. The

five year plan is a mirror of the country's perception about the direction of social-economic progress.

India had a good amount of tourism activity when it became independent over 50 years ago, though tourism as a subject did not figure in the Constitution of India, except that it was mentioned in the Central or the State lists. There was also no allocation for tourism development during the First Five Year Plan. The allocation during the remaining plans has been increasing from one plan to another. It was Rs. 3.36 crores in the second five year plan and jumped to Rs. 138 crores in the Seventh Plan and in the Tenth Plan stands at Rs. 2900 crores. Similarly the State-wise plan budget allocation also shows how tourism was getting priority with the state sector and which progressively increased every year in the subsequent plans. However if we look at the percentage share of tourism in the total plan outlay it does not give as a very rosy picture as can be seen in Table 2 and Table 2.1.

During the Second Five Year Plans (1956-61), tourism became a constituent of the planning process with a token allocation of Rs 3.36 crores for both central and state sectors put together as can be seen in Table 2. The development approach during the second plan was mainly on creating isolated facilities in important tourist centres. The Third Plan witnessed the beginning of an era of development of activities connected with tourism, particularly adventure, by the establishment of a winter sports complex at Gulmarg in Kashmir. The India Tourism Development Corporation (ITDC) was set up in 1966 to develop tourism infrastructure and promote India as a tourist destination.

The approach during the Fourth and the Fifth plans was expansion and improvement of tourist facilities with a view to promote destination traffic, as distinct from transit traffic. Integrated development of selected tourist centres like Kovalam, Gulmarg, Goa, Kullu-Manali, etc. received much attention and became the symbolic models of resort tourism in India. Cultural tourism was emphasized with the development of Buddhist Centres and the Heritage Centres and heritage monuments in India through the Master Plans.

The Sixth Plan (1980-85) was a major landmark in the history of Indian Tourism. The first ever "Tourist Policy" of the country was announced during 1982 which specified the development objectives and provided an action plan based on "Travel Circuit" concept to maximize the benefits of tourism.

The development of tourism was stated as a plan objective during the Seventh Five Year Plan (1985-90) and the sector was accorded the status of an industry. It thus became the watershed plan for Indian tourism. The National Committee on Tourism set up by the Government in 1986 to evaluate the economic and social relevance of tourism in India and to draw up a long term measure for ensuring accelerated growth of tourism. On the basis of these recommendations a package of incentives as made available for the tourist industries and the Tourism Finance Corporation of India (TFCI) was set up to finance tourism projects.

The development plans for tourism during the Eight Plan (1992-97) was based on the National Action Plan 1992. The main thrust of tourism was to be achieved mainly through private initiatives.

It proposed to achieve diversification of tourist products, accelerate growth of tourism infrastructure, carry out effective marketing and promotional efforts in the overseas markets and remove of all impediments to tourism. A major component of the Action Plan was the development of all inclusive Special Tourism Areas and intensive development of selected circuits.

The Department of Tourism also constituted a special Task Force for the promotion of schemes/projects for the development of tourism in the North Eastern States, Sikkim, J & K, Arunachal Pradesh and hill districts of Uttar Pradesh and West Bengal. Seniors Officers of the Department along with representatives of respective state governments and the industry visited these areas and an action plan for the North East, as well as Jammu and Kashmir was prepared. In order to give a boost to foreign exchange earnings, employment and income generation through tourism activities in the above mentioned areas, was also promoted.

The Ninth Plan (1997-2002) policy framework however introduces a few new elements to the policy. First it emphasis the importance of looking at infrastructure development for domestic tourism and therefore the role played by the respective states.

It also elaborates on the need for effective coordination of all the relevant agencies involved in the development of, tourism products.

It also brings out the importance of peoples participation at the grass-root level for the development of tourist facilities and for creating a tourist friendly atmosphere keeping in tune with the overall government policy of balanced development.

Export House Status was granted to tourism units in the Ninth five year plan. Government also called for effective coordination of public and private efforts so as to achieve synergy in the development of tourism in India. In developing tourism, it was to be ensured that the sites are conserved and the environment is not degraded.

With liberalization the government allows direct foreign investment up to 51% in high priority industries, and hotels and tourism related activities are part of the list. Industrial licensing was abolished in most industries and hotel and tourism were among those freed from licensing. Non residents Indians were given a special package of incentives to participate in tourism projects.

Table 2
Budgetary support during the Five Year
Plans

Five Year Plans	Tourism in Rs. Crores	% To Total Plan Outlay
First Plan 1951-56	N.M.	-
Second Plan 1956-61	3.36	-
Third Plan 1961-66	4.01	0.11
Fourth Plan 1969-74	25.0	0.30
Fifth Plan 1974-77	23.62	0.121
Sixth Plan 1980-85	72.0	0.15
Seventh Plan 1985-90	138.68	0.15
Eighth Plan 1992-97	272.00	0.11
Ninth Plan 1997-2002	716.35	-
Tenth Plan 2002-2005	2900.00	-

The approach in the Tenth Plan (2002-07) is to stimulate investment and encourage the state governments to develop unique tourism products. The aim is to enhance the employment potential within the tourism sector as well as to foster economic integration with other sectors.

The 10th plan attempts to

- position tourism as a major engine of economic growth
- harness the direct and multiplier effects of tourism for employment generation, economic development and providing impetus to rural tourism
- provide a major thrust to domestic tourism which will act as a spring- board for growth and expansion of international tourism
- position India as a global brand to take advantage of the burgeoning global travel and trade and the vast untapped potential of India as a destination
- acknowledge the critical role of the private sector with government working as an active facilitator and catalyst
- create and develop integrated tourist circuits based on India's unique civilization, heritage and culture in partnership with States, Private Sector and other agencies and

- ensure that the tourists to India get “physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated” and “feels India within him”.

Table 2.1

Budgetary support during Annual Plans

Annual Plans	Tourism In Rs. Crores	% Of Total Plan Outlay
1990-91	83.00	0.21
1991-92	90.00	0.21
1992-93	81.00	0.17
1993-94	87.20	0.14
1994-95	103.51	0.13
1995-96	102.70	0.13
1996-97	130.00	0.17
1997-98	180.35	0.20
1998-99	160.50	0.15
1999-2000	160.50	0.16
2000-01	135.00	0.11
2001-02	150.00	0.11
2002-03	225.00	-
2003-04	325.00	-
2004-05	500.00	-

Based on the Plan outlays the National Action Plan and the Draft Tourism Policy was evolved. Let us now see what the objectives and plan of action as well as the strategy of the National Action Plan and the Draft National Policy, were.

CHECK YOUR PROGRESS - 3

1. When did tourism feature in the five year plans?

2. Have the outlay in the plans changed?

15.5 SUMMARY

The unit introduced you to the changing forms of tourism. Tourism evolved from being a state subject to being undertaken purely for leisure. This was possible due to the attempts made by the Government in improving the infrastructure which included improved connectivity, roads as well as the hotels. Media – both print as well as electronic was used to highlight important tourist destinations by focussing on cultural differences and the attractions of that particular destination. This unit also showed how tourism planning was needed and how tourism was a very important economic sector of the Indian economy. We also discussed the five year plans and the budgetary allocations during these plans.

15.6 KEY WORDS

Traditional Tourism, *Charaibate*, Kings, Trade and Commerce, Emergence of Modern Tourism, LTC, Increase in Disposable Income, Use of Internet and Web Connectivity, Growth of Hotel Sector, Need for Tourism Planning, Importance of Tourism, Significant Linkages, Development Activities, GDP, Five Year Plans, Export House Status, Tenth Plan.

15.7 SELF ASSESEMENT EXERCISE

1. Explain how tourism has evolved in India. Also state its importance to the Indian economy.
2. What is meant by tourism planning? How does planning benefit tourism development?
3. Elucidate how tourism is an important economic activity?
4. Explain the allocation of funds to tourism in the five year plans.

15.8 SOURCES OF INFORMATION FURTHER READINGS

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LESSON - 16

TOURISM POLICY AND EVALUATION

STRUCTURE

- 16.0 Introduction
 - 16.1 Objectives
 - 16.2 Tourism Policy and Evaluation
 - 16.2.1 Policy Initiative 1982
 - 16.2.2 National Action Plan
 - 16.2.3 Draft National Tourism Policy
 - 16.2.4 Evaluation
 - 16.3 Summary
 - 16.4 Key Words
 - 16.5 Glossary
 - 16.6 Self Assessment Questions
 - 16.7 Sources of Information or Further Readings
-

16.0 INTRODUCTION

In the earlier lesson we discussed how tourism evolved right from the pre- historical times to the modern times. Travel during the pre- historic times was mainly undertaken by the kings and their entourage. Travel now has a different connotation and is undertaken for leisure, trade and business as well as experiencing a new culture. We also discussed how tourism has been important for the Indian economy and how it is a development activity which helps to build our foreign exchange. We also showed how it is an important employment generator. Also discussed in the earlier lesson was the need for tourism planning and the importance given to it in the five year plans along with the budgetary support. In this section we shall be focusing on the various tourism policies and see how effectively they have been implemented.

16.1 OBJECTIVES

After going through this unit you will be able to

- explain the Tourism Policy of 1982
- understand the objectives of the above mentioned policy
- evaluate the National Action Plan 1992
- analyze and evaluate the Draft National Tourism Policy

16.2 NATIONAL TOURISM POLICY AND ITS EVALUATION

It was after the 1980s that tourism activity gained momentum. The first ever Tourism Policy was announced by the Government of India in November 1982. It took ten long years for the Government to feel the need to come up with a possible improvement over this. Thus the National Action Plan for Tourism was announced in 1992. Between these two policy statements, various legislative and executive measures were brought about. In particular, the report of the National Committee on Tourism, submitted in 1988 needs special mention

We have now come out with a Draft National Tourism Policy which pledges, to make tourism and travel an important instrument for “sustainable human development, poverty alleviation, and employment generation”.

This draft policy also recognised the role of Central and State governments, public sector undertakings and the private sector in the development of tourism. The need for involvement of Panchayati Raj institutions, local bodies, non-governmental organisations and the local youth in the creation of tourism facilities, has also been recognised.

16.2.1 TOURISM POLICY, 1982

India's first tourism policy was enunciated in 1982. The Tourism Policy, 1982 was more an aggressive statement in marketing than a perspective plan for development. Its main thrust was aimed at presenting India to the foreigners as the ultimate holiday resort. With a view to reach this destination, the following measures were suggested by the Policy:

1. To take full advantage of the national heritage in arriving at a popular campaign for attracting tourists;
2. To promote tourist resorts and make India a destination of holiday resorts;
3. To grant the status of an export industry to tourism;
4. To adopt a selective approach to develop few tourist circuits; and,
5. To invite private sector participation into the sector.

The objectives of the policy were to so develop tourism that it –

1. Becomes a unifying force nationally and internationally fostering a better understanding
2. Helps preserve Indian heritage and culture and project the same to the world
3. Brings socio-economic benefits in terms of employment, income generation, revenue generation, foreign exchange, etc.
4. Gives direction and opportunity to the youth of the country to understand the aspirations and the viewpoint of others and help in greater national integration

5. Offers opportunities to the youth of the country not only for employment but also for taking up activities for nation building and character building like sports, adventure etc.

The policy very rightly puts emphasis on the development of domestic tourism as the foundation for future strategy. Tourism again being a multifaceted endeavour, the government has to play the role of a catalyst. The national policy highlights the need for coordination and appropriately refers to tourism as a “common endeavour”. The Policy was also framed at a time when India was assessing its role in the newly emerging regional cooperation for tourist development in the South Asian region.

While the basic problems of tourism development have been identified in the policy, the underlying emphasis is on national understanding and international cooperation through tourism. Even the plan of action outline in the policy of tourism emphasises the importance of youth of the country in the national integration and in making tourism a vehicle for achieving this objective.

As expected, the policy framework is in tune with the strategy outlined in the five year plans. It talked about a selective approach, a dynamic marketing strategy, appropriate manpower development, fiscal and other incentives to be extended to the private sector and the need for balanced development of tourism, consistent with ecological and environmental considerations.

A committee on Tourism which was constituted soon after submitted its report in 1988. It is the most comprehensive report on tourism development in India. Sadly, it is also a report which has been least acted upon. Many of the observations and recommendations in the report have by now flowered into piecemeal policy actions and over the period no comprehensive and conscious efforts to tackle the issue raised are evident.

The report covers all important issues relating to the role of tourism, the need for infrastructure development, strategy of development, etc. The National Committee also made a large number of recommendations some of which were for immediate operations, and the rest require long-term policy decisions.

Some of the crucial recommendations in the report which are still being debated are:

1. Need for rearranging the existing organisation structure of the department of tourism and the need for an apex body called The National Tourism Board.
2. The setting up of a Standing Committee of tourism ministers for an integrated approach to tourism development and also to effectively associate the state governments involved.
3. To ensure implementation of the recommendation, a national policy needs to be evolved, supported by a comprehensive legislation.

4. Tourism plans to be integrated into overall plans of the country and into Area Development Plans.

These recommendations are fundamental to any substantial tourism development strategy for the country. In a country which has such tremendous potentials for tourism development, the fact that these far reaching recommendations are still being discussed and debated is not a happy reflection of national consensus. Ten years after they were put forward to the government, many of the recommendations are yet to be implemented.

The Planning Commission recognised tourism as an industry by June 1982. The Policy statement of 1982 made no mention of infrastructure development. The successive governments at the Centre failed to create proper tourism infrastructure, thus resulting in loss of traffic. This lacuna was corrected in the National Action Plan. However, much of this change was due to intensive lobbying by such agencies like the Indian Association of Tour Operators (IATO), the Travel Agents Association of India (TAAI) and the Indian Hotels and Restaurants Association (IHRA). It is for the voluntary agencies and pro-people forces to exploit the avenue of lobbying at various levels.

CHECK YOUR PROGRESS - 4

1. Mention any one objective of the Tourism Policy 1982.

2. Mention any one measure as suggested in the policy.

3. Did the policy talk about common endeavour and private partnership?

16.2.2 NATIONAL ACTION PLAN 1992

At the beginning of the Eighth Plan (1992-97), 15 States and 3 Union Territories had declared tourism as an industry. Four States had declared hotels as an industry. Logically the National Action Plan drawn in up in 1992 should have been an attempt to translate these ideas into action. However the National Action Plan was only a “plan of action” for immediate purpose and did not try to change the existing framework or to tackle the fundamental issues which require long term policy changes. The National Action Plan is therefore to be regarded as an emergency action plan to achieve quick results.

The objectives set out rightly focus on the perceived inadequacies of the system and incorporate all those areas which have been identified as the weakness of India's tourism development policy. The objectives were

- socio-economic development of areas;
- increasing employment opportunities;
- developing domestic tourism for the budget category;
- preserving national heritage and environment;
- development of international tourism;
- diversification of the tourism product.
- increase in India's share in world tourism (from the present 0.4% to 1% during next 5 years)

The strategy for achieving the objectives is outlined below

- Improvement of tourism infrastructure.
- Developing areas on a selective basis for integrated growth along with marketing of destinations to ensure optimum use of existing infrastructure.
- Restructuring and strengthening the institutions for development of human resources.
- Evolving a suitable policy for increasing foreign tourist arrivals and foreign exchange earnings.

Improvement of Tourist Infrastructure

The policy now would be to encourage private investment, both domestic and foreign for accelerated growth. The role of the Ministry of Tourism would be to conceptualise and deal with policy issues mainly. Hotels form an important and vital segment of the tourism infrastructure in the country. The Government has also initiated steps in this direction. The fiscal concessions had been given under section 80HHD of the Income Tax Act whereby 50% of the income earned by the hotels on account of foreign exchange earnings is exempt from income tax and the remaining 50% also exempt if reinvested in the tourism industry. This has had a positive impact on the pace of growth of hotels. However, this trend is more noticeable in metropolitan cities and commercial cities than in tourist destinations per se. In order to stimulate growth at tourist places also, the Government has given a concession that hotels set up in rural areas, hill stations, pilgrim centres and specified tourist destinations, will be exempt from expenditure tax and 50% of income tax for ten years.

The Government is also giving an interest subsidy on loans for construction of hotels. There are a large number of palace, big and small, and havelis which can be conveniently converted into hotels. Many of these are in a state of disrepair and their conversion into hotels will assist in preservation of this national heritage. It has, therefore, been

decided to encourage the growth of these heritage hotels. In relaxation of their norms, the Tourism Finance Corporation of India will now advance loans for heritage hotel projects of Rs.50 lacks and above. The Government will also give an interest subsidy of 5% on loans advanced for construction of new heritage hotels. For havelis located in rural areas, there is an added incentive of 10 year holiday from expenditure tax and 50% from income tax. It is hoped that these concessions will spur a rapid growth of heritage hotels in the country.

Encouraging Domestic Tourism

Measures are afoot to facilitate domestic tourism. A new scheme for development of camping sites will be started especially for low budget tourist. Central assistance is being provided to enable State Tourism Development Corporations investing in tented accommodation and other facilities necessary for setting up adventure camps. A scheme of paying guest accommodation will also be introduced in as many places as possible to provide affordable and hygienic accommodation.

Further rules will be amended to provide for recognition of tour operators engaged in domestic tourism. In fact it will be prescribed that all recognised tour operators do a certain percentage of their turnover in domestic tourism. These measures will, no doubt give a fillip to the growth of low budget tourism.

Pilgrim Tourism

Pilgrim flows account for a very large percentage of domestic tourism. Infrastructure facilities for pilgrim centres need to be substantially improved. For this purpose, the Central Government will earmark a sum of Rs. 5 crores as central assistance every year to enable State Tourism Development Corporation/ Private entrepreneur to set up or improve accommodation facilities, wayside amenities and transport systems at important pilgrim centres.

Crafts Villages

The Surajkund Crafts Mela and Shilpgram Udaipur has been a tremendous draw with the tourists. Looking at the success of these centres, the department intends to set up crafts villages in different parts of the country and provide a boost to the traditional handicrafts of these regions.

Fairs and Festivals

The fairs and festivals not only reflect the vast cultural heritage of India but have over the years become big attractions for the tourists. These have been identified by the Ministry of Tourism and assistance given to develop and publicise them to attract even foreign tourist. Fairs like Pushkar, Sonapur Cattle Fair, Kite Festival, Alleppey Boat Race, Dussehra Festival in Mysore and Kullu and others have already become big attractions for the tourists. The Ministry will give liberal financial assistance to develop these fairs and festivals all over the country and promote them aggressively in the international markets.

The Government will also endeavour to have tie-ups with zonal cultural centres for making arrangements at important tourist destinations to organise cultural evenings, son-et-lumiere, craft bazaars, food plaza and fairs and festivals all round the year. Such activities will be organised in coordination with the Department of Culture and Archaeological Survey of India.

Road Transport

The other important segment of tourist infrastructure is road transport. The Government will be importing coaches for Buddhist circuits in Uttar Pradesh and Bihar. This will ensure that the tourist coaches are adequately equipped to meet the needs of the tourists. It is recognised that international quality luxury coaches\cars are essential for facilitating tourist movement to different parts of the country. Unfortunately, most of the existing transport units are now old and have outlived the utility needing to be replaced. Government will introduce some suitable scheme by which this important felt need in tourism can be fulfilled.

Travel Trade

Travel agents and tour operators constitute an important segment of tourism industry. Looking to the size of the country, it is imperative to encourage the travel trade in such a fashion that more and more people could come within the fold of travel trade. It would be the endeavour of the government to streamline and liberalise rules and procedures for recognizing travel agents and tour operators thus facilitating tourist movement

Government has announced liberalised charter policy and the Director General (Civil Aviation) automatically grants permission expeditiously for charter flights in keeping with the guidelines prescribed. Charter flights have significantly added to tourism traffic to the country and it is hoped that they will be disbursed to tourism destinations in different parts of the country. The recently introduced air taxis will augment the efforts of the national carriers and facilitate movement of tourist within the country. Foreign tourists are greatly attracted to travelling by the Railways and the Palace-on-Wheels in Rajasthan has been an unqualified success. Efforts will be made to encourage tourist movement by water transport. The private sector will be encouraged to introduce cruises both on rivers and along the coastal stretches.

Foreign Investment

‘Hotels and tourism related industry’ is under the new Industrial Policy which provides for automatic approval of foreign investment in equity up to 51%. With this liberalisation, it is imperative that special efforts are made to attract foreign investment in the tourism sector.

Convention Tourism

In order to encourage convention tourism it would be desirable to set up fully integrated convention complexes in the country so that more and

more international conferences and conventions could be attracted to India.

Developing Areas on a Selective Basis for Integrated Growth

Hitherto Central assistance for development of tourism infrastructure to the States has been spread thinly over a large number of schemes/projects. Consequently, the desired level of development in places which have high potential has not taken place. Given this scenario, it has been decided that instead of spreading resources thinly, only special circuits/destinations will be taken up for intensive development. In the first instance Government has identified 15 circuits/destinations for concentrated development both through Central assistance and investment by State Governments/private sector. These circuits are listed as Annexure-I. As and when these circuits/destinations reach the prescribed level of development, new circuits/destinations could be added so that there is a uniform spread of tourist facilities in different parts of the country.

The Government in conjunction with selected State Governments also proposes to notify a few Special Tourism Areas for integrated development of tourism facilities. The proposed Special Tourism Areas will be similar to the scheme of setting up notified Export Processing Zones designed to give a fillip to industries catering to export production. The selected Special Tourism Areas would have identifiable boundaries notified by the State Governments where land would be allotted for hotels and tourism related industries at concessional rates to prospective investors according to the Master Plan prepared. A Special Area Development Authority would be constituted by the State Governments to administer the Special Tourism Area with full delegation of powers under different statutes of the State Government. The Special Area Development Authority would prepare a master plan for the area and provide single window clearance facilities to the investors. The State Governments would provide basic infrastructure in terms of roads, transport, bus terminals, wayside amenities, electrical grids, water supply, law and order and municipal services. The Central Government would provide infrastructural support such as airports, and airline services, railway stations, communication network and post/telegraph/banking services. Both the Central and State Governments would grant exemption from specified Central/State Taxes and freeze rates on water and electric supply for at least 10 years in order to attract investments.

The selection of Special Tourism Areas would be done by the Central Government in consultation with those State Governments who are willing to offer the maximum facilities for the successful functioning of such Special Tourism Areas.

Special efforts will be made in attracting foreign investment in these areas.

A scheme for giving Assistance for Specified Tourism Areas (ASTA) will be started to provide financial assistance for equity and other

tourism related activities in such areas as are specified by the Government.

The Government will lay special emphasis on the development of island tourism in places such as the Andamans and Lakshadweep. A decision has recently been taken to selectively open out some of the islands for tourism purposes. This will be done keeping in mind the carrying capacity and the need to preserve the environment. The emphasis will be on high value, low volume tourism traffic to the selected islands and the facilities to be provided would blend with natural beauty of the islands.

Restructuring and Strengthening Institutions for Manpower Development

The Government plans to, restructure and strengthen the training programmes to meet the shortfall of trained personnel in the accommodation and hospitality sector.

The Food Craft Institutes which provide general training to the students have served a useful purpose in the initial years. There is an urgent need to supplement these activities with certain specialised Institutes like Chef Training Institutes. A National Culinary Institute will be set up to meet the requirements of trained manpower in the country and the region.

A survey has shown that the students trained by Indian Institute of Tourism and Travel Management take up jobs mainly in metros. Consequently the hotel industry in the smaller places does not get trained manpower. To correct this imbalance, regional institutes would be set up. Students will be admitted on regional basis and encouraged to take up jobs in these areas.

The Indian Institute of Tourism and Travel Management will be strengthened both in terms of staff and equipment to become the premier institution for providing trained manpower for the travel trade in the country. National universities will also be involved in this effort and would be given financial and other assistance for introducing tourism courses in the country.

Marketing and Overseas Publicity

In the field of marketing and overseas publicity, the Department will coordinate its activities with Air-India and other agencies operating in foreign countries to obtain optimum results. Emphasis will now be on direct promotion by way of going directly to the consumer. Familiarisation tours; joint promotion with departmental stores and other organizations; and assistance to tour operators promoting India will constitute the major planks of the publicity strategy.

The marketing of India as a generalised destination has obvious drawbacks since foreign travellers do not get in depth focus of local tourist attractions. A major change in strategy is specific destination marketing which concentrates on specified circuits/destinations in the overseas publicity programme. This year, for example, through special concentration on South India, tourism flows were increased by almost

35% to South Indian destinations and helped diversify tourism away from the traditional destinations.

In many countries tourism fairs have become an annual feature where different segments of tourism industry interact with one another and the tourism product is sold to wholesalers and retailers. Often a large number of consumers also participate in such trade fairs. In order to promote tourism to India, a tourism trade fair could be held once in three years where indigenous industry and foreign travel agents/tour operators could fruitfully interact.

The Government has introduced a tourist information service – Tournet in their domestic offices and certain selected countries. It is proposed to make available a computerised multi-lingual tourist information service which could be installed at different outlets like airports, hotels and trade counters apart from the tourist offices of the Government of India. The service could give instant information on mode of transport, food, accommodation, places of interest and cost of services in different languages to the tourists visiting the country.

As stated earlier, this National Action Plan 1992 was followed by the Tourism Synergy Programme 1993 and the National Strategy for the Development of Tourism 1996. The Ministry of Tourism subsequently came out with a Draft National Tourism Policy.

CHECK YOUR PROGRESS - 5

1. State one of the important objectives of the National Action Plan?

2. Did assistance to Specified Tourism Areas feature in the NAP?

3. Mention any one area so selected

16.2.3 DRAFT NATIONAL TOURISM POLICY OF INDIA

This is a new Tourism Policy, which builds on the strength of the National Tourism Policy of 1982. It aims at making tourism the catalyst in employment generation, environmental re-generation, development of remote areas and development of women and other disadvantaged groups in the country, besides promoting social integration. It would also lead to larger foreign exchange earnings and create conditions for more Foreign Direct Investment.

The Mission

The mission is to promote sustainable tourism as a means of economic growth and social integration and to promote the image of India abroad as a country with a glorious past, a vibrant present and a bright future. Policies to achieve this will be evolved around six broad areas such as

Welcome (swagat),

Information (suchana),

Facilitation (suvidha),

Safety (suraksha),

Cooperation (Sahyog) and

Infrastructure Development (Sanrachana).

Conservation of heritage, natural environments, development and promotion of tourist products would also be given importance.

The New Tourism Policy like the earlier National Tourism Policy 1982, also aims at making the stay of foreign tourists in India, a memorable and pleasant one with reliable services at predictable costs, so that they are encouraged to undertake repeated visits to India, as friends. This would be in tune with India's traditional philosophy of giving the highest honour to a guest (*Atithi devo bhava*).

Tourism is a multi-tier and multi-faceted industry. There are not only the Central and State Governments, but also the municipal bodies and the local authorities of the region involved, in promoting tourism. Besides this there are a whole lot of ministries which are involved e.g. Ministry of Civil Aviation, Railways, Surface Transport, Tourism and Culture, External Affairs, Home Affairs, Finance and finally Ministry of Environment and Forests. The draft tourism policy realized this overlapping of functions and hence listed out its plan of action specifying the Ministries/Departments/Agencies responsible for implementing these actions.

Similarly it also recognized the fact that **Tourism is A Multi-Dimensional Activity**. The Government aims at achieving necessary linkages and synergies in the policies and programmes of all concerned Departments/agencies by establishing effective co-ordination mechanisms at Central, State and District levels. The focus of the national policy, therefore, will also be to develop tourism as a common endeavor of all the agencies vitally concerned with it at the Central and State levels, public sector undertakings and the private sector. This was recognized in the National Tourism Policy 1982 but nothing much was done to ensure its implementation.

People's Participation

Like the earlier policy too, this policy wants to encourage peoples' participation in tourism development including Panchayati Raj institutions, local bodies, Co-operatives, non-governmental organizations and enterprising local youth. Hence, this policy has gone a

step further in elaborating who all are included in the term people. A constructive and mutually beneficial partnership between the public and the private sectors through all feasible means is an absolute necessity for the sustained growth of tourism. It is, therefore, the policy of the Government to encourage emergence of such a partnership.

Government's Role

It also realized that the Government has an important role to play. This is primarily as tourism is a multi-sectoral activity and the industry is affected by many other sectors of the national economy. The State has to, therefore, ensure intergovernmental linkages and co-ordination. It also has to play a pivotal role in tourism management and promotion. The specific role of the Government will be to provide basic infrastructural facilities including local planning and zoning arrangements, rationalize taxes, ensure safety and security of tourists and ensure development of tourism is compatible with the environment, facilitate availability of trained manpower. Undertake research, prepare master and facilitate formulation of marketing strategies.

Tourists have to pass through several Government agencies. These include obtaining visas, undergoing immigration checks, obtaining permits to visit certain areas, payment of fees for certain facilities, etc. The endeavor of the Government would be to improve efficiency in providing such facilitation services. Introduction of issue of Visa on arrival at least for 15 days at all the airports, computerization of the system of issue of Visa, streamlining of luggage handling system at airports improving tourist facilitation services at the airports by adopting technological solutions are some of the important facilitation services proposed in this regard.

The Central Government will set up a Paryatan Bhawan in New Delhi as a modern Tourist Interpretation Centre to cater to various needs of travellers, foreign as well as domestic and to offer facilities for air and train reservation, money changing counters and information about all tourist centres in the country.

Private Sector

Like the National Tourism Policy 1982 it realized that private sector has an important role to play. All over the globe private sector has played the lead role in this growth. The private sector has to consider investment in tourism from a long term perspective and create the required facilities including accommodation, time share, restaurants, entertainment facilities, shopping complexes, etc. in areas identified for tourism development. Non-core activities in all airports, major stations and interstate bus terminus such as cleanliness and maintenance, luggage transportation, vehicles parking facilities, etc. should be opened up to private operators to increase efficiency and profitability. The specific role of the Private Sector will be to:-

Build and manage the required tourist facilities in all places of tourist interest. Ensure preservation and protection of tourist attractions and

give lead in green practices. Sponsor maintenance of monuments, museums and parks and provision of public conveniences and facilities

It would be the policy of the Government to facilitate larger flow of funds to tourism infrastructure and to create a Tourism Development Fund to bridge critical infrastructural gaps.

Export-house status has been accorded to Hotels, Travel Agents, Tour Operators and tourist transport. The status needs to be extended to all tourism units irrespective of the annual turnover.

In order to off-set the specific constraints of tourism industry and to put in place the required infrastructure as quickly as possible, particularly in less developed areas, appropriate incentive schemes would be considered. It would also be the endeavor of the Government to persuade the State/UT Governments to rationalize taxes, to put a cap of 20% on all taxes taken together on the accommodation and hospitality units, to allocate suitable land for tourism purposes at reasonable prices, harmonize movement of tourist transport across state borders, etc

Integrated Development of Tourist destinations: - Like the National Action Plan 1992 the Draft Policy also talked about integrated development of tourist destinations. International tourist traffic to the country is largely confined to certain selected centres and destinations at present. There is also a fair level of seasonality in the international tourist arrivals. As a result there is a good deal of congestion and scarcity of facilities in some of these centres during peak seasons. The tourist traffic to some of the centres has even exceeded the carrying capacity with the attendant problems of environmental degradation. It has, therefore, become necessary to go beyond the beaten tracks and to facilitate direct visit of tourists to new destinations. In order to achieve this Tourism Economic Zone, Tourist Circuits, Special Tourism Area and Areas of Special Interests are to be developed.

Tourism Economic Zones will be created with private participation based on the intrinsic attractions, potential for development and availability of resources in these zones. Air, road and rail connectivity to these areas will be established to facilitate direct and easy access to these zones from international and domestic destinations. Adequate backward and forward linkages will also be established to ensure flow of benefits to the local community. The development of such zones will be guided by well conceived Master Plans

Tourist circuits and Special Tourism Areas India with vast cultural and religious heritage and varied natural attractions has immense potential of growth in the tourism sector. 25 travel circuits and destinations have already been identified for development through joint efforts of the Central Govt., the State Governments and the private sector. State Governments of Kerala, Tamil Nadu, Orissa and Maharashtra and Union Territory Administration of Daman & Diu have also declared Bekal Beach, Puri-Konark, Sindhudurg, Muttakadu-Mamallapuram and Diu as Special Tourism Area for integrated development. Steps will be taken to work towards the integrated

development of all the tourist circuits of the country with the involvement of all the infrastructural departments, State Governments and the private sector.

Areas of Special Interest Government would initiate and support special programmes and schemes for the development of tourism in North Eastern States, Himalayan region and island States/Union Territories with a view to achieving overall economic development of the regions, and as part of the strategy for removing regional imbalances. The seven States of the North East with beautiful landscapes, lush green forests, exotic wildlife, unique forms of art and culture and affable tribal societies have hitherto remained backward due to various reasons including poor infrastructure. At least ten percent of Plan funds of the Ministry will be used for the promotion of tourism in North East apart from taking up special projects and schemes for the development of the area.

Apart from the above the Draft National Policy also talks about sustainable development, promotion and marketing diversification of tourism products and policy 1982 professional excellence as discussed below, which were already there as part of the Tourism Policy 1982

Sustainable Development

The principle of sustainable development stipulates that the level of development does not exceed the carrying capacity of the area. It will be governments' policy to ensure adherence to such limits through appropriate planning instruments, guidelines and enabling regulations and their enforcement. Efforts will be made to diversify the tourism products in such a way that it supplements the main stream of cultural tourism. Comprehensive perspective plans for developing sustainable tourism by assessing the existing tourism scenario in each State/Union Territory with respect to availability of natural resources, heritage and other socio-cultural assets, quantitative/demographic factors like population, employment, occupation, income levels etc, services and infrastructure will be developed by initiating immediate action in this direction. The Action Plan also provides for a legal frame work through appropriate legislation for ensuring social, cultural and environmental sustainability of tourism development and protecting the tourists. It also aims at evolving specific policies and guidelines for the development of specific forms of tourism like ecotourism, adventure tourism, etc.

Promotion and Marketing

Promotion and marketing is an important component of tourism development and needs to be undertaken along with product development in conformity with consumer profiles and product characteristics. A well laid out Action Plan relating to Promotion and Marketing has been worked out. It aims at

- Achieving effective co-ordination and synergy with other departments, agencies and the private sector in tourism promotion and marketing.

- Fully utilising the Indian missions abroad for tourism promotion and related activities.
- Identifying potential tourism markets and segments and adopting focused marketing strategies based on research to make promotional and marketing efforts cost effective.
- Enhancing India's image as a fascinating multi-attraction and multi-activity destination with rich cultural heritage and a vibrant society.
- Developing a Millennium Yatra Package and Youth packages

Diversification of Tourism Products: - The main strength of Indian tourism at present is its cultural attractions, particularly, the large number of monuments and archaeological remains scattered through out the country, its art and artefacts and colourful fairs and festivals. The country is also endowed with a number of other tourist attractions and options including beach tourism; forests, wild life and landscapes for eco-tourism; snow, river and mountain peaks for adventure tourism; technological parks and science museums for science tourism; centres of pilgrimage for spiritual tourism; heritage trains and hotels for heritage tourism; etc. The tradition of Indian system of medicine and its curative and preventive effect are well known the world over. Yoga, Ayurveda and other forms of natural health resorts have thus become unique tourist attractions of the country. There are also facilities for conference and convention tourism, cruise tourism and shopping tours. The development of natural health resorts of Yoga, Ayurveda etc. along with rural tourism, spiritual tourism and eco-tourism will be given adequate attention.

Professional Excellence

Strengthening the institutional set-up for human resource development including the setting-up of an Advanced Institute of Hotel Management and a Culinary Institute. Qualitative improvement and modernization of existing training institutions. Setting-up at least one Food Craft Institute in each State, particularly in North Eastern States.

This is the first time there is a talk about placing **Tourism in the Concurrent List of the Constitution of India**. Some other important issues, which, this policy emphasis that had not been dealt with in the earlier policy are **Information Technology, security issues and international cooperation...**

Information Technology

Efforts will be made to adopt the technological advances in the tourism sector to provide better facilities to tourists and to market the tourism product, to the benefit of all concerned.

Information technology shall be given the pride of place in the efforts to promote Indian tourism. Every endeavor in this regard would increasingly rely on optimizing the use of e-commerce/m-commerce, use of internet for dissemination of tourism related information, increasing use of portals as gateway to accessibility to tourism

information, development of Handy Audio Reach Kit (HARK) Tourist Guidance System at important monuments and heritage sites, networking of States, setting of tourist information Kiosks, encouragement to information technology and eco-friendly practices by the private industries and above all keeping abreast with the global technologies for promoting and facilitating tourism. It shall be ensured that Information Technology (IT) and Indian Tourism (IT) become synonymous.

The economic and social benefits of tourism and its importance as an instrument of economic growth have to be fully recognized by all sections of the society. It would, therefore, be the endeavor of the Government to bridge the information gap through proper statistical documentation of the impact of tourism and its wide publicity to create awareness so that the economic and social significance of tourism is well recognized and tourism is given due attention and national priority

Safety and Security

The safety and security of tourists are of primary importance both from the point of view of tourism development and the national pride. It will be, therefore, given high priority in the national strategy for tourism development. Central Government will take up with the State Government to enact suitable legislation on travel trade/ tourist police for protection and security of tourists and for providing institutional mechanism to deal with complaints received from tourists and the industry so as to create a better security perception amongst actual and potential visitors.

International Co-operation. The Action Points relating to International Cooperation are

- To foster positive win – win partnership with all the international agencies and other countries. Ensuring active participation in the activities of international agencies like United Nations Development Programme (UNDP), Economic and Social Commission for Asia and Pacific (ESCAP), World Tourism Organization (WTO), Pacific Asia Travel Association (PATA), Indian Ocean Tourism Organization (IOTO).
- Strengthening tourism promotion and investment through multilateral and bilateral agreements with different groups of countries like Association of South-East Asian Nations (ASEAN), Bangladesh-India-Myanmar-Sri Lanka- Thailand- Economic Co-operation (BIMSTEC), and South Asian Association for Regional Co-operation (SAARC), etc.

Tourism as a separate subject does not find a place in the Seventh Schedule of the Constitution of India even though a number of its components are either in the Union List or in the State List or in the Concurrent List. Under the new Policy, Tourism will be placed in the Concurrent List as such a step will provide a Constitutional recognition to the tourism sector and help in channelising development of tourism in a systematic manner by enabling the Central Government to bring in

legislation governing the activities of various service providers in the tourism sector.

CHECK YOUR PROGRESS - 6

1. When did the Draft Tourism Policy come out?

2. Name any two of its objectives.

3. Is only one Ministry involved in implementing the plan of action?

16.2.4 EVALUATION

The Draft Tourism Policy 2002 was circulated to all organizations and bodies directly or indirectly connected with tourism, so that they could give their suggestion. It is still at the discussion stage and has not been finalized and accepted as a policy. But it is still a set of guidelines and principles which are being implemented and followed by the Ministry of Tourism and Culture and other State agencies involved. It is a recommendatory set of policies and not mandatory. Keeping in view the basic principles and guidelines of this Tourism Policy, the Ministry of Tourism has been broadly implementing the following schemes/programmes during the 10th Five Year Plan:

- Scheme for Integrated Development of Tourist Circuit
- Scheme of Assistance for Large Revenue Generating (LRG) Projects
- Scheme of Rural Tourism
- Scheme of Financial Assistance to States for Organization Tourism Related Events
- Scheme of Central Financial Assistance for Information Technology (IT) Projects
- Scheme for support to Public Private Partnership in Infrastructure Development (Viability Gap Funding)
- Scheme of Market Development Assistance (MDA)
- Scheme of Professional Services -- Market Research
- Scheme for Product/ Infrastructure and Destination Development;
- Scheme of Capacity Building for Service Providers (CBSP);

“Incredible India” campaign is being promoted on a war footing. India is being marketing as a destination for all reasons. It is promoting India as

a destination point and its advertisement are being floated globally in the form of hoardings, bill boards, on running cars, on web sites in different languages, on the front page of Time magazine, in major international and national magazines like Travel Guide, National Geographic.

Impact of the campaign can be seen from the enhanced earnings of Rs.55000 crore, an increase of 36%. Not only this, there was an increase of arrivals by 25% and domestic tourists crossed the 350 million mark. Due to all these efforts taken by the Government, India has been ranked in the top six preferred destinations by Condensate.

Though it was clearly spelt out that international tourism would be a Central Government subject and domestic tourism a State subject in the 1982 policy. The state government though have provided the infrastructure at places of tourist interest and have implemented some of their programmes but by and large they have not been very serious about implementing them e.g. the state government of Maharashtra was asked by the centre to provide drinking water and other facilities to promote domestic tourism in Elephanta Caves but the work is still going on. Hence, we can say that there is a laxity on their part when it comes to implementation. On the other hand, Bihar government has been diverting the funds allocated for tourism development for other purposes.

The Draft Tourism policy states, that tourism should be put on the concurrent list. It still has not been done so. Road tax is another issue which needs consensus and rationalisation. The tour operators for long have been asking for payment of taxes in a lump sum and not separately at the entry of each state. In doing so the tourist are put to inconvenience eg. If a tourist is travelling by road from Delhi to Gwalior then the tour operator has to stop at the state border of Haryana, Uttar Pradesh, Rajasthan and finally Madhya Pradesh to pay taxes.

The National Action Plan mentions areas which are important for tourism development but which fall under the control of different Ministries of the Government of India like improvement in the facilities at international airports, liberalised charter flights and open sky policy for routes on which Air India does not operate or operates in a limited fashion. These are important issues and most of them are being resolved but still a lot of work needs to be done.

Since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State Governments, private sector and voluntary organisations become active partners in the endeavour to attain sustainable growth in tourism, if India is to become a world player in the tourist industry. A step in this direction has begun to be taken as can be seen in the introductory paragraph of this section.

After, 50 years of planned economic development, tourism has found an important place in the overall strategy. It had been a slow process and often the boundaries of action on tourism were limited by an ad hoc approach. More ever, though the Plans had covered a comprehensive

area and had outlined almost all the issues relevant for development of tourism, a clear idea about the role of tourism and its place in the overall economic development planning of the country had not emerged till the Tenth Plan.

What the five year Plans had achieved through the categorization of schemes and of development programmes, is, primarily a sectoral growth strategy for tourism and not a role for tourists as a catalyst for growth. The plan laid emphasis on development of sectors. Depending upon their allocation and the importance given, it resulted in the development of that sector, so to say if agriculture is given a higher allocation in the plans in a particular area it would result in the overall growth of that area which in turn would increase tourism in that area. The government did realise that tourism is affected by overall development of that area, but did not realise that it is a two way relationship. Not only does economic development affect tourism but tourism also in turn affects economic development as already mentioned in lesson 1. A striking example is that of Agra, due to tourists visiting this place to see one of the seven wonders of the world. This town has woken up from a sleepy city of India, to being a busy up coming developed city with a thriving industrial sector.

Due to the reasons identified above the Action Plan 1992 which quantified the target of the number of international tourists' arrivals to India at 1% of world international arrivals has still not been reached. Tourism industry as such had never been treated as an engine of growth. If done so tourism growth would bring with itself development of a whole set of amenities and facilities which would not only result in economic development of that area, but would also provide the youth with employment along with a rise in disposable income. This fact was realised only in the Tenth Plan.

Any future vision for tourism should therefore be built on the integration of strategy for the development of tourism to the basic development strategies of the country. Steps in this direction have already been taken and we are hopeful of fruitful returns, some of which are already being felt.

CHECK YOUR PROGRESS - 7

1. List out the main lacunae in the policy of the government before the Tenth Plan

2. Tick the following key words which feature in the above section on Evaluation ---- rural tourism, engine of growth, outlay in the plans, and diversification of products, tourist circuit, and objectives of NAP.

3. Under which brand is India marketing its tourism Happy India, Comfortable India, Hamara India or Incredible India

16.3 SUMMARY

The unit introduced you to the Tourism Policy of the Government of India to give you an idea about the process of tourism policy formation in the country. We also highlighted how the policy fell short of targets. We also discussed that tourism got itself an industry status to an export status, hence became entitled to a number of concessions. This gave an impetus to the tourism industry. It also highlights the importance of the private sector in tourism development and of tourism being a multifaceted industry. It also brought to the front the need for integrated development rather than sectoral development. However besides all this, you should also take note of the ongoing debate on tourism development between the policy makers, host population, environmentalists and tourism activists. You should at the same time keep yourself updated on the latest policy decisions and declarations which are made from time to time.

16.4 KEY WORDS

Tourist Circuits, Special Tourist Zones, Tourism Policy 1982, Nap, Tourism Policy 2002, Common Endeavour, Multifaceted, Sustainable Development, Peoples Participation, Private Participation, Evaluation, Incredible India Campaign, Professional Excellence, Diversification of Tourism Products, Overseas Publicity, Improvement of Tourism Infrastructure.

16.5 GLOSSARY

Concurrent list – under the listing of both the Central and State Governments. In other words tourism is both a central as well as a state subject.

Infrastructure – The basic public services needed for the successful operation of tourism enterprises and for optimising the comfort of the visitors.

Visa – An endorsement on the passport issued by the representative of the Government to a person visiting a particular country as a tourist.

Youth Hostel – A building which offers clean, simple and inexpensive shelter to young people, travelling independently or in groups.

Multiplier Effect – The money spent by the tourist circulates in the economy and stimulates it, as it changes hands and is spent and re-spent a number of times there is a chain reaction of spending, triggered off by the injection of the tourist dollar into the destination economy

16.6 SELF ASSESEMENT EXERCISE

1. Explain the Tourism Policy 1982 and the subsequent National Action Plan 1992.
2. Has there been a Draft Tourism Policy? If so, how is it similar as well as different from the earlier policy?
3. Critically evaluate the Tourism Policy of the Government of India?
4. Tick the following key words which appeared in the above sections--- Modern tourism, sustainable development, kings, areas of special interest, Five Year Plans, Foreign exchange earnings, promotion and marketing.

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Annexure –I

Circuits-cum-destinations identified for intensive development

Travel Circuits

1. Kulu-Manali-Leh
2. Gwalior-Shivpuri-Orchha-Khajuraho
3. Bagdogra-Sikkim-Darjeeling-Kalimpong
4. Bhubaneshwar-Puri-Konarak
5. Hyderabad-Nagarjunsagar-Tirupati
6. Madras-Mamallapuram-Pondicherry
7. Rishikesh-Narender Nagar-Gangotri-Badrinath
8. Indore-Ujjain-Maheshwar-Omkareshwar-Mandu
9. Jaisalmer-Jodhpur-Bikaner-Barmer

Destinations

1. Lakshadweep Islands

2. Andaman Islands
3. Manali (Solang-Nalah)
4. Bekal Beach
5. Muttukadu Beach
6. Kangra (Pong Dam)

LESSON – 17

GLOBALISATION AND TOURISM –PERFORMANCE AND EVALUATION

STRUCTURE

- 17.0 Introduction
- 17.1 Objectives
- 17.2. Globalization and Tourism
- 17.3 Performance
- 17.4 Reasons for slow growth
- 17.5 Summary
- 17.6 Key Words
- 17.7 Glossary
- 17.8 Self Assessment Questions
- 17.9 Sources of Information or Further Readings

17.0 INTRODUCTION

We have, already learnt about the changing form of tourism in India, the importance of planning, the allocation of funds during the plans, the various tourism policies and the areas on which they laid emphasis. We also learnt in the earlier lesson that all our plans have been drawn out of the Tourism Policy 1982. Finally, in the Tenth Plan tourism was viewed as an engine of growth and a host of measure was embarked upon. In this lesson we shall be able to comprehend the effect of globalization on the tourism industry. It shall also help you understand how tourism has performed after the Tenth Plan. The Ministry of Tourism, Government of India has successfully placed India as destinations for holidays with global brand i.e. ‘Incredible India’ campaign and full efforts are there to sustain it with new flavour in the campaign ‘Colours of India’. The government is actively involving private sector in the infrastructure development as tourism infrastructure will be the key driver for the growth of tourism in India. There is a tremendous opportunity for India if policies are properly implemented. Our tourist arrivals are only at 3.6 million whereas our competitions have shown real growth like China has gone over the 30 million mark. For India, tourism earns over \$4.3 billion and is the third largest foreign exchange earner. We can still earn more and make tourism the main source of foreign exchange for our country. India should encourage tourism as a ‘Whole Product’ rather than view it

as separate pieces like Aviation, Hotels, Entertainment, Transport, Amusement Parks etc. Year 2004 proved to be an excellent year with 24% growth over 2003, in respect of tourist's arrivals, foreign exchange earnings also raised by 33% and the most important part that we restored the high length of stay of tourists which is about 30 days. Domestic tourism again proved a boon - India tourism with 309 million domestic tourist in 2003 and 400 million in 2004 (approximately). Economic impact of tourism to create jobs is the great opportunity as also an opportunity to enhance its share of global market which is at present is very minimal. 0.38%. Besides all these we shall also look into as to why tourism has not grown the way it should have, given India's diversity both in terms of natural and cultural wealth.

17.1 OBJECTIVES

After going through this unit you will be able to

- describe globalization
- see the impact of globalization on tourism
- evaluate the performance of tourism
- see the reasons for slow growth

17.2. GLOBALISATION

When we speak about globalization of services, there is a tendency to highlight sectors such as IT, finance or telecom, sectors with high commercial orientation and well-recognized players. Increasingly, however, various social services are experiencing growing cross-border transactions and beginning to draw attention. Globalization of these services is, in many ways, more interesting and complex, given their overall non-commercial orientation and the associated welfare, equity and public-private considerations.

Huge volumes of data and information can be transferred, instantaneously at the click of a mouse to entities abroad by Corporations, from one country to another. One of the dreaded consequences of globalisation is outsourcing - which leads to a shift of jobs from the wealthy West to the East.

The developed countries, principal supporters of globalisation, who have expounded the principles of free trade in goods and services as well as financial liberalisation, find themselves not the only ones benefiting as developing countries have exploited their comparative advantage in price, services and goods.

Thus impact of liberalisation on tourism needs to be very closely studied. There is a feeling that the developed countries are getting the maximum benefits because of the leakages in the system. The developed countries also feel that they are not getting the full benefits as much as

they should of the liberalisation process. The consumers are not getting the benefits from all the productivity gains brought about by technology – thus in spite of the best efforts the impact is not as expected.

Tourism is one of the fastest growing sectors of the global economy. In this expanding industry developing countries are attempting to cash in, to boost foreign investment and financial reserves. There has been a global tourism boom in recent times. International tourism has been performing better than world trade. Tourism receipts have registered a higher growth than that of world export in services and merchandise exports. The world tourist traffic increased by 3 per cent during 1997 and the regions which benefited the most were Africa with an increase of 9.2 per cent and South Asia with a growth of about 4.9 per cent. It is projected that the international tourist traffic will increase to about 1602 million by registering a growth of about 4.3 per cent during the period up to 2020. The South Asia Region including India is expected to record a higher growth of 6.1 per cent.

The impact of globalisation has been seen in the form of increased tourist arrivals in the countries promoting tourism as major source of revenue, employment and international understanding, which also helps in global peace. The impact of globalisation has made the world a “global village”.

The positive impact of globalisation has been seen in respect of direct investments, which helped in developing over all infrastructure, accommodation, aviation, cruise tourism, roads, and automobiles – the segments that are interlinked with tourism. It opened up new opportunities in MICE tourism, Medical tourism, IT sector, Technical and Research fields, which prepare the manpower in tourism to meet the future challenges and prepare human resources for better servicing. Travel and tourism has become a strategic economic priority, which till now did not get the priority, as it should have. Prior to globalisation, unfortunately tourism never found the pride of place in the social economic planning of many countries. This is because the Governments underestimated the economic benefit of tourism, as it was not as visible as in industries such as manufacturing.

Liberalisation process has helped the growth of outbound tourism from India and today nearly 5 million Indians are travelling abroad. China is emerging as a very important source of outbound tourism in the world. WTO estimates outbound movements from China would generate 100 million tourists by 2050. Such will be the impact of globalisation in respect of tourist movements.

New markets have also opened up after globalisation. With globalisation a number of political changes have taken place like the emergence of European Union and the dismantling of the borders in Europe, the dilution of the visa formalities, constitutions of free zones, disintegration of the Soviet Union, and growth of regional alliances which are going to influence future growth patterns. The perception of the travellers about safety in travel in many Asian countries has changed. In fact Asia-Pacific region is estimated as the highest growth

area in the world tourism. East-European and former Soviet citizens are potential travellers after the developments in Soviet Union and Eastern Europe. With globalisation the inbound tourism the main objective of the country has seen a substantial increase. We achieved the 3 million mark in 2004 and the 5 million mark is being targeted by 2007. If the trend continues, the industry is optimistic of achieving the target. But we need to be ready for it when it happens.

The globalisation of the tourism business will have an impact in the following areas

1. Socio – demographic factor: With globalisation there has been an increase in the ageing population and declining growth of population in the developed countries. On the other hand, increasing population in the developing countries, as well as share of women in the work force of tourist generating countries is increasing. All these will need different marketing strategies.
2. Changes in the consumer behaviour: Tourism in future will be more demanding and more knowledgeable in all respects. This will need more market segmentations, development of quality of services that can sustain the interest of the repeat visitors. Tourism products will need to be tailored both in content and facilities geared to the specific tastes and demands.
3. Technological changes: (i) Technological changes in the civil Aviation sector (ii) Information Technology and revolution in Telecommunications. E-ticketing, Internet, smart card, loyalty schemes, online booking via the internet, use of global distribution systems etc. will be the style of tourism. Those countries not devoting their machinery to meet these challenges will be left behind.
4. Human Resource Developments: In addition to all the above mentioned technological areas, training requirements will be an essential component for tourism in the future in order to meet the new challenges.
5. Though the globalisation process provides many opportunities to the tourism promoters, it is not free of hurdles. Central Reservation System (CRS) reduces the scope of initiatives to personalise the products and product marketing initiatives. Travel agents will have to invest heavily in purchasing the operating systems. The huge movements of tourists will raise issues of carrying capacities of each destination. Additional pressure would be put on the fragile eco-system and non-renewable resources. Long term success of tourism will largely depend on its sensitivity to sustainable development issues. Liberalisation should be so guided that local skill is upgraded rather than skill brought in from outside. The process of liberalisation must recognise heritage and uniqueness of each place. Strength and variety along with infrastructure and service will be the key to the future of tourism.

However, it is felt that the uncontrolled growth of this industry can have serious consequences. It could result in serious environmental and social problems. It is the contention of world bodies like The United Nations,

that such negative effects should be controlled and reduced. They argue that 'tourism needs to be more sustainable' and to ensure a sustainable development there is need to bring together national and local governments, the tourism industry, trade unions and activist groups to realise this goal. It is yet to be seen, whether the global tourism industry can really be propelled towards sustainability given the current international and political environment. This will be discussed in greater detail in the following lessons.

To get the best out of the system of globalisation one has to look at the main areas i.e. process of liberalisation must not adversely effect local employment, or local skills are not replaced by manpower from outside and the liberalisation process must respect cultural heritage, uniqueness of each place and variety which are linked to the success of tourism. There should be sincerity to meet the challenges of development with a sense of purpose and determination. One should be ready to adopt new strategies to be able to meet the future challenges in competitive global environment.

One of the important affect of globalisation has been on medical tourism. The healthcare sector is among the most rapidly growing services in the world economy, estimated at \$4 trillion yearly in the OECD countries alone. The sector has seen new and rapidly evolving forms of cross-border transactions, spurred by factors as wide-ranging as technology, demographics, and costs, skills, growing private sector participation, natural endowments, culture and geography.

Globalisation of health services involves various modes of transaction. It involves cross-border electronic delivery, such as tele-diagnosis, tele-consultations, and transmission of medical images. As well as traditional shipments of medical reports and samples and, more recently, outsourcing of clinical trials. It also involves cross-border movement of consumers to avail of healthcare services in another country, often because such treatment is not available, or is too expensive in the patient's home country.

The Indian market for medical tourism has been growing at over 15% in recent years. About 100,000 foreign patients come, it is estimated, from West Asia, South Asia, the US and UK to India each year for cardiac surgery, transplants, hip replacements and cataracts as well as for treatment in Indian systems of medicine. Hospitals such as Apollo and Escorts and the state of Kerala highlight India's potential in medical tourism. India can provide high quality but affordable treatment, at a fraction of the cost of the developed countries.

The other important affects of globalisation on tourism has been on eco-tourism, adventure tourism, cultural tourism and pilgrimage tourism. On the other hand many developing countries, facing debt burdens and worsening trade terms, have turned to tourism promotion in the hope that it brings foreign exchange and investment. Simultaneously, leading international agencies such as the World Bank, United Nations agencies and business organisations like the World Travel & Tourism Council

(WTTC) have been substantially involved in making tourism a truly global industry.

Travel and tourism has emerged as one of the world's most centralized and competitive industries, and hardly any other economic sector illustrates so clearly the global reach of transnational corporations (TNCs). Over recent years, the industry has increasingly pressured governments around the world to liberalize trade and investment in services and is likely to benefit tremendously from the General Agreement on Trade in Services (GATS) - a multilateral agreement under the World Trade Organization (WTO).

GATS aim to abolish restrictions on foreign ownership and other measures which have so far protected the services sector in individual countries. For the hotel sector, for example, GATS facilitates franchising, management contracts and licensing. Moreover, foreign tourism companies will be entitled to the same benefits as local companies in addition to being allowed to move staff across borders as they wish, open branch offices in foreign countries, and make international payments without restrictive regulations.

The WTTC has recently presented its 'Millennium Vision' on travel and tourism, including the following key areas:

Get governments to accept travel and tourism as a strategic economic development and employment priority;

Move towards open and competitive markets by supporting the implementation of GATS, liberalize air transport and deregulate telecommunications in international markets;

Eliminate barriers to tourism growth, which involves the expansion and improvement of infrastructure - e.g. the increase of airport capacity, construction and modernization of airports, roads and tourist facilities.

It is already a well-established fact that in some developing countries, more than two-thirds of the revenue from international tourism never reaches the local economy because of the high foreign exchange leakages. Now, as the new free trade and investment policies are being implemented, their balance sheets may even worsen because the profits and other income repatriated by foreign companies is likely to grow larger than the inflow of capital. That means, the claims that globalization and liberalization of tourism will bring wealth, progress, social achievements and improved environmental standards to developing countries need to be seriously questioned.

CHECK YOUR PROGRESS - 1

1. Write two effects of globalization on tourism?

Activity

Talk to your father or any elderly person as well as to a friend about their travel itinerary. Was their travel confined domestically or was it outbound? Write down your observation.

17.3 PERFORMANCE

Tourism industry involves a wide range of players who serve tourists directly and to a greater or lesser extent depend on tourism for their business. They include hotel and catering services, recreation and cultural services, travel agencies, tour operators, and tourist guides. The term “hospitality industry” is also used as a synonym for hotel and catering industry and services, and often imprecisely to include tourism industry also. Another term used in the tourism industry is “destination management”. These terms have already been explained in the earlier lessons.

Tourism is a development activity which enhances the quality of life, preserves the national heritage and encourages the appreciation of India’s diverse cultures both by Indians and foreign visitors. It has become an important segment of Indian economy as it creates employment opportunities and contributes substantially to its foreign exchange earnings. The estimates foreign exchange earnings in 1999 were Rs.12495.55 crore, an increase of 8.35% over the previous year. India has everything that can attract tourists.

A recent study by the World Travel and Tourism Council (WTTC) has estimated that India’s tourism and travel industry contributes about Rs.90/5 billion every year to the GDP and provides 17.4 million jobs. The study also has envisaged that the over all economic activity stimulated by the industry would grow at the annual rate of about 8.4% over the next decade. This growth would result in the industry accounting for more than one in 15 jobs and contributing about 6.9% to GDP by the end of 2010 AD.

Tourism is the largest export industry in the world. International tourism is the largest single item in the world's foreign trade and for some countries it is already the most important export industry and earner of foreign exchange. The impact of tourism on national economies is becoming increasingly important today because of the growing size of the tourist market. It is recognised so by the World Bank and the World Tourism Organisation. 27 September has been earmarked as World Tourism Day. India has been striving to get some share of this industry.

Tourism is the world's largest export industry today. According to World Tourism Organisation international tourist traffic in 1997 was 613 million which generated receipts of about US\$444.0 billion. It is estimated that tourism accounts for about 8 per cent of the total world exports and more than 30 per cent of international trade in services. It is also estimated that travel and tourism provide employment to 212

million peoples directly or indirectly accounting for about 10.7 per cent of the global work force.

Inbound tourism towards India will see a big change in the tourist arrival segments. More business traffic will be towards India than usual leisure ones. India's growing economic power status and investment opportunities, as well as the change in lifestyle of Indians will bring good number of incentive holidayer's to India. Lot of them will come to India for attending conferences and conventions. Their demands will be different and we have to provide facilities to meet the requirements of these up market clients.

As mentioned earlier, the State Government intends to designate certain areas having significant tourist potential as Special Tourism Areas. To this end, reputed consultants and institutions will be engaged to prepare area development plans in respect of various areas such as Kutch District, areas around Sardar Sarovar project area, South Saurashtra areas covering Gir, Porbandar, Veraval, Somnath, beaches and areas of pilgrimage/heritage towns. These areas will be developed by following integrated area development approach. The State Government will make efforts to tap all the source of national and international funding for development of these areas and provide special encouragement to tourism projects being established therein. For ensuring faster development of these areas, area development committees will be constituted.

Another new segment in inbound tourism will be for medical and wellness. In India medical treatments can be conducted at par with international standards with all modern facilities but packaged, price wise, on a very affordable platform. Some would like to come for rejuvenating packages at relaxing surroundings of Kerala Goa etc. This is more like a cleanup process for physical, mental and emotional way of living.

Importance of inbound tourism has now been recognized along with domestic tourism but inbound tourism brings dollars that can help in bringing more infrastructure changes. Tourism recognition contributes significantly to strengthening the brand and profile of the destination and 'Incredible India' with global campaigns has had an impact. We need to collect Qualitative data to establish contours of each market and reach new markets to sustain the inbound tourism potential.

But the sad part is that we are still hovering around the 2.5 million tourist mark since the last 2 years. No doubt, there were genuine reasons in 2001-02, with the series of negative global events to bring the growth to a halt. Things are improving since mid 2004. India is stepping into the 4 million figures by early 2005. There is positive growth over 2003 figures and average 15% growth can be expected. Same success story can be seen for tourism receipts. Even outbound traffic from India is progressively moving upwards (about 5 million) and domestic tourism is having continuous growth which now stands at 350 million in 2005 and may cross the 500 million mark by 2006. Some of the important highlighting features of tourism performance are

- With inbound arrivals reaching 3.37 million earning grew to USD 4.8 billion in 2004. India has proved to be a happening destination in SAARC Region.
- Domestic tourism is also booming and has already crossed the 350 million mark.
- Outbound tourism is equally progressive with over five million plus Indians travelling abroad.
- Air capacity has been doubled. Connectivity is much better and our domestic carriers are now flying to neighboring countries and some overseas destinations also.
- Many new airports are being used by many international airlines, for example Singapore airlines flies to Ahemadabad.
- No frill airlines have not only made domestic travel very affordable but have also connected many new places.
- Huge investments are being made to modernize our international airports as well as our highways.
- Disinvestment and liberalization policy of the government has ensured world class services to the tourists, by opening up hotels like Park Royal, Hilton, Le-Meridian, and Holiday Inn.
- India branding with the “Incredible India” campaign has paid rich dividends in opening up new markets and to reach niche market segments.
- India’s performance has improved drastically over the years but there is still a long way to go. India’s percentage of world tourism receipts/arrivals is still way below the world standards as well as that of our neighboring countries as can be seen in Table 2
- More than 50% of the tourist arrivals are from U.K., U.S.A., Germany, Italy, Malaysia and Australia. Out of this more than half are from U.K. and U.S.A. as can be seen from Table 3

Table 1
Foreign Exchange Earnings through Tourism
(Million US \$)

Years	Earnings	% Change	Tourist arrivals in million	% change
1991	1861	--	1.68	
1992	2126	14.2	1.87	+11.3
1993	2124	-0.1	1.76	-5.5
1994	2272	7.0	1.89	+6.9
1995	2583	13.7	2.12	+12.6
1996	2832	9.6	2.29	+7.7
1997	2889	2.0	2.37	+3.8
1998	2948	2.0	2.36	-0.7
1999	3009	2.1	2.48	+5.2
2000	3168	5.3	2.65	+6.7
2001	3042	-4.0	2.54	-1.2
2002	2923	-3.9	2.38	-6.0
2003	3533	20.9	2.73	+14.8
2004	4810	36.1	3.37	+23.8

Table 2
Neighboring countries in bound tourism in 2000

Countries	Arrival in Millions	Earning in Billions
China	27.04	14.09
Hong Kong	11.32	7.21
Singapore	6.26	5.97
Thailand	8.65	6.69
Malaysia	7.93	3.54
Indonesia	4.72	4.71
India	2.56	3.03

Table 3
Top Ten International Markets for India During 2004

Country	No. of Arrivals	% Share
U.S.A	468340	13.9
U.K.	459206	13.6
Sri Lanka	130979	3.9
France	129044	3.8
Canada	118070	3.5
Germany	96970	2.9
Japan	96920	2.9
Malaysia	71622	2.1
Australia	68944	2.0
Italy	60992	1.8
Others	1666893	49.0
Total	3367980	100.0

CHECK YOUR PROGRESS - 2

1. Write two major achievements in tourism performance?

Activity

From the following words tick those, which appear in the above section.

Connectivity, National Action Plan, no frills airlines, UNCTAD, incredible India, adventure tourism, inbound tourism, sustainable tourism, outbound tourism, medical tourism, and destination management.

17.4 REASONS FOR SLOW GROWTH

Tourism products of India are so varied that very few countries in the world can provide such a mix of nature, richness of architecture, wildlife, festivities, shopping etc. in one holiday. Thus Indian holidays

provide real tourist experience. The travellers of all ages, all budgets and all interests can find their visit very satisfying.

Looking into these aspects, one can always feel that we have not been able to utilize our potential in full.

The small success that India has achieved can be seen by the number of tourist arrivals. But we have to move ahead cautiously as our competitors are doing much better and preparing themselves aggressively. We must see how Thailand, Malaysia, Singapore, Hong Kong and now China are coming forward with competitive packages. We have not only to match their price but our products also have to improve. Our infrastructure is limited to a few metropolitan cities; many of the tourist places around metros do not even have the basic facilities.

The major reason as to why the tourism industry is not doing that well is that we lack a positive attitude to do something big. There are however, some real problems and many of those are influenced by internal as well as external factors. More important are the internal factors where a clear cut policy directive is needed by giving priority attention to tourism, higher budget outlay, tax incentives and creating a tourism friendly environment with sound service providers' team. Tourism is nothing but a combination of services for which travellers are willing to pay. It is their interest for meeting new culture i.e. experience, a new source of entertainment, eco-friendly holidays, economic viability of its products (value for money) that decide destination choice. India fits quite well in this selection process.

We have some real constraints. We need to change our "attitude" and "approach" to tourism which in general, thought of as an elitist "activity" and not which is a right vehicle for welfare of mass in India.

The ground realities of the Indian tourism scenario, oft repeated though, can briefly be summarized as follows:

Inadequacy of infrastructure

Inadequacy of infrastructure and poor quality of available infrastructure is one of the most nagging bottlenecks of tourism development. While all areas of infrastructure development need attention, some key elements can be listed as:

- carrying capacity by air, road and railways;
- clean and comfortable lodging facilities at reasonable prices;
- trained guides and tourist amenities of international standard, in major places of tourist attractions; and
- adequate entry points, more international airports, and facilitation services of international norms in the major airports.

Also basic facilities need to be improved. The airports which are entry points give a poor image and more important tourist facilities viz. hotels, transports, rail road, basic amenities at tourist places and general

awareness and hygienic and a tourist friendly welcome, tourism related taxes mainly road taxes, Aviation Turbine fuel tax, sales tax, high excise duty on ATF, air seat capacity need to be improved.

Let us first look at Air connectivity part. We need to be well connected from the traffic generating aspect. Our national carrier does not have that number of aircrafts to fly from all those destinations. Thus seat capacity has always remained a big problem. We must allow all those foreign airlines who are willing to fly to India without putting a lot of conditions or soon privatize Air India so that it becomes competitive.

Similarly our airport facilities are very outdated, they need a total face lift to take more charters, bigger aircrafts and up market traffic. Airports form first impressions and we can't create the right image with the present condition of our international airports. We need to relax the charter norms. It will help us combat off seasonal problems. Opening of new airports will take away the congestion from metropolitan cities and open up new tourist centres that can ensure balanced growth of tourism all over India.

The position becomes all the more complex with aviation related taxes (things are a bit improved with the withdrawal of ATT, reduced fuel tax etc. recently) as announced by our Finance Minister in his mini budget. We must rationalize the tax part, Aviation Turbine Fuel taxes have proved domestic tours by air much cost prohibitive. Indian tourists find visit to overseas countries much cheaper than visiting the places within India. Road taxes are so high that surface transport packages are not being patronized. Fly drive concept is totally lacking in India because of road taxes. The inconvenience which travellers have to face at border check points is really discouraging to boost surface tourism.

Visas on arrivals at airports should be available. We need to spend more on tourism branding in new markets to face the challenges of the competitors. World class road to world heritage sites need to be established. Hotel taxes are to be rationalized, State Governments should provide land at concessional rates or leased on long term basis instead of auctions thus motivate private participation for development operations and maintenance of tourism infrastructure in the states. Most important is to upgrade airport infrastructure and this is to be taken on a time bound manner. Road connection from airports to city centres and reduction on luxury tax on hotels and reduction on transport rates, one point tax collection i.e. national permits for approved tourist transfer vehicles for hassle free inter state movement.

Budgetary support

While the required infrastructure is inadequate and is not of comparable quality, resources to make qualitative changes quickly and effectively are also not available. Budgetary support to the tourism sector has been insignificant due to the pressing and competing demand from various sectors. It is important, therefore, to consider other avenues for resource

generation and also to consider modalities for greater public-private partnership.

We also lack forming business partnerships. Each one is trying to promote some product by undercutting each other's business in the overseas markets. Greater degree of co-operation is needed especially between trade and Government agencies. State Governments should reduce road taxes, luxury taxes on hotels etc. – all these taxes make our product a bit overpriced. Private sector investment needs to be encouraged in developing tourism and public sector investments should be focused only on development of support infrastructure. Thus the seeds of private initiatives which were sown during the Seventh Plan should be encouraged.

Trained Personnel

Tourism is a service industry and the excellence of services makes the crucial difference. That difference comes from trained professional personnel. Shortage of manpower, in India, is a serious handicap. Human Resources Development is an important aspect of service industries. Tourists depend upon travel agents, guides and hence trained manpower is a sine qua non of tourism industry. On the basis of available statistics, training facilities can be safely said to be totally inadequate. If trained manpower is not available locally, the objective of local employment will not be achieved.

Keeping in view the approach of market-led development, the State Government will encourage and support creation of training facilities in the private sector by private agencies/individuals.

Hotel Management course, courses meant for guides, caterer and other supervisory and non-supervisory staff of hotel will be introduced in Industrial Training Institutes (I.T.Is). Approved hotel associations and private entrepreneurs should be encouraged to create new training facilities by making available land to them for this purpose and by giving other appropriate incentives. The Government should consider setting up Hotel Management Training Institute at the State levels preferably in private sector.

Evening entertainment

Evening entertainment is totally lacking in most places including metros. Some serious partnerships need to be formed between State Governments and the private sector so that tourists can enjoy their evenings. They should get an opportunity to experience local culture. Diversification of product by adding specific sectors like sports, healthcare, museums, etc. is a must for increasing the interest of the tourists in the evenings.

Other aspects

Quality tourist literature, decent upkeep of monuments, amusements parks, multi cuisine food plazas, shopping malls, all these are needed for successful tourism. We all know where we actually stand and how much

we need to do in these areas so we should not go complacent with the small success made in tourism sector in the recent past.

Quality Research

Indian tourism can achieve a better growth rate, provided it takes note of the quality research input and the environment in which the tourism industry operates which will finally shape the strategies for marketing tourism products. India should also strive for better regional and sub-regional cooperation for promoting interregional and intra regional tourism. This sort of cooperation will be helpful in joint promotion for the principal market, outside the region and to further the growth of tourist traffic within the region. India has a rich culture and heritage tourism product complemented by a fascinating and attractive natural environment. It has many of the essential ingredients for successful tourism development, together with a structured planning framework in which future growth can be assessed systematically. Whilst investment may be a constraint upon development, and a degree of modernization is required in relation to infrastructure, one of the principal concerns is the impact of existing and future development on the environment, people and community structure. Future development needs to be particularly concerned with the cost-benefit ratio of tourism. It may yield important economic benefits, but there are also major opportunity costs, which are frequently overlooked by the policy-makers and planners.

State of health tourism

Only 5% of all patients treated at reputed hospitals like Escorts are foreign, compared to 25% at equivalent Thai hospitals. Inadequacies in supporting infrastructure, equipment, supplies and domestic regulation, lack of recognition of Indian medical qualifications and disparity in standards of training and quality remain major constraints.

Adverse Publicity

The cost of image building abroad is very high and the negative multiplier effect of adverse publicity can be quite damaging. In order to avoid this government is advertising that tourists especially women tourist should not travel alone.

Tourist experience

Publicity through brochures and official handouts is only one of the means of reaching out to the people. It is universally recognized that a satisfied tourist is a country's best publicity. Similarly, unhappy experiences of tourists can ruin years of image building exercises. Hassles of travelling in India are a major constraint of tourist promotion.

Maintenance of sites

Many of the tourist attractions in India have shown signs of wear and tear because of very high pressure of visitors and poor maintenance. This is another area of very serious concern because with tremendous growth in domestic tourism, the priceless heritage of the country has deteriorated over the years. A public fund for the purpose of maintenance and restoration being limited, their maintenance which is

expensive and which requires a high degree of technical expertise, has suffered.

Conflict of interest

The need to preserve the heritage and natural attractions for posterity is well recognized in government policy. At the same time, as demand for service around such places increases with growth of tourism, the local population sees an opportunity for maximum economic gain out of it within the shortest possible time. This conflict of interest has raised serious issues of sustainable development in many places. Places like Goa and the beaches of Kovalam have shown signs of such stress. At the same time, such issues are now more in the scrutiny of social action groups and the media. As a result, in many places tourism promotion has also encountered emerging social tension.

Cheating and swindling of tourists

Tourists are cheated and harassed all along by the travel agents, as well as by the hoteliers. In effect the image of the country is pretty bad as far as the foreign tourists are concerned and this in turn affects the inbound tourism a lot. This needs to be rectified soon or the fallout will be grave. Also a complaint box should be arranged at all hotels/airports to bring greater transparency to the system.

Government Policy

There were times when the division of power resulted in operational contradictions. For instance, by 1989, many foreign hotel chains like Hilton, Hyatt, Penta and Kempinski had applied for licenses for investing in India. However, the revenue departments of the respective States failed to locate and allocate land for the construction of hotels. The scheme, thus, fell flat. Curiously, the Union Government was not hesitant to make use of Constitutional provisions when it suited its interests.

We should not forget that tourism is an industry which emerges in the context of unresolved socio-economic structural issues, such as land distribution patterns or the take over of traditional occupations by modern mechanized capital. Tourism happens to be a source of livelihood for millions in India and aggressive privatization does not ensure social and economic safety nets. In the face of the unhindered entry of international capital and successive alienation, perhaps, it is difficult to agree that "the future is in our hands"

Tourism is a multi faceted activity and new forms of it are continuously coming up. The government has identified the major new types as well as the places/circuits for them but the pace of development has been slow because of lack of funds and responsibility of their development not being with one authority. Private sector participation is a must for specific location development. Various sub-sectors of tourism activities listed below should be encouraged by marking new tourism units eligible for incentives under Tax Holiday incentive scheme in designated areas. No doubt, quite a lot has been done in recent years – India's Highway development program, recent announcements about tax

reduction in fuel, withdrawal of Air Travel Tax; abolition of expenditure tax, declaring the hospitality sector as a infrastructure industry, State Governments reducing sales tax on aviation fuel etc.

With synergized approach and proper networking all these new challenges can be met and India could be the right choice

To make the New Tourism Policy result oriented, implementation will be monitored by a High Powered Committee under the Chairmanship of Chief Secretary.

A Management Information System will be set up to assist the Committee to make available information on various aspects of implementation on a continuous basis. The Committee will also review the policy from time to time.

The principle of sustainable development stipulates that the level of development does not exceed the carrying capacity of the area. It will be governments' policy to ensure adherence to such limits through appropriate planning instruments, guidelines and enabling regulations and their enforcement. Efforts will be made to diversify the tourism products in such a way that it supplements the main stream of cultural tourism. Comprehensive perspective plans for developing sustainable tourism by assessing the existing tourism scenario in each State/Union Territory with respect to availability of natural resources, heritage and other socio-cultural assets, quantitative/demographic factors like population, employment, occupation, income levels etc, services and infrastructure will be developed by initiating immediate action in this direction.

Tourism development needs to be properly guided and regulated to avoid adverse impact on the natural environment and cultural heritage which constitute the tourist attraction. A judicious balance needs to be maintained between conservation and development. Government will continue its policy of trying to maintain balance through planning restrictions and by educating the people in appreciating their rich heritage and by eliciting their co-operation in preserving and protecting it.

Promotion and marketing is an important component of tourism development and needs to be undertaken along with product development in conformity with consumer profiles and product characteristics. The policy of the Government therefore will be to develop and implement cost effective marketing strategies based on market research and segmentation analysis in each of the tourist generating countries. Tourism is a global industry requiring inputs from various international agencies and collaborations with other countries. The policy of the Government therefore will be to foster positive win – win partnership with all the international agencies and other countries.

Tourism as a separate subject does not find a place in the Seventh Schedule of the Constitution of India even though a number of its components are either in the Union List or in the State List or in the Concurrent List. Under the new Policy, Tourism will be placed in the

Concurrent List as such a step will provide a Constitutional recognition to the tourism sector and help in channelising development of tourism in a systematic manner by enabling the Central Government to bring in legislation governing the activities of various service providers in the tourism sector.

CHECK YOUR PROGRESS - 3

1. Identify three most important key words, which highlight causes for slow growth of tourism

Activity

Talk to some one who has seen the interior of an airport and discuss the state of the airports asking him to give five suggestions to improve the same.

17.5 SUMMARY

In this lesson we have discussed globalisation and its effect on the tourism industry. With globalisation the world has become a global village, there is transfer not only of technology but also funds and expertise. It ensures more and better facilities being made available. But there is always another side to the same coin and while promoting tourism the interest of the local communities as well as the environmental factors should also be kept in mind .i.e. there is a need to ensure sustainable development. Thus though the need of the hour is to think globally, one must act locally, keeping in mind the interest of the region as a whole. With globalisation there is a big boost to tourism. There has been a quantum jump in the number of tourist arrivals. Not only this, domestic tourism has also increased. There has at the same time an increase in outbound tourism. The need of the hour is to keep these tourists within our country and reduce the leakage affect of tourism to as large an extent as possible. This would be possible by providing better facilities at home, by rationalization of fare structure and reduction of taxes so that an Indian does not find it cheaper and better to go outside. As far as products are considered, we have a plethora of tourism products. The question is why the domestic tourist is not aware of the opportunities and hence there is a need to market our destinations not only to foreigners but also to the domestic Indian tourists.

17.6 KEY WORDS

Globalisation, inbound tourism, outbound tourism, hospitality industry, world tourism day, medical tourism, sustainable tourism, taxes ,poor infrastructure, training of manpower, airport facilities, enhancing capacity, modernisation.

17.7 GLOSSARY

Transnational corporations (TNCs): These are corporations operating in a number of countries

UNCTAD United Nations Conference for Trade and Development

GATT: General Agreement for Trade and Tariff

GATS: General Agreement on Trade in Services

TRIMS: Trade related Investment measures

17.8 SELF ASSESEMENT EXERCISE

1. Explain how globalisation has affected the tourism industry?
2. How has the tourism industry performed in the post globalisation era?
3. Is India's growth in tourism in tune with world growth?
4. What are the reasons for the slow growth of tourism in India?

17.9 SOURCES OF INFORMATION FURTHER READINGS

Various sites

1. www.tourismministry.nic.in
2. www.world-tourism.org
3. www.incredibleindia.org
4. www.exploreruralindia.org

Books

5. Bezbaruah, M.P. *India Tourism Beyond the Millennium*, Gyan Publication House 2000, New Delhi.
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LESSON - 18

DESTINATION INDIA: TOURISM EXPERIENCES

Dr.Ameeta Motwani

STRUCTURE

- 18.0 Introduction
- 18.1 Objectives
- 18.2 India: A land of all Seasons
- 18.3 India: A Destination for all Reasons
 - 18.3.1 Indian Architecture
 - 18.3.2 Arts and Crafts
 - 18.3.3 Festivals of India
 - 18.3.4 Shopping Bargains
 - 18.3.5 Culinary Traditions
- 18.4 A Word of Caution
- 18.5 Summary
- 18.6 Answers to Review Questions
- 18.7 Keywords
- 18.8 Sources of Information

18.0 INTRODUCTION

Have you travelled to a place outside your home town/city? What is it that you remember about your visit? Did you come across new/ different climates, geographical areas, monuments, people, languages, festivals etc.? All these memories, feelings and experiences may together be called 'The Tourism Experience'. In this lesson we will discuss what kind of tourism experiences are offered by destination India. In other words what is it about India that a person coming here would enjoy, remember and talk about?

Every body who comes to India likes to tell the world that he/she has just returned from India. This is not a new thing. You all must have read in your school history books, about the travelogues of Huen Tsang, Alberuni and Fahien which narrate the story of their experiences during their visit to India. More recently, Hollywood actors, Diplomats, State guests including Presidents of developed countries have talked about their experiences in India.



This lesson discusses in some detail the variety of experiences that a tourist would enjoy in India due to the geographical and cultural diversity of this amazing country.

The concluding sections include a brief summary, answers to review questions, glossary of new terms and suggested readings for those of you inclined to know more about this magical land of ours called India. So let us begin our journey to DESTINATION INDIA.

18.1 OBJECTIVES

- To introduce India as a tourist destination
- To explain the diversity and vastness of destination India
- To familiarize the reader with the rich cultural heritage of India

18.2 INDIA: A LAND OF ALL SEASONS

India is so large that it can provide any season or climate any time of the year. India has some of the highest peaks, the longest plains, the hottest, the coldest and the wettest regions in the world. From the Himalayan peaks in the north to Kanyakumari in the south, from the Rann of Kutch in the west to Assam in the north-east, the 3.3 million square kilometres of the vast Indian subcontinent encompasses a diversity of geographical conditions, scenery, climate and people far greater than what is found in entire Europe.

A seasonal change in India is more than a change of weather. There is also a subtle change of mood that colors the season's festivals, music, dances and even its food.

Winter

Most foreign tourists arrive in India during winter. Winter is the time for skiing in Kashmir, Himachal Pradesh or Garhwal Himalayas. The tourists also have the option of swimming in the coastal regions of India as the water is generally a warm 20⁰ Celsius (or more) even in winters. They may

also enjoy the cultural festivities, plays, exhibitions, concerts and dance performances in the big cities during this period.



Spring

In spring Kashmir, the Kullu valley and Darjeeling are enchanting with their meadows of multi-coloured wild flowers against a backdrop of Himalayan mountain peaks. The gardens in the plains, too, are full of variety of flowers of many different colors, sizes and fragrance.

Summer

During the hot summer months of April, May and June, beautiful flowering trees and trees of juicy tropical fruits like mangoes and litchis can be seen all around. Many people living in the plains head for the mountain resorts of Kashmir, Shimla, Nainital, Kullu and Manali (in the north), Darjeeling (in the east) or Udhagamandalam (Ooty in short) and Kodaikanal (in the south).

Monsoon (Rainy Season)

The monsoon season is a time of dark thunder clouds and green valleys, singing birds, dancing peacocks and rain washed surroundings. It delights every Indian's heart and is considered ideal for romance and brisk activity. After the monsoon, comes the harvest season which is also the time for long festivals.

CHECK YOUR PROGRESS 1

1. Name some of the hill stations of India.

2. Why is monsoon so delightful?

3. What is so special about spring?

4. Name four activities that can be undertaken during winter in India.

18.3 INDIA: A DESTINATION FOR ALL REASONS

India offers an experience that very few destinations in the world can offer. There is a wide variety of choices for a tourist in India which includes a mix of nature, wild life, adventure, culture, architecture, festivals, varied cuisine and shopping. We Indians, therefore have many reasons to be proud of the great tourist resources of our country. The varied tourism products of India include:

- 25 Bio-geographic zones
- Wildlife
- Adventure
- Beaches
- Inland Water ways
- 27 World Heritage Sites
- Diverse Culture
- Art and Craft
- Fairs and Festivals
- Rural Experience
- Shopping
- Variety of Cuisines
- Traditional Healing Systems
- Modern Medical Treatment

The new range of tourism products such as Health Tourism, Adventure Tourism, Nature Tourism, Rural Tourism etc. are explained in Lesson 21 that deals with the Emerging Dimensions in Indian Tourism. The conventional/traditional tourism products of India are explained in the next two sections.

18.3.1 INDIAN ARCHITECTURE

India is like an open museum to see global architecture at one place. One can see the world in India through its varied architecture.

Indian architecture dates back about 4000 years. Mohanjodaro and Harappa is the cradle of Indian architecture (though now in Pakistan. Lothal in Gujarat also dates back to that period. Cave temples represent the early Hindu, Buddhist and Jain architecture. Udaygiri and Khandgiri Caves in Orissa are probably the oldest cave temples (still intact). Ajanta-Ellora caves are great example of temples carved out of solid rock.

Construction of stone temples probably came into style during the Gupta dynasty rule, which continued till 10th Century. Major Stone temples were built in the 7th to 12th Century A.D. The Chandellas in the north and the Cholla dynasty in the south made unique and magnificent temples using stone. Vijay Nagara kings and Nayakas were famous Hindu kings who believed in large-scale constructions and elaborate decorations.



The architecture of different periods shows the influences of contacts with the outside world, diverse geography, rulers and religions. The Sanchi Stupa built during the reign of Ashoka (2nd Century BC) is a unique architecture of Buddhist style. Jain temples in Rajasthan and Gujarat have totally different style, specially temple of Dilwara and Ranakpur in Rajasthan. West Bengal had Terra-cotta style. Orissa has temples of many different styles.

In 1192 Qutabuddin Aibak started the Islamic style construction. An example of this style of construction is known as the Quwwaat-ul-Islam (built 1192-1198. Qutab Minar (built 1199-1235) is another great example of Islamic style. Main thing about Islamic architecture is the Arch style. Craftsmen from Middle East who had the knowledge of Arch style introduced this latest trend of arches to Indian constructions. The next generation craftsmen became very perfect in the traditional Muslim construction as can be seen in the Iltutmish's tomb (completed 1233-4). Mughal architecture flourished between 16th and 17th centuries during their reign. Mughal style was introduced with Humayun's tomb – large

complex with garden divided into quadrants (Charbagh) and Mausoleum in the middle. Use of floral designs at this tomb reflects the Persian influence. Mughals also used Jain and Hindu style in later constructions like cubical/square halls etc. Akbar's reign can be taken as the formative period of Mughal architecture. It represents the finest example of the fusion of Indo-Islamic architecture. Red Fort in Delhi and Taj Mahal in Agra are the best example of Mughal architecture.



European architectural history is generally understood to have started with the British rule. However, Baroque influences of Portuguese or influences of construction style of Roman, Greek, French and Danish are visible as per the historical relation of these communities with specific parts of India. These include for example, Portuguese in Goa, French in Pondicherry, Danish in Churchura (West Bengal) etc.

Modern Gothic style architecture, which came with the British, has influenced lot of later constructions. British introduced colonial style of Europe in India and this impact (known as Indo-Sarcenic style) can be seen in the structures constructed during the second half of the 19th century.

Truly speaking India is the best place to enjoy the architectural heritage of different ages and dynasties.

CHECK YOUR PROGRESS 2

1. State whether the following statements are true or otherwise:
 - (a) Dilwara temples in Rajasthan are the oldest Indian temples.
 - (b) Lothal in Gujarat is almost as old as Mohanjodaro and Harappa.
 - (c) An important feature of Islamic architecture is the Arch.
 - (d) Sanchi Stupa is an example of Jain style of architecture.
 - (e) The European influence on architecture in India began with the British Empire.
 - (f) Humayun's tomb in Delhi is an example of Mughal architecture.

(g) Qutab Minar and Iltutmish's tomb are examples of Islamic style of architecture.

2. Arrange the following according to the period in which these were built starting with the earliest:

Qutab Minar, Taj Mahal, Cave Temples, Parliament House, Humayun's tomb, Iltutmish's tomb and Sanchi Stupa.

18.3.2 ARTS AND CRAFTS

The ancient temples, stupas, viharas and other monuments mentioned above are a reservoir of a wealth of sculptures in stone and bronze. Khajurao, Konarak, Ellora, Elephanta and Mahabalipuram are some of the excellent examples of India's sculptural heritage. India has a rich tradition of paintings too, from the 2000 year old Ajanta frescoes to the Mughal, Rajput and Kangra valley miniature. In this section we are going to learn about two other forms of Art: the Ritual Arts and the Performing Arts. The section also tells us about the Handicrafts of India.

THE RITUAL ARTS

The ritual art in India is carried on mostly within the confines of home and generally it is an essential part of the celebrations in the family. The ritual art is mostly practiced by women of the household and is a tradition handed down from mother to daughter in succeeding generations. It mostly takes the form of drawings on the floor or on the walls of the house. These drawings are sometimes a daily ritual (such as the Kolam of South India) while others are made only on religious festive occasions. The drawings are without image, figure or narrative. These purely abstract drawings are known under different names in the different parts of the country: mandna in Rajasthan, rangoli in Gujarat and Maharashtra, alpana in Bengal etc. The material used is mostly coloured powder of different shades but sometimes flower petals are also used.

Unlike the traditional floor drawings, the drawings made on the walls of the houses have figurative character. They are colorful and use mythical elements and powerful symbols. The Madhubani painting of Bihar is a fine example of this kind of figurative ritual art.



PERFORMING ARTS

There has been a close connection between religion and the performing arts in India. India has a rich heritage of many performing art forms, a tradition spanning several centuries. The performing arts such as dance, music and theatre are not mere spectacles; they arouse a lot of emotion and feeling in the audience. They provide an experience in which the audience begins to feel a kind of union with the performer/s. Let us look at some of the performing art forms.

Dance

In India dance as a performing art has an age old tradition. The classical dances of different regions of India revolve around a few fundamental principles such as the facial expressions, verbal expression and gestures involving hands and fingers. Each of these dances has its own colorful and elaborate costumes and jewellery. Some important dance forms are listed below:

Dance Form	from (Region)	Performed by
Bharatnatyam	Tamilnadu	both women and men as a solo item
Kathakali	Kerala	men wearing make-up
Katthak	Uttar Pradesh and Rajasthan	both women and men as a solo item
Kuchipudi	Andhra Pradesh	men in the form of dance-drama
Manipuri	Manipur	group of men and women
Odissi	Orissa	both women and men as a solo item



Besides the above mentioned classical forms of dances, there is also a wide range of folk dances from different regions of the country. An inventory of all folk dances may run into several pages so we mention only the two popular ones here as examples: Bhangra from Punjab and Garba from Gujarat.

Music

Music in India has emanated from folk tunes and attained the status of a classical art. It is considered a vehicle for communion with God and has been an essential ingredient of our culture. Music has been part of Indian life from times immemorial. Later two distinct forms of musical styles developed in India. The more codified and text based form is known as the Carnatic system of music. On the other hand is the Hindustani system of music which is a loose and flexible musical form practiced mostly in the northern parts of India. The classical music has gained a lot of popularity in recent times. In north India it is being practiced under the guardianship of a few great performers claiming descent from traditional houses called gharanas of music. Some of the famous vocalists are: Ms. M.S. Subbulakshmi (Carnatic), Pandit Bhimsen Joshi (Hindustani), Smt. Gangubai Hangal (Hindustani) and Shubah Mudgal (Light Classical).

There is a range of folk music, musician and singers. Some of the popular forms of vocal music include the Quwwali and Gazhal.

A variety of musical instruments are played by the music maestro in India. Some of the world famous artists are: Pandit Ravi Shankar (Sitar), Ustad Bismillah Khan (Shehnai), Hari Prasad Chaurasia (Flute), Ustad Zakir Hussain (Tabla) and Ustad Amzad Ali Khan (Sarod).

HANDICRAFTS

The diversity of Indian cultural tradition is aptly reflected in handicrafts which offer creative expressions to the great mass of Indians. Indian handicrafts represent perhaps the oldest tradition of living culture. The main mediums in which the crafts are practiced are stone, wood and metal.



Almost all clusters of villages have their own craftsmen. While Kashmiri shawls and carpets are world famous, chikankari of Lucknow and Bandhej (tie-dye) of Rajasthan are equally well known in India. Andhra Pradesh is known for its metal ware and stone craft while Kerala is famous for

baskets, masks and woodcraft. Shawls from Himachal, terracotta of West Bengal, scroll painting of Orissa, *lac* jewellery from Rajasthan, paper-machie from Kashmir, Ivory items from Karnataka, Applique embroidery of Gujarat, puppets of Tamil Nadu, silverware of Uttar Pradesh.... the list is endless.

CHECK YOUR PROGRESS 3

1. Name the two systems of Indian classical music.

2. Identify the region/s associated with the following dance forms:

(a) Kathakali

(b) Bharatnatyam

(c) Kuchipudi

(d) Kathak

3. Match the artists with the instruments played by them:

(a) Ustad Bismillah Khan

(i) Sarod

(b) Ustad Zakir Hussain

(ii) Shehnai

(c) Ustad Amjad Ali Khan

(iii) Flute

(d) Pandit Ravi Shankar

(iv) Tabla

(e) Hari Prasad Chaurasia

(v) Sitar

4. List two famous handicrafts of Kashmir.

18.3.3 FESTIVALS OF INDIA

India is a land of many festivals. People of different religions and different regions have their own important festivals. A tourist visiting a place gets a unique experience by witnessing a festival being celebrated by the local

community. It is said that in India you will find each day of the year being celebrated as a festival in some part of the country or the other. However, some of the important festivals celebrated by a large number of people are described in this section.

The year starts with Lohri in the North, Sankranti in the East and Pongal in South India. The three festivals celebrate in different ways the harvesting of new crop.

Then comes the national festival Republic Day or *Chabbis* (26th) January which commemorates the day Indian Constitution was adopted and India became a Sovereign Republic. The day is celebrated with a magnificent and colorful parade by the three wings of Indian Armed Forces at Rajpath in Delhi. The President of India is the guest of honor on this occasion and important dignitaries and state guests from foreign countries grace the occasion with their presence. The parade is witnessed live by thousands of people en route while millions of Indians watch it on television. The day is celebrated in all state capitals too, albeit on a smaller scale. In the national capital, all state buildings are illuminated from January 26 to January 29.

The closing ceremony of Republic Day celebrations known as the Beating Retreat is another colorful event. Bands of various wings of the three armed forces play patriotic tunes and march in colorful uniforms in front of the Rashtrapati Bhawan (President's House) in Lutyen's Delhi in the evening. Rows of beautifully decorated camels line up the way to the North Block and the South Block in the background. Just as the sun sets, all buildings in the background get illuminated with festive lights. It is truly a magical moment which is attended not only by the government dignitaries but also hundreds of enthusiastic citizens.

Spring arrives in late February with number of festivals including the festival of spring known as the Basant Panchami.

The month of March brings the colorful festival of Holi which is celebrated with lot of vigor in north India particularly the towns of Mathura and Vrindavan in Uttar Pradesh.

The Sikhs celebrate the birthdays of their saints as well as their martyrdom days. These are known as the Guru Purabs. The most important of these is the Guru Purab celebrated to commemorate the birth of Guru Nanak Dev Ji (believed to be the last Guru).

Eid is the most important festivals of Muslims. The festival is preceded by a month long period of fasting and prayers during Ramadan.



Mahavir Jayanti which is celebrated to commemorate the birth of Mahavir Jain (founder of Jainism) is the most important festival of the Jains.

Ganesh Chaturthi is celebrated with a lot of festivity and color especially in Maharashtra.



Shiv Ratri is celebrated by the Hindu followers of Shiva. It is believed that he married Parvati (who did penance for a long time in order to have Shiva as her husband) on this day.

Janam Aashtmi is celebrated by Hindus to commemorate the birth of Lord Krishna. In north India temples are specially decorated with sculptures, paintings and pictures depicting the birth and life of Krishna. These are visited by millions of enthusiastic devotees (many of whom keep a fast on this day) at midnight.

Dussehra is one of the most celebrated festivals of India. For ten days preceding Dussehra, the life of Lord Rama (Hindu God) is enacted by professional and amateur actors on thousands of stages across the country.

It is called Ramlila. Dussehra symbolizes the victory of good over and evil and on this day huge effigies of the evil king Ravana and his brother Kumbhkaran and son Meghnath are burnt at various sites. Lacs of people come out of their houses to witness the spectacle.

The nine days preceding Dussehra are known as the Navratri or the nine holy nights. Bengalis celebrate these days in a big way worshipping Goddess Durga. Other worshippers of Maa (mother) Durga also organise night long community prayers (Jagrans) during this period.

Karva Chauth is celebrated by Hindu married women in north India by keeping a fast through the day and prayers in the evening in the desire of a long life for their husbands. Similar festivals are celebrated in various parts of the country at different times of the year and are known by different names.

Diwali is the most celebrated festival of India. It is known as the festival of light because on this day people decorate their houses with fancy lights and candles and diyas (earthen lamp). Sweets and gifts are exchanged with family and friends. At night Puja (worship) of Goddess Lakshmi (goddess of wealth) and Lord Ganesh is performed.

Christmas is the most important of festivals celebrated by Christians. They attend Mass prayer meetings on the night of December 24th known as the Christmas Eve. The next day is celebrated as the Christmas Day, the day when Lord Jesus was born to mother Mary.

CHECK YOUR PROGRESS 4

1. Name the most important festival of Hindus, Muslims, Christians, Sikhs and Jains.

Activity

Describe a festival celebrated by your community, which is not included in the list above.

18.3.4 SHOPPING BARGAINS

India's bazaars are a delight, providing a feast of color, objects and bargains. The country is a fabulous storehouse of traditional skills and

crafts that find expression in objects of great beauty and charm. There are many goods from which to choose – bangles, brassware, leather shoes, jackets, handbags, toys, paintings and figurines of perfumed sandalwood or rosewood.

Almost everything can be made to order, whether it is a silk shirt or a winter suit, a diamond ring or a carpet. The artist and the artisan here are not separated by great distance. In the marketplace, a tourist can see people beating metal, making jewellery of intricate design, weaving tapestries in wool or silk, and carving a great variety of substances.

India's silks have been famous since Roman times – the silks of Varanasi, Kanchipuram (home of the 'Kanjeevaram Sari', synonymous with the best in Indian silk sarees), Mysore or Murshidabad. A five and a half meter long sari can be fashioned into a beautiful evening dress in one day if the tourist so desires.

Most goods are handcrafted out of material like metal, stone, wood, marble, silk or leather. Carpets in India are woven even today as they were for royalty in a bygone era. Marble is inlaid with semi-precious stones as it was for the Taj Mahal. Rubies, emeralds, pearls and diamonds are encrusted in hand-fashioned gold jewellery as if for a queen. Tourists should be advised to buy regional handicrafts from the state-run stores or emporia, where prices are reasonable and fixed.

18.3.5 CULINARY TRADITIONS

Food is one of the important attractions of India. Again variety is the name of the game. Every region of India can boast of a score of traditional culinary styles. It ranges from the royal Mughal feast of North India to the vegetarian (as well as non vegetarian) *thali* meals of the South. Some of the specialties of Mughal style cooking include *kababs* made from chicken, mutton or vegetables mixed with flour, marinated in a subtle blend of spices and grilled over glowing charcoal. Tender chicken cooked in a thick paste of tomatoes and cream known as *Murgh makhani* or Butter Chicken is an all time favourite in North India particularly Punjab and is eaten with *Naan or Tandoori Roti* (soft bread baked fresh in oven). Cooking *Biryani*, a fragrant dish made of rice and meat, chicken or vegetables has been elevated to the rank of an art form by discerning food lovers. Large towns and big cities also have restaurants that serve authentic Italian, Chinese, Mexican, Thai and American food as well as franchisees of international fast food and other restaurants such as McDonald's, Domino's and Pizza Hut.

India is a heaven for people who love vegetarian food. Vegetarian cooking in India is superb and has a variety that is difficult for a Westerner to imagine. To sample regional food, it is better to order a *thali* which generally consists of a large plate or coconut leaf heaped with rice and bordered with little bowls consisting of delicious preparations of cheese,

lentils, vegetable/non vegetable curries, curd, *chutneys* and pickles served with hot *rotis* or *pooris*. It is best to eat this food with fingers.

Then there are a variety of snacks and sweets. From the delicious *pakor*s, *Kachoris*, *chaat paapri* and *golgappas* (also known as *paani puri*) of the north to the *Dosa*, *Vada* and *Uttapam* of the south, the list of anytime snacks is endless. The famous Indian sweets include *burfi*, *rasgulla*, *gulabjamun*, *jalebis*, ladoos, *soan papri* etc. The array of delicious food available in India can perk up the most jaded appetite.

The Indian cold drinks include *nimbu pani* (fresh lime juice) and *lassi*. Tea in the north and coffee in the south are the most favoured beverages.

Activity

1. Make an attempt to describe in English the words given in italics in the above paragraphs. For example: *Masala Dosa* – a pancake made of rice flour and filled with spicy mashed potatoes.
2. Talk to your friends and find out more about the food from their region and also about how it is cooked.

18.4 A WORD OF CAUTION

The previous sections explained the rich reservoir of tourism products that India as a destination offers but we must not forget that a foreign tourist coming to India without much knowledge about this country may find certain sights or experiences shocking and even appalling. For example, the sight of garbage heaps, people urinating at public places, stray cattle on the streets and young children begging at the traffic signals will shock a visitor coming from a developed country. Therefore, it is the tasks of a good tour operator to not only tell the client about what good things to expect but also prepare him for expected negatives. It is common knowledge that foreign tourists are harassed and duped by profit-seeking and unscrupulous traders, taxiwallas, unlicensed guides and even tour operators. The Tourism Department of Government of India is trying to educate citizens to help save tourists from such elements but one must warn the visitor to be careful about such happenings. The idea is not to scare the tourist before he even comes here but to provide him with realistic expectations. It is said that if a tourist has five good experiences but one bad one, he may never come back. Whether an experience is rated as great, good, average or disappointing depends among other things on what the expectations of a person were. Therefore, while it is all right to praise the excellent tourism products to foreign tourists in order to market tourist destinations of India, one must be cautious not to build unrealistically high expectations.

18.5 SUMMARY

The lesson tells us that the main attraction of destination India lies in its geographical and cultural diversity. A unique advantage of India is that it can be a year-round destination. The vastness of the country ensures all kinds of climate – from arctic to the tropical and sub-tropical. There is no off-season for tourism in India and the phrase ‘Every season is the Reason’ is no empty slogan but a reality. Among the various tourism products on offer in India, ancient culture and architecture will always remain as the prime attractions but visitors now have a variety to choose from. The choice ranges from arts and crafts, fairs and festivals to shopping bargains and food delights. However, one must be cautious not to raise expectations to unrealistically high levels.

18.6 ANSWERS TO REVIEW QUESTIONS

Check Your Progress 1

1. Manali, Shimla, Kullu, Nainital etc.
2. It brings dark clouds, rains, dancing peacocks, singing birds
3. It is the season of beautiful flowers and pleasant weather
4. Going for theatre, skiing in hills, swimming in tropical beaches

Check Your Progress 2

1. True statements are: (b) (c) (f) (g)
2. Cave Temples, Sanchi Stupa, Qutab Minar, Iltutmish's Tomb, Humayun's Tomb, Tajmahal, Parliament House

Check Your Progress 3

1. Carnatic and Hindustani
2. (a) Kerala
(b) Tamil Nadu
(c) Andhra Pradesh
(d) Uttar Pradesh and Rajasthan
3. (a) (ii), (b) (iv), (c) (i), (d) (v), (e) (iii)
4. Carpets, Shawls, Paper-machie

Check Your Progress 4

1. Diwali, Id, Christmas, Guru Purab, Mahavir Jayanti

18.7 KEY WORDS

Tourism Experience, Geographical Diversity, Architectural Style, Ritual Arts, Performing Arts, Gharanas of classical music styles, Handicrafts, Festivals, Appalling sights.

18.8 SOURCES OF INFORMATION

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Photographs Source: Incredible India CD (Government of India)

LESSON – 19

PLACES OF TOURIST INTEREST IN INDIA

Dr. Ameeta Mothwani

STRUCTURE

- 19.0 Introduction
- 19.1 Objectives
- 19.2 Delhi and North India
- 19.3 Mumbai and West India
- 19.4 Chennai and South India
- 19.5 Kolkata and East India
- 19.6 Summary
- 19.7 Answers to Review Questions
- 19.8 Keywords
- 19.9 Sources of Information

19.0 INTRODUCTION

We saw in the previous lesson that India is a vast country with a lot to offer to the tourist. Now we are going to discuss how you can plan a tour programme for a tourist coming to India. This lesson will provide you information about the places of tourist interests in the Northern, Western, Southern and Eastern parts of India. It suggests that the four regions may be seen by keeping one of the four large metropolises of India at the centre of each of these tours. You should plan a tour package keeping in mind the number of days available, season/time of the year, interests and tastes of the tourist/s. For example if a tourist is a young person interested in outdoor activities and is arriving in Delhi during winter, you may include skiing in Gulmarg (Kashmir) or Himachal or Uttarakhand hills. On the other hand a tour plan for a tourist interested in history, art and architecture and arriving at Mumbai must include visit to Elephanta, Ajanta and Ellora caves. This lesson also covers a popular tourist destination of India: Goa.

19.1 OBJECTIVES

- To inform about the important tourist sites of Northern India
- To describe the attractions of Western India
- To familiarize the reader with Goa, a popular tourist destination
- To give information about the places of tourist interest in the Southern part of the country
- To suggest a travel plan for a person coming to Kolkata

19.2 DELHI AND NORTH INDIA

Delhi, the capital of India for the last 800 years, is strategically located on banks of river Yamuna and is gateway to most tourist destinations in North India. It has excellent connectivity to the rich Himalayan destinations of Himachal Pradesh, Jammu and Kashmir, and Uttranchal. Culturally and religiously rich plains of river Ganges and many other ancient heritage monuments are also located near it.

Delhi is a true metropolis with vibrant mix of cultures and lifestyles of Hindus, Muslims and British. Delhi has imbibed culture from continuous settlement since legendary times. Once the capital of Pandava Kings more than 1000 years before Christ, the city is believed to have been built seven times over. Each new city was built not on top of the old but next to it, along the banks of Yamuna. Ruins of seven of these historic capitals remain till date in the form of ramparts and forts, palaces and shrines, towers and domes.



Old Delhi

The older part of the city is known as the walled city since the city earlier was confined within the stone walls of Shahjehanabad built by the Mughal Emperor Shahjeahan in the 17th century. Life here is still reminiscent of Mughal times. Old Delhi is a maze of lanes, alleys, and bazaars dominated by the magnificent sandstone ramparts of the Red Fort. Jama Masjid, India's largest mosque is also located here. One can still walk through the ancient Chandni Chowk, buying silver jewellery, gold embroidered silks and tiny bottles of oriental perfumes, etc.

New Delhi

The British laid the foundations of New Delhi to glorify the Empire. The imperial complex that was the head-quarters of the British Raj in Asia was built by Sir Edwin Lutyens. It includes an imposing circular Parliament, the President's House, North and South block in perfect

symmetry and Rajpath leading to India Gate. It still preserves the same magnificent look and is now the capital of the Republic of India.

The Golden Triangle

New Delhi is the starting point of the most popular tourist triangle, Delhi-Agra-Jaipur. Agra is home to the most revered Taj Mahal and Jaipur, also referred to as Pink city, and is the capital of state of Rajasthan. Both are linked to Delhi by road, rail and air.

Agra, the ancient city, has its earliest reference found in Sanskrit in the famous Hindu epic Mahabharata. The Mughal Dynasty in the 16th and 17th centuries made the city its capital and constructed Taj Mahal and Agra Fort which are now the glory of Agra and India.

Fatehpur Sikri, the ghost city built in 1569 by the great Mughal Emperor Akbar is situated 37 kilometers south west of Agra. Fashioned entirely in red sandstone, this city was abandoned for lack of water soon after it was settled. Fatehpur Sikri casts a spell on visitors and transports them to another time.

Jaipur is very popular especially with international tourists. It is a beautifully planned 18th century city built of rose-pink sandstone and is also referred to as the Pink City. Tourists are drawn to its colorful buildings, shopping experience and the palaces and forts around it.

Before Independence, the present State of Rajasthan was divided into several small principalities, each ruled by a Maharajah. The rulers have left their impact on all the states in the form of monuments, palaces and religious shrines. Udaipur, a 14th century city, is known for its 200-year-old marble palace seemingly floating in the- midst of the cool placid Lake Pichola. This palace is now the glamorous Lake Palace Hotel. Other notable tourist cities of Rajasthan are Bikaner, Jodhpur, Jaisalmer and Ajmer.

Other Places of tourist interest around Delhi

India's two holy rivers, the Ganga and the Yamuna, flow through the northern region of India. Along their banks lie some of the holiest cities of the Hindus: Rishikesh, Haridwar and Varanasi on the Ganga; Mathura on the Yamuna, and Allahabad (ancient Prayag) where the Yamuna merges in Ganga.

North -west of Delhi are the States of Punjab and Haryana, the granary of India. The holy city of the Sikhs- Amritsar is located on the Indo-Pakistan. border in Punjab. It is famous for its Gurudwara (Sikh shrine) known as the Golden Temple. Chandigarh, the first planned city of independent India, is the capital of the Haryana and Punjab states.

Less than two hours by air from Delhi is Srinagar, the capital of the picturesque state of Jammu and Kashmir. Due to its scenic beauty, Kashmir in the Himalayas is also called Asia's Switzerland. Some of the

largest and most beautiful fresh water lakes are found here. Houseboats on the Dal lake in Srinagar offer tourists a glimpse of a unique lifestyle. *Shikaras*, graceful boats, provide their only link with the rest of the world. Visitors can ski, run, hike, fish or golf amid snow-clad peaks, pine forest and pastures in Kashmir. They can also shop in colorful highland markets.



The lush valley of Kashmir is divided to a popular new destination in Ladakh by Zoji-La, a 3,500 meter high mountain pass. The small town of Leh, capital of the region, makes a convenient base for visits to the famous *gumphas* (Buddhist monasteries) in the region. Leh is connected by air to Srinagar, Chandigarh and New Delhi. It takes two days to travel by road from Srinagar to Leh, but the journey is worth the time spent, for the beauty of the hills en route is matchless.

One-hour by flight from Delhi, is Khajuraho in Madhya Pradesh. The mighty Chandala kings raised 85 temples here to venerate their gods. This temple complex, built more than 10 centuries ago, was hidden from the-World until it was discovered accidentally in the early 20th century. Today, 22 temples remain. These temples house the most classic Indian sculptures—some erotic, some mystical, which depict man's desire for union with the divine.

CHECK YOUR PROGRESS 1

1. Name two famous cities of Rajasthan.

2. Where is the floating palace located?

3. Name two buildings built during the British Raj by Sir Edwin Lutyens.

4. Which are the cities included in the golden triangle?

5. Where is the Golden Temple located?

6. Name the holy cities situated on the banks of Ganges.

7. Why is Leh famous?

8. Where are the ancient temples of Khajurao located?

19.3 MUMBAI AND WEST INDIA

Mumbai (the new name for Bombay) is known as India's commercial capital. In the shadow of newly built concrete-and-glass high-rises, Victorian, Gothic and Indo-Saracenic monuments stand in this cosmopolitan city. Sophisticated modern hotels, ancient temples, art galleries and beaches all vie for a visitor's attention. Double-decker buses ply alongside horse drawn *Victorias*.

Elephanta Island that houses the superbly carved 1,300 years-old cave temples can be visited by taking a half-hour ferry ride across the sea is a favourite picnic spot.

The temples of Ellora and Ajanta which rank among the great wonders of ancient art can be visited from Mumbai. The famous two millennia old complex of Ajanta which has 20 cave temples is an hour's flight from Mumbai. Ajanta provides a visual history of the culture of those times through its sculptures and frescoes. Fifty kilometres further on is the Ellora complex of 34 temples built between AD 300 and AD 1300.

India's most popular beach resort, Goa is situated south of Mumbai (see lesson 20 for a detailed account of this popular destination). One can take a flight to Panaji, the capital of Goa or travel by a luxury cruise from Mumbai.

The State of Gujarat which has many ancient ports, including the site of Lothal, the 4000-year-old sea port of the Harappan civilization, is situated north of Mumbai. Ahmedabad the main city of Gujarat has some of the best

examples of the blend of Hindu and Muslim architecture in India. One of the buildings has shaking minarets at its four corners. Shake one and you shake them all. To this date, architects have not been able to find out as to how this happens. Ahmedabad is well known for its *ashram* (retreat) on the banks of the Sabarmati river, where Mahatma Gandhi spent many years.

Mumbai is also a convenient point of entry for tourist attractions in Central India. Around third century BC Emperor Ashoka built a complex of shrines on the site of a Buddhist monastery at Sanchi. Its four exquisite gateways carved with mythological figures are considered unique. West of this centre of Buddhist art, on a plateau at the edge of the Vindhya Range, is Mandu, the medieval capital of the Afghan Kings. Mandu was once called the City of Joy. Only the ruins of a royal citadel with pleasure palaces, mosques and lakeside pavilions remain.

CHECK YOUR PROGRESS 2

1. Which ancient cave temples can be visited by ferry boat from Mumbai?

2. List some of the places of tourist interest in Gujarat.

3. Which city in Central India was once called the City of Joy?

19.4 CHENNAI AND SOUTH INDIA

The gateway to the four tropical states of southern India - Tamil Nadu, Andhra Pradesh, Karnataka and Kerala is the city of Madras, now called Chennai. A stronghold of ancient cultural traditions, Chennai is one of India's largest cities. Chennai waterfront on the Bay of Bengal is one of the longest beaches in the world. Nearby are crowded bazaars where dazzling silks are sold. .

Only 60 kilometres from Chennai is Mahabalipuram, the seventh-century seaport of the Pallava kings. Its stunning Shore Temple standing on a quiet stretch of the coast appears to be rising out of the turbulent sea. There used to be several such temples, but in the course of time they have been washed away.

Temple cities dot the southern landscape. Madurai, south of Chennai, has one of the most magnificent temples in India dedicated to Goddess Meenakshi. It has a hall of thousand pillars (997 actually) and many fantastic sculptures.

Kanchipuram is one of India's seven holy cities and is known as the city of the Thousand Temples. Among other great temple cities in Tamil Nadu are Chidambaram, Tiruchirapalli and Thanjavur.

Bangalore, the capital of Karnataka state, is a city of gardens and a centre of industry and commerce. It is one of India's most cosmopolitan cities and has a temperate climate. Mysore, a tourist city, famous for its palaces is only 150 kms. away. The nearby Brindavan Gardens provide one of the most beautiful sights in the world. A days excursion to the stone temples at Belur and Halebid provide the opportunity to witness some of the finest examples of ancient temple art and architecture.

The state of Kerala on the Malabar Coast lives up to the most romantic notions of a tropical country. It is a land of paddy fields, coconut groves, shady lagoons, and silk-smooth beaches and clear skies. Tourism department of the state has rightly come up with the slogan 'Kerala – God's own country'. Kovalam, a magnificent beach resort of Kerala attracts a large number of foreign tourists every year.

The southern tip of the Indian peninsula is Cape Comorin or Kanyakumari. You can see the three seas i.e. The Arabian Sea, the Bay of Bengal and the Indian Ocean, meet here. On an island nearby is the Ashram dedicated to the memory of the great Indian saint-philosopher, Swami Vivekananda.

CHECK YOUR PROGRESS 3

Match the Following

- | | |
|-----------------------|------------------------------------|
| (a) Madurai | (i) Vivekananda Ashram |
| (b) Mahabalipuram | (ii) City of thousand temples |
| (c) Cape Comorin | (iii) Meenakshi Temple |
| (d) Mysore | (iv) city of gardens |
| (e) Kanchipuram | (v) Shore Temple |
| (f) Bangalore | (vi) Famous Beach resort of Kerala |
| (g) Belur and Halebid | (vii) Brindavan Gardens |
| (h) Kerala | (viii) Temple art and architecture |
| (i) Kovalam | (ix) Romantic tropical country |

19.5 KOLKATA AND EAST INDIA

Kolkata (earlier known as Calcutta) is the hometown of the great artists such as noble laureate Rabindranath Tagore and filmmaker Satyajit Ray. It is rightly called the cultural capital of India. A European industrial metropolis built upon the body of a rural Asia, Kolkata is India's second largest city.

The giant city has grown around the trading post for the East India Company built on the banks of the Hoogly of Kalikata in 1690 by Job

Charnock, an Englishman. At the time of the British Raj, Calcutta was India's capital and was at its glorious best. In independent India, however, industrial pollution and overcrowding have robbed the city of its past glory.

Calcutta is Victorian in appearance but passionately Bengali at heart. The modern high-rise buildings at Dalhousie Square, and the fashionable shops and restaurants at sparkling Chowringhee, give the visitor an impression of being in Europe. Yet old parts in the north of the city like the Hindu Kali temple at Kalighat and the crowded streets of Shambazar leave no doubt that one is in India.

University of Shantiniketan, started by Rabindranath Tagore is located in the north-west of Kolkata. The picturesque town of Darjeeling, known for its tea gardens and pinewood forests is further north of Calcutta. Though Darjeeling can be reached by road from Bagdogra Airport, it is much more fun to take the miniature train. The train driven by a baby locomotive goes up to an elevation of 7,400 feet, passing steep slopes amongst dense jungles and tea planted terraces. Enroute one can view the third highest peak of the Himalayas, Kanchanjunga. Even Mount Everest, the highest peak of Himalayas is visible from the Tiger Hill at dawn.

A tourist may plan to visit other Himalayan plains and hill stations from Darjeeling lying in the state of Sikkim and the neighboring countries of Nepal and Bhutan.

The eastern state of Assam is full of forests, rivers and hills. The wildlife sanctuaries of Kaziranga and Manas in this state are famous tourist attraction for those interested in nature and wildlife.

The magnificent Sun Temple at Konark in Bhubaneswar, the capital of the coastal state of Orissa, is one of the greatest marvels of the world. Bhubaneswar is said to have 500 temples. Orissa is also known for its beaches and beach resorts such as Puri, Konark and Gopalpur-on-Sea.

Orissa, Bihar (the home of Buddhism), Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur and Tripura are the other neighboring states that can be visited from Calcutta. The great Mahabodhi temple built on the bank of the Niranjana River at Bodh Gaya in Bihar reminds us that Lord Buddha achieved enlightenment here 2,500 years ago. It houses a huge golden Image of the seated Buddha. Lumbini, the birth place of Lord Buddha, is a few kilometres away in Nepal.

CHECK YOUR PROGRESS 4

1. Where in Kolkata do you get the impression of being in Europe?

2. Where is the University of Shantiniketan located and who was its founder?

3. What is the best way to go to Darjeeling?

4. Name the Himalayan peaks that can be seen from Darjeeling.

5. Where did Lord Buddha achieve enlightenment?

6. Where is the famous Sun Temple located?

7. Name two beach resorts of Orissa and two wildlife sanctuaries of Assam.

19.6 SUMMARY

India's several metropolitan cities like Delhi, Mumbai, Chennai and Kolkata are well connected to different parts of the world and can be the starting points to undertake a visit to the northern, western, southern and eastern parts of the country respectively. The tourist coming to the north of India can visit important historical sites in the states of Rajasthan as well as beautiful hill resorts of Uttranchal, Himachal Pradesh and Kashmir besides the magnificent sites in Delhi and the majestic Taj Mahal in Agra. Similarly a tourist visiting Mumbai can cover the ancient cave temples of Ajanta and Ellora as well as visit the famous tourist destination Goa.

19.7 ANSWERS TO REVIEW QUESTIONS

Check Your Progress 1

1. Jaipur, Bikaner, Udaipur, Jaisalmer
2. Lake Pachola in Udaipur
3. Parliament House, North Block, South Block
4. Delhi, Agra, Jaipur
5. Amritsar in Punjab
6. Haridwar, Rishikesh and Varanasi

7. For its scenic beauty and also because it is a convenient base for visiting the famous Buddhist monasteries in the region.
8. Madhya Pradesh

Check Your Progress 2

1. Elephanta Caves
2. Lothal, Ahmedabad city, shaking minarets, Sabarmati Ashram
3. Mandu

Check Your Progress 3

1. (a) (iii), (b) (v), (c) (i), (d) (vii), (e) (ii), (f) (iv), (g) (viii), (h) (ix), (i) (vi)

Check Your progress 4

1. Dalhousie Square
2. North West of Kolkata, Rabindranath Tagore
3. Miniature Train
4. Kanchenjunga, Mount Everest
5. Bodh Gaya in Bihar
6. Konark in Orissa
7. Puri and Gopalpur-on-Sea, Kaziranga and Manas

19.8 KEYWORDS

Places of tourist interest, Old Delhi, New Delhi, Golden Triangle, Around Delhi, Mumbai, Elephanta, Ajanta, Ellora, Chennai, Kolkata, Shanti Niketan.

19.8 SOURCES OF INFORMATION

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LESSON 20

TOURISM EXPERIENCE IN INDIA: A SPECIAL REFERENCE TO GOA

Venugopalan T

STRUCTURE

- 20.0 Introduction
- 20.1 Objectives
- 20.2 Tourism in Goa
 - 20.2.1 Infrastructure
 - 20.2.2 New Dimensions In Goa Tourism
 - 20.2.3 A Trip To Goa
- 20.3 Summary
- 20.4 Glossary
- 20.5 Review Questions
- 20.6 Sources and Further Readings

20.0 INTRODUCTION

India is the seventh largest country in the world in area but with over 100 billion people it is the second largest population. India is a secular state and seat of many religions: Hinduism, Sikhism, Islam, Christianity, Buddhism and Jainism. In such a large country, which is physically diverse, it is not surprising that there are considerable regional cultural variations. The country possesses a wealth of landscape, wild life, beach and adventure tourism resources, but it is perhaps known for its cultural, historic and architectural heritage. Indian tourism sector that has been growing in leaps and bounds draws tourists from both domestic and international markets. In this lesson we discuss why Goa is projected as a model destination for the Indian tourism industry.

20.1 OBJECTIVES

Students will attain the following objectives after learning this lesson:

- Knowledge of famous tourism destination of Goa
- Understand the new tourism products

20.2. TOURISM IN GOA

Goa is projected as a model tourist destination of India, which offers a wide variety of tourism products, from beach culture wild life and

landscape, to adventure, and attracts millions of tourists from various part of the world.

Goa, a name that cajours up visions of sun bathing, feni and never ending beaches is India's only true resort state. Often compared to Rio de Janeiro, Goa's carnivals, quaint Portuguese villas, ancient Hindu temples, spectacular cathedrals, have been attracted millions of tourists with its 105 km long palm fringed coast line, beautiful beaches of golden sand, are only a part of attention. There are 500 year old churches, forts and temples to see all over the state, treks to go on, rivers to traverse, water falls to climb to wild life sanctuaries to visit, spice plantation to wall through prisons and light houses to gaze up at, canals to sail up to take a peak at toothy crocs, white sands to rifle through where olive riley turtles nest, quaint traditional villages to visit, where rope makers and weavers and potters take you back in time... list is endless – Goa the smallest state of the Indian union.

The name “Goa” seems to have been derived from Govarakshetra one of the seven divisions of Parasurama Kshetra. The 25th state of India has an area of just, 3702 sq Km and a population about more than 14 lakhs. After Vasco Da Gama discovered the sea route to India in 1498, Portuguese expeditions to India followed. In 1501, Alfonso de Albuquerque captured Goa. The Portuguese made the city of Panaji the capital of Goa in 1843. The Portuguese colonies of Goa, Daman & Diu finally liberated in 19, December, 1961. With its unique natural beauty and cultural diversity it has emerged as one of the best and most attractive destinations in the world.

Department of tourism, government of Goa and the Goa tourism development corporation (GTDC) act as an apex bodies in tourism sector and both are complementary in promoting tourism in the state of Goa.

20.2.1 INFRASTRUCTURE

In terms of development and infrastructure, Goa can probably be classified as semi rural, small town India lots and lots of small towns and large villages with only four large towns and small cities Panaji – Margao, Vasco and Ponda. Accessibility by road, rail and water draws millions of tourist from all over the world.

Road Network

The road network in Goa is fairly well developed in the coastal plains providing accessibility to the beaches and coastal sports. The main road network in Goa follows primarily two corridors namely National Highway 17, which runs along a North- South direction connecting Mumbai in the North and Mangalore in the south. National highway 4 A, which cuts through Goa is an East-west direction connecting Panaji to Belgaum in Karnataka. State owned Kadamba Transport Corporation, Maharashtra Road Transport Corporation and Karnataka State Road

Transport Corporation operate frequent services between Goa and various destinations within neighboring states. Several private operators strengthen the road network.

Rail Network

Goa has developed excellent rail linkages with the rest of the country in recent times. The Konkan Railway route has opened up the Mumbai Margao- Mangalore corridor and significantly reduced the time of travel in this section. Margao is the most important railway station in Goa, followed by Vasco though there are other smaller stations on the newly constructed Konkan railway route.

Air Transport

Goa has one airport at Babolin, 3 Km from the city of Vasco-Da-Gama and about 29 km, from Panaji. Among international flights, Air India operates flights via Mumbai to Europe. The charter flights bringing foreign tourists originate normally from England, Germany, Switzerland and Holland. The Monarch Air lines, Air Holland, LTU Airways, and British Airways etc operate the frequent charter services. All Indian domestic airlines fly into Goa- Indian Airlines, Jet Airways and Air Sahara hook up with all most all-important cities. Goa actually has no civil airport, and the airport is run by the aviation arm of the Navy, that is why there are no night flights. A proper civilian airport is being planned at Mopa, which will become operate in near future.

Water Transport

The Goa has about 555 km of waterways of which, only 256 kms are navigable for large country and mine ore barges. The major navigable rivers are the Mandovi, the Zuari, Chapora, Mapusa and Mal. There are 22 inland water routes in the state besides a launch service along the sea from Dona Paula to Murmugao. These routes do play a significant role in the movement of tourists. For the entertainment of tourists, Goa Tourism Development Corporation (GTDC) and a couple of private operators organize river cruises in the evenings along the river Mandovi.

Tourism products

Beaches: everybody who comes to Goa on vacation goes to a beach. With over looks of coastline Goa serves up variety of beaches from long, peaceful stretches of white sand where all you hear wind through the palm trees and the waves as they crash upon the shore. The beaches are packed with activity – bars, nightclubs, para sailing, jet skiing etc. The Goa's prime attraction to tourists is its 106 km long fringed coastline. All beaches have fine stretches of sand. There are total 28 beaches, 13 in North Goa and 15 in South Goa. Some of the important beaches are: -

North Goa Beaches

Calangute: - this beach is located about 16 kms North of Panaji. It is Goa's most crowded beach with all kinds of eating.

Vagator: - it is one of the most beautiful and interesting parts of Goa's coastline. It comprises two sandy bays. The Chapora fort dominates the northern portion of the beach.

South Goa Beaches

Colva Beach: - Colva is the pride of South Goa and here, sea, sand and sky blend in enchanting, natural harmony, weaving their magical spell on the visitors. Colva is a pleasant and convenient place to stay. The sand is spotless and scattered with beautiful seashells.

Palolem Beach: - Palolem is a 1.5 km falcate shaped beach. It probably is Goa's most beautiful and idyllic beach. It lies on the southern coastline of Goa amidst outstanding natural beauty. More tourists have been making a beeline for this palm fringed golden beach.

Temples and Churches

The temples of Goa are noted for their beauty and simple architecture surrounded by betel nut trees, coconut groves and lakes of pure water. These temples speak volume of Goa's ancient history. Some of the important temples are: -

Shri Mangueshi Temple: - This temple is situated 9 km north of Ponda near the village of priol. Shri Mangueshi temple is dedicated to lord Shiva, is one of the largest and frequently visited temples in Goa. Built in 1567, it is a colorful mixture of Hindus, Muslim and Portuguese influences and has a distinctive seven tiered lamp tourists in the courtyard.

Shri Shanta Durga Temple: - it is Goa's largest and most famous temple. This temple crowned with a huge do mined sanctuary tower was built in 1978.

Shri Mahalasa Narayani Temple: - Constructed in early 16th century dedicated to Lord Vishnu.

Chandeshwar Temple: - 400-year-old temple dedicated to the Lord of the Moon, is 15 km from Margao on the road of Quepen.

The Churches

Goa, the jewel of India is studded with a number of churches and monuments. The important churches of Goa are: -

Basalica of Bom Jesus: - the church is one of the most famous churches in Goa. The mortal remains of St. Francis, which were brought to Goa, still remain at Basalica of Bom Jesus in a silver casket containing an airtight glass coffin.

The church of Mae de Deus: – Built in 1873, at Saligao is situated a midst picturesque surrounding. This beautiful church is the finest piece of Gothic style of architecture.

Reis Magos Church: - The church situated Verem was constructed in 1555, one of the earliest churches built in Goa and the first in Bardez taluka.

Forts and Monuments

Aguada: - The fortress of Aguada erected in 1612, encircles the entire peninsula at the south-western eternity of Bardez taluka in north Goa situated 10 km of north of Panaji, the Aguada fort has the first lighthouse of Asia. It was built in 1612 to protect old Goa by controlling the entry of intruders into the river Mandovi.

Cabo de Rama: - Situated on the southern coast of Goa. This fort has been under the regime of various rulers until Portuguese took it over from Raja of Sond in 1763.

Terekhol Fort: - Situated on the Terekhol River, this fort built in the 17th century lies on the northern tip of Goa. Today the remains of the fort have been converted into a hotel – the Terekhol fort heritage.

Wild Life Sanctuaries

With increasing awareness about the environment and ecology, more and more people are turning to nature for pleasure and entertainment, In Goa there are 4 wild life sanctuaries.

Bagwan Mahvir Wild Life Sanctuary: - Biggest sanctuaries in Goa, situated along eastern border of Goa and covers about 240 sq. km of thick forest clad slopes of Western Ghats and its valley.

Salim Ali Bird Sanctuary: - This sanctuary is located at the western trip of the island of Chorao; along river Mandovi near Paragi is habitat for migratory and local birds.

Bondla Wild Life Sanctuary: - Situated in Ponda, the forest sanctuary in Goa has a zoological park and eco- tourism wing and gardens.

Cotigao Wild Life Sanctuary: - Situated in Canacona famous for birds.

Fairs and Festivals

Goa celebrates a number of fairs and festivals around temples and churches commemorating early legends.

Carnivals: - Goa's biggest festival spread across 3 days of color and fun at the arrival of spring. Most carnivals usually start with colorful street parades; ornate floats marching bands and a huge variety of dancers.

Shigmotsov: - It is the spring festival of color and dances celebrated on full moon day. The occasions are marked by a procession of floats and Panaji, Mapusa, Vasco and Margao.

Shopping

A large and elaborate network of tourist stores opened for the sole purpose of relieving of your holiday money. Shops inside hotels run are mostly by Rajastani and Kashmiris sell mainly jewellery, handicrafts and carpets. The popular beaches and tourists spots are lined with shakes and make shifts Kiosks selling everything from T-Shirt to shell ornaments. Most of the items are available at highly priced and bargaining is the order of the day. Anjuna Wednesday market, Mapusa Friday market, Margao market are the important market, one can make purchase wide range of items from designer cloth, food stuff, to furniture.

20.2.2 NEW DIMENSIONS IN GOA TOURISM

The development of potential sites and infrastructure in the hinterland is the major option for directing tourist's traffic. The new products can be developed and offered by tourism are as follows: -

Eco- Tourism

This is very popular tourism product and is widely accepted forms of tourism. It is related to the ecology and natural environment. This may include wild life observations trekking, bird watching, study tour on botany and zoology.

Heritage Tourism

This form of tourism has gained immense popularity. Goa the seat of old popular churches, temples and forts offer excellent opportunities for growth of heritage tourism activities.

Adventure Tourism

The Goa State offers excellent scope for adventure sports due to abundance of availability of favorable natural conditions. Sports activities like scuba diving, Para sailing, yachting, trekking and even sea surfing and many other similar activities can be explored.

Village Tourism

Village tourism is developed based on a model traditional Goan village to attract tourism. This form of tourism may particularly enthusiastic foreign tourists who take lot of interest ethnic life style, day-to-day activities, cultural events and food habits.

20.2.3 A TRIP TO GOA

Goan experience of unforgettable moments starts the moment you down your foot in the Goan golden sand. Goa has a tourist's season throughout the year, though the month from November to February is considered to be the peak seasons of tourists. Goan primary attraction to the tourists is 106 km long palm fringed coastlines. All beaches, unbroken for several kilometres have fine stretches of sand. All beaches in north Goa are popular and crowded while the beaches of south Goa are cleaner.

The tourists are delighted with the churches and temples visited by them during their stay in Goa. The coast of the Goa dates back to the 16th century and is excellent examples of Goan architecture. The Goan temples with their domes and red tiled slopping roofs have distinct architectural style combines Hindu, Portuguese tradition. The interiors of the temples are usually ornamented with carvings, paintings on wood, chandeliers and lamps.

With increasing awareness about the environment and more and more people are turning to nature for pleasure and entertainment. The journeys to the wild life sanctuaries give you an opportunity to see the flora and fauna in its natural settings. The Portuguese regime built series of forts along the coast. These historical moments Chapora, Reis Magos, Caba de Rama definitely will take the tourists down the years of history.

The Goa tourism development corporation (GTDC) and other private tour operators play a major role in conducting sightseeing tours and organize river cruise in the evening along the river Mandovi (Royal cruise and Emerald waters, the existing evening cruise, the delightful dolphin cruise the breath taking back water crocodile cruise) from the Mondovi bridge in Panaji to the estuary and back.

Sail on historic Chinese junk, spotting some dolphins, fresh water crocodile, and thick mangrove jungle around the canal is also great for

bird watching. National bird sanctuary at Choro island and sleepy Goan villages, the high- Tec water sports such as para sailing, water scooters, wind surfing and other water sports are offered on the beaches and five star resorts with proper equipments and the highest safety standards. Carting track of international quality has opened in south Goa, the Savol Verem plantations famous for Goan organic method of farming. The second highest waterfall in India – Dudhsagar waterfall all is new and exciting experiences.

Goa is a paradise for seafood and it is not all about fish curing and rice. Poaching, grilling or baking their fish without drawing it in sauces and spices and including claims, squid, crabs, lobster and prawns regularly in their meals. Portuguese influences spicy vindaloos, sorpotels, and recheados. Balchaos, stalwarts of Goan catholic kitchens are basically beef and pork centric, redolent of toddy based vinegar and worthy challenges for the chilliest season's palates.

The Hindu cuisine is mostly vegetarian but when meat based, uses chicken and lamb features plenty of coconut milk, tamarind and kokum for tang. To wash it all down there is sweet red Goan port wine, or Casher Feni the Goa's national drink.

The tourism experience in Goa enriches with the excellent accommodations provided by hotels of Goa. A holiday trip to Goa is really a thrilling experience, surely which will remain in memory of the visitor for a long. (This lesson is based on the work of Raj Aparna and Incredible India)

CHECK YOUR PROGRESS

Activity 1

Which are the beaches you have visited in your life? Prepare a list of beaches of Goa.

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Activity 2

Which are the important new tourism products offered by Goa?

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Activity 3

A tourist approaches you and asks about the religious and historical places he can have a visit in Goa. Which places will you suggest?

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Activity 4

Match the following

A	B
Salim Ali Bird Sanctuary	priol
Colva Beach	Bardez
Aguada fort	Chorao
Reis Magos Church	pride of South Goa
Shri Mangueshi Temple	Verem

20.3 SUMMARY

The tourism in Goa has been growing by leaps and bounds in terms of infra structure facilities such as road network, rail network, air network, water transport and public transport systems. The well developed destinations and tourism products such as beaches and temples and church, ports and monuments, wild life sanctuaries, eco-tourism, heritage tourism, adventure tourism and village tourism are unforgettable experience to the visitors. This small spot on the globe as a tourist destination draws millions of tourists from both domestic and international market. Definitely Goa is a model to all states of India.

20.4 KEY WORDS

Hinterland
Ecotourism
Heritage tourism
Adventure tourism
Village tourism
Paragliding
Wind surfing
Yachting
Trekking

20.5 GLOSSARY

Eternity = without end
Intruders = trespassers
Dumplings = A small savouring ball of dough boiled in water or in a stew.
Dough = A thick mixture of flour and liquid for baking into bread or pastry
Vindaloos = A very hot Indian curry fish made with meat.

20.6 REVIEW QUESTIONS

1. Why does Goa become an international tourist destination?
2. Describe briefly the new products that can be offered by Goa in future?
- 3 Write a short note on wild life.
4. Write a short note on the cuisine of Goa
5. Describe briefly about the beaches of Goa

20.7 SOURCES AND FURTHER READINGS

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