Problems and Prospects of Tourism Entrepreneurs in Madurai

Management

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ABSTRACT   *An entrepreneur main motive could be become a successful businessman in his business but due to some reasons, even they have not reached the breakeven point. The researcher has identified the causes for not attaining the success of business such as heavy competition, lack of demand, lack of advertisement, lack of promotional activities, seasonal issues, insufficient of resources, lack of funds and lack of technology advancement. Hence, an attempt has been made to analyse the problems and prospects of tourism entrepreneurs in Madurai.*

INTRODUCTION

Services requirements of the tourists which have been created business in tourism such as lodging, transport, foods and beverages, recreation, entertainment and information and so on. Tourist's entry to exit in a destination has created plenty of jobs and business opportunities in tourism allied sector. Tourists unplanned tourism activities could be created detrimental effect on the trip and destination too. All the new businesses face problems in start up and operations stages, but businesses in tourism face challenges which are not faced by other business. Financial issues, human resource issues and marketing issues are normal issues and it is common for all the business but tourism entrepreneurs face these problems along with additional challenges such as strict government regulation, highest tax rate, domination of corporate companies, lack of government advertisement, inadequate tourism infrastructure and so on. As someone said "failures are the stepping stones for success". If we observe the way of any entrepreneur, their life is not a bed of roses. They faced many obstacles in the way of entrepreneurial achievement. The bottom line for all the entrepreneurial life taught the first lesson for success; and that is failure. Hence, an attempt has been made to analyse the problems and prospects of the tourism entrepreneurs in Madurai.

RESEARCH METHODOLOGY

The primary objective of this empirical paper is to explore the problems and prospects of tourism entrepreneurs based on background of their business in Madurai. The study is based on both primary and secondary data. Madurai was selected as the area of the study because of the potential for the tourism industry in Madurai is huge. Opportunities are accessible in enormous. The target population of this survey comprises of all the respondents of 439 registered tourism entrepreneurs with the Madurai tourist office record. It was determined that a sample size of 206 undertaken through the cluster sampling method.

DATA ANALYSIS

Before analysing the data provided by the samples, it is advisable to obtain some insights into the demographic characteristics of respondents participating in this study since it provides a background for the analysis .Only a few demographic characteristics such as gender, age, marital status, education, and nature of business, nature of ownership and size of business were used in this study, all of which were expected to be important in the interpretation of the results.

TABLE 1

DEMOGRAPHIC PROFILE OF THE RESPONDENTS (n = 206)

CHARACTER-ISTICS	CATEGORY	FRE-QUENCY	PERCENT-AGE
Gender	Male	160	77.7
	Female	46	22.3
Age	Upto 25 years	39	18.9
	25-35	52	25.2
	35-45	56	27.2
	Above 45	59	28.7
Educational Qualification	Not formally educated	20	9.7
	High school Level	63	30.5
	Higher Secondary Level	48	23.3
	Graduate	51	24.8
	Post Graduate	24	11.7
Marital Status	Single	84	40.8
	Married	102	49.5
	Widow	13	6.3
	Widower	7	3.4
Nature of the Business	Hotel	58	28.2
	Restaurant	39	18.9
	Travel Agency	81	39.3
	Tour Operation	28	13.6
Nature of Business Ownership	Sole Proprietorship	116	56.3
	Partnership Firm	90	43.7
Size of the Business	Small Scale	72	35.0
	Medium Scale	93	45.1
	Large Scale	41	19.9

Source: Primary Data

The sample consisted of more male respondents (77.7%) as compared to female respondents (22.3%). Respondents spanned the range of age categories18.9 per cent of the respondents fall in the age upto 25 years, 25.2 per cent belong to the age group of 25-35 years, 27.2 per cent are in the age group of 35-45 and 28.7 per cent are in the age group of above 45 years.Respondents were also asked to provide information regarding their education, majority per cent (53.9) of them are completed school level education. The analysis revealed that majority (49.5 percent) of the respondents belongs to the married group.

As far as the business background is concerned, 28.2 percent of the respondents are hotel owners, 18.9 per cent of them are operating restaurants, 39.3 percent are traveling agents and 13.6 percent are tour operators, the largest percentage of the respondents(56.3 %) of the respondents have owned the sole proprietorship and the maximum units be-

long to medium scale (45.1 %) followed by small scale (35 %) and large scale (19.9%) business units

PROBLEMS AND PROSPECTS OF THE RESPONDENTS

In this study, a parametric test MANOVA was used to analyse the data. Before proceeding with the hypothesis testing using MANOVA, the total of 20 problems and 16 opportunities has identified by the researcher. Potential for the tourism industry in Madurai is huge. Enormous natural, geographic, cultural and artistic diversity offered enormous opportunities to the tourism entrepreneurs. The promotion and aggressive marketing measures undertaken by the government is expected to aid influx of tourists. The industry would also benefit from introduction of new forms of tourism and development of niche segments. However, at the same time, the industry faces plenty of problems, of which the most critical is lack of tourist destination amenities, strict government regulations, highest tax rate, domination of corporate /multinational companies, lack of government advertisement/publicity, inadequate tourism infrastructure, lack of government incentives, law and order problems and so on.

The problems and prospects are differed based on the enterprise size, nature of business, nature of the ownership and so on. Out of these factors, size of business and nature of business has been influencing factor to face the problems and accept the prospects of business. In order to assess the effects of one or more independent variables on a bundle of dependent variables, the MANOVA has been used. Nature of business and size of business are taken as dependent variable and the business opportunities and problems are independent variable. Hence, the null hypothesis is that there no significant difference between the business background like as size and nature of business and the problems and opportunities the respondents.

Multivariate analysis of variance or MANOVA is a commonly used multivariate technique. As opposed to T test and ANOVA which examines equality of means of single dependent variable across groups, MANOVA tests the equality of means on multiple dependent variables across groups. The two-way multivariate analysis of variance is often considered as an extension of the two-way ANOVA for situations where there are two or more dependent variables. The primary purpose of the two-way MANOVA is to understand if there is an interaction between the two independent variables on the two or more dependent variables.

TABLE: 2
DETAILS OF THE PROBLEMS AND PROSPECTS FACED BY THE RESPONDENTS - MANOVA TEST

MULTIVARIATE TESTS						
Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.997	36739.000[b]	2.000	193.000	.000
	Wilks' Lambda	.003	36739.000[b]	2.000	193.000	.000
	Hotelling's Trace	380.715	36739.000[b]	2.000	193.000	.000
	Roy's Largest Root	380.715	36739.000[b]	2.000	193.000	.000
Nature of Business	Pillai's Trace	.295	11.185	6.000	388.000	.000
	Wilks' Lambda	.721	11.410[b]	6.000	386.000	.000
	Hotelling's Trace	.364	11.634	6.000	384.000	.000
	Roy's Largest Root	.284	18.360[c]	3.000	194.000	.000
Size of Business	Pillai's Trace	.003	.151	4.000	388.000	.962
	Wilks' Lambda	.997	.150[b]	4.000	386.000	.963
	Hotelling's Trace	.003	.150	4.000	384.000	.963
	Roy's Largest Root	.003	.296[c]	2.000	194.000	.744
Nature of Business * Size of Business	Pillai's Trace	.041	.676	12.000	388.000	.775
	Wilks' Lambda	.959	.673[b]	12.000	386.000	.778
	Hotelling's Trace	.042	.670	12.000	384.000	.780
	Roy's Largest Root	.026	.832[c]	6.000	194.000	.546

Source: Primary Data

From the Table that it can be seen that significant values are less than 0.05 for the nature of business and the problems and prospects of the entrepreneurs. This indicates that there is a significant difference among the nature of business and the problems and prospects faced by entrepreneurs. In this regard, it can be concluded that size of the business has not been influenced by the problems and prospects faced by the entrepreneurs and it can also be found that significant values are higher than 0.05 for the size of the business variables. Hence, the Wilks' Lambda F (.673) value is greater than .05 therefore null hypotheses is accepted. Thus there is no significance difference between the business backgrounds like as size and nature of business and the problems and prospects of the tourism entrepreneurs to run their business.

CONCLUSION

The tourism industry can be divided into five career areas such as accommodation, food and beverage services, recreation and entertainment, transportation and travel services. All of these areas involve providing business opportunity at different levels of socio economic background. Hotels, restaurants, tour operators and travel agency have been providing direct business opportunity to people at different level of local community. Some tourism business may require limited finance, minimum level of human effort and limited other resources. It is based upon the nature and size of the business firm, but problems are common to all the business. The success of the business depends upon the service and interest of the entrepreneurs.

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