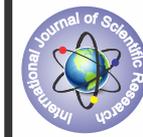


EFFECTIVENESS OF STATE TOURISM POLICIES TOWARDS DEVELOPMENT OF TOUR OPERATOR'S SERVICES - A STUDY WITH SPECIAL REFERENCE TO MYSORE AND DAKSHINA KANNADA DISTRICTS IN KARNATAKA



Commerce

KEYWORDS: Tourism, State tourism policies and guidelines, tour operators, development of tourism services, effectiveness of state tourism policies.

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ABSTRACT

Tourism is one of the important multi dimensional activities of the globe. With tourism activity many of the countries are developing their national income on the basis of sources arising from tourism. In this present scenario of tourism activities, tour operators play a vital role for development of tourism industry. As tourism is independent variable and rest of the stakeholders are dependent variable on the tourism, there are some policies, guidelines of the state to be implemented towards development of tour operators' services in Mysore and Dakshina Kannada districts of Karnataka. This paper focuses towards how the policies and guidelines of the state tourism are effective on tour operators' services in Mysore and Dakshina Kannada districts. Whether the tour operators are enhancing with policies, procedures, and guidelines of the state tourism has been identified. This paper also focuses towards identifying that if there any effective implementation of tourism policies on the role of tour operators in the state.

1. Introduction

Tourism activity is one of the huge concepts in the servicing concept. Tourism plays a vital role in the world. As agriculture, industry, services have been considered as primary, secondary and third sector, so tourism is also one of the large servicing sectors of the country. Many of the countries in the globe are depending on tourism sources. And also the appearance of the countries is also due to the tourism places which are famous in their destinations. Tourism can be defined as taking the leisure for one or more days not completing one year in different places. Tourism is movement of people from one place to another place due to leisure, business, education, research purposes etc., it's just like migrating from one place to another places for enjoying the scenic beauty of the nature and different tourism destination as well as spots. The countries like Malaysia, Thailand, Indonesia, London and France are attracting many tourists towards it through their tremendous tourism destinations. And also many countries improve their national income through the sources of tourism.

Today, the business volume of tourism equals or even surpasses that of oil exports, food products or automobiles. Tourism has become one of the major players in international commerce, and represents at the same time one of the main income sources for many developing countries. This growth goes hand in hand with an increasing diversification and competition among destinations this global spread of tourism in industrialised and developed states has produced economic and employment benefits in many related sectors - from construction to agriculture or telecommunications.

2. Tourism In India

India can always boast of its rich cultural heritage. Travel and Tourism in India is an integral part of Indian tradition and culture. In ancient times, travel was primarily for pilgrimage –as the holy places dotting the country attracted people from different parts of the world. People also traveled to participate in large scale feasts, fairs and festivals in different parts of the country. In such a background, cultural tradition was developed where 'Athithi Devo Bhava' (the guest is god) and 'Vasudhaiva Kutumbakam' (the world is one family) became bywords of Indian social behavior. Since times immemorial, the rulers in different parts of India built luxurious palaces, enchanting gardens, marvelous temples, grand forts, tombs, and memorials. These bear testimony to the exquisite inheritance of this land, and are examples of unparalleled craftsmanship of the people of the bygone ages. The beauty of India's cultural heritage and the richness of nature's endowments make India tourists' paradise.

3. Organizations Involved In Tourism

The various organizations engaged in the development of tourism in

India are:

1. Department of Tourism

Tourism department is responsible for promotion of India as a tourist destination, development of tourism infrastructure and facilities in the country and performing regulatory functions in the field of tourism. It has four regional offices at Delhi, Mumbai, Kolkata, Chennai and a sub-regional office at Guhawati. The regional offices supervise the working of other tourist offices situated at different places throughout the country. The head of department is a Director General who has under him Additional secretary and also Additional Director General tourism and market research. To assist the Additional secretary, a Joint Secretary and Financial Advisor are also appointed.

2. India Tourism Development Corporation (ITDC)

India Tourism Development Corporation was established in October 1966. ITDC performs following activities:

- Construction, management and marketing of hotels, restaurants and travelers lodges at various places in the country.
- Provision of tourist publicity materials
- Provision of entertainment facilities in the shape of sound and light shows, music concerts etc.
- Provision of shopping facilities in the shape of duty free shops and
- Provision of consultancy cum managerial service in India and abroad.

3. Indian Institute of Tourism and Travel Management (ITTMM)

ITTMM was set up in January 1983 with registered office at New Delhi. It offers different level academic courses in tourism and travel management and related areas. It has embarked upon a series of alternative educational courses for supervisory and grass root-level workers of the industry.

4. National Council for Hotel Management and Catering Technology

It acts as an apex body to coordinate training and research in hotel and catering management. Its head office is in New Delhi. It is the main agency for planning and monitoring the activities of 15 institutes of Hotel Management and 15 food craft institutes and ensures uniformity in academic standards and procedures for selection and admission of candidates for various courses conducted by these institutes.

5. Tourism Finance Corporation of India Ltd. (TFCI)

TFCI sponsored by IFCI (Industrial Finance Corporation of India)

was set up in April 1988 and it started its functioning from February 1, 1988. TFCL is set up with a view to provide institutional assistance to tourism projects other than those in the accommodation sector. In addition to the above mentioned organizations at the central level, the state government and union territories have their own Department of Tourism, Tourism Development Corporations and other institutions or organizations formed for the purpose of helping the development of tourism industry in their areas. Besides these, various agencies such as Department of Archaeology, International Airport Authority of India, Indian Airlines, Vayudoot, Indian Railways, Custom Department, Reserve Bank of India, Forest Departments, Handloom and Handicrafts Boards and Corporations and Individual level agents, hotel and tour operators are engaged in the promotion of tourism in India.

4. Development of Tourism Industry in Different Phases and Important Policies of Both State and Central Government

The role of tourism was first perceived in India in the year 1945 when a committee under the chairmanship of Sir John Sargeant, Secretary, Department of Education (Krishna, A.G., 1993), was appointed to advise the government on the development of tourism. The main objective of the committee was survey the potential for development of tourism in India. It was required to examine the scope of both domestic and foreign tourist traffic development and suggest ways and means for motivating such traffic to the various attractions within the country, facilities such as transport and accommodation to be provided by different authorities like the central government and local state governments.

5. An Overview of Indian Tourism Policies

The Ministry of tourism headed by the "Union Minister for Tourism" is the nodal agency for the formation of national policies and programs related to tourism. It also coordinates all the activities of the central government agencies, state government undertakings and the private sector for the development and promotion of tourism. The administrative head of the ministry is the secretary of tourism, who also acts as the Directorate General (DG) tourism. Directorate General of tourism has 20 offices within India and 13 offices overseas. Work of ministry is divided into 10 divisions which are headed by either a Director or Deputy Secretary level officer. These include administration, public sector undertakings (PSU) planning & coordination, division, publicity, international cooperation and IT & Events divisions, market research division, overseas marketing division, hotels and restaurants division, travel & trade division, integrated finance, e-governance division, official language division, human resource development and domestic tourism division and parliament vigilance, administration & public grievances divisions.

6. Tour Operator

An organization, firm or company which buys individual travel components, separately from their suppliers and combines them into a package tour, which is sold with their own price tag to the public directly or through middlemen is called a tour operator. More precisely, tour operators are mainly responsible for delivering and performing the services specified in a given package tour. They can provide these services themselves as some have their own cars and coaches, hotels and other travel related services or can obtain these from other suppliers. That is why they are called manufacturers of tourism products.

The tour operating or travel agency business came into existence in England in 1841 when Thomas Cook organized a trip to take 570 fellow members of a temperance society from London to Loughborough. Thomas Cook had realized that the bulk use of transport and accommodation could reduce the cost of the tour and increase the demand. At the time of Thomas Cook's death in 1892, the business of his agency included three major aspects of travel selling tours that is banking, foreign currency exchange and shipping. Thomas Cook became the first tour operator in the world, organizing excursions on a full time basis. Thomas Cook established travel

agencies and introduced the hotel coupon and the reveler cheques. He also invented charter trips and packaged holidays to sell to the middle class people. Thomas Cook became the founder of the travel agency business.

7. The Role of Tour Operators Towards Development of Tourism

Acquainted with the role of tour operators in tourism industry, a tour operator packages together a series of travel services which include transportation, airport transfers, accommodation, excursions and sightseeing, guide services, etc. The product which comes out after assembling all these services together is known as a package tour. Generally the tour operators buy these services in bulk from the principal suppliers to make a package. The complete package of arrangements and services is then sold at an exclusive package price to clients through retail agents in the tourists for generating markets. At the same time, it must be noted that a tour operator not only sells a package tour but also ensures the smooth operation of the tourism.

Tour operators are important for conveying destinations' information to the tourists in order to create a wide scope for tourism activities. Without tour operators there would not be any tourism product. Acting as an intermediary, tour operators are a pivotal link between the tourists and the destination. The tour operators' initiative for sustainable tourism development summarizes the role of tour operators at their destinations is as follows,

Role of Tour Operators:

- Receiving the group of tourists at the airport, railway station, bus stand and taking them to the hotel and vice versa
- Provide appropriate transport for the tourists to travel in the area
- Provide guide for sightseeing tours
- Provide tickets for entrance fee at places of visit
- Reconfirm hotel, flight, train, bus reservations, etc.
- Helps the tourists in exchange of foreign currency
- Introducing the new tourism destinations to the tourists
- Providing the tour brochures to tourists
- Providing the detailed information about the visiting tourism destinations
- Explaining the importance of visiting destinations including the accommodations
- Arranging the package tour according to the cost of tourists
- Leading the tourists in every destinations during the visit
- Providing the safety to the tourists throughout the journey
- Giving some suggestions to the government for development and improvement of infrastructure in tourism destinations
- Approaching the government to develop the tourism destinations
- Influence customer's choices and behaviors
- Direct the flow of tourists
- Influence the supply chain
- Influence the development of destination
- Influence the well-being of destinations/local communities
- To receive intimation from wholesale operators for planning itineraries both for groups and particularly in his country.
- Negotiation with road transport to provide taxis/coaches for transport from airport to hotel, sightseeing tours or intercity transportation.
- Negotiation with hotels for reasonable prices for room, meal and for other services
- To arrange cheap and best transportation services
- Negotiation with historical and cultural places for the entertainment
- Co-ordinate with various tourist centers for sightseeing tours

8. Review of Literature

*World Tourism Organization (2004)*¹ in this report, the researcher identifies that the tourism area includes all activities and decisions related to destinations that tour operators make beyond the production and delivery of their holiday packages. This mainly includes efforts made by tour operators to engage in dialogue with

destination operators about the impacts of tour packages and philanthropic activities.

*World Economic Forum (2004)*² identified that the acting as an intermediary, tour operators are a pivotal link between the tourist and the destinations and thereby represent a leverage point for leading the move towards sustainability. The steps taken should be coherent and comprehensive with benefits equally distributed between the tour operators, tourists, destination communities and the environment. In addition, as global awareness about sustainability increases and international regulations become more restrictive, the link between sustainability and tour operators' competitiveness makes good business sense. This statement is being reinforced through indicators like the Travel and Tourism Competitiveness Index.

*Borelli (1999)*³ Tour operators should communicate their policy to the customers as well by making them to be aware of their role in helping, achieving it when the customers are aware of and understand the company's policy, it's expected that they would be willing to comply with the rules and regulations set by the company. Once they adopt appropriate travel behaviours', negative impacts could be reduced.

*Frederickson (2003)*⁴ identified that tour operators are sometimes neglected their environmental and social responsibilities, arguing that they are simply intermediaries between customers and service providers, and that destination impacts are the responsibility of the sub-contracted suppliers or the local authorities. While these stakeholders clearly share the responsibility, most tour operators now understand that it is precisely their responsibility because they are intermediaries, working closely with both tourists and tourism service suppliers.

*Cochrane (2005)*⁵ Tour operators recognize their responsibility for the negative impacts of tourism, as they are the ones who determine where tourists may go and which facilities they use. Today a large number of tour operators have taken a more proactive attitude and have started to develop environmental policies and plans.

*Cladera (2006)*⁶ analyzed that the importance of perceived quality for the tourist's formation of loyalty to tour operator may be an indicator of the change in the tourist consumer toward the "new tourism" concept, it enhances the attraction of tourists towards the destinations which positively effects on the economic activities of the country.

*Manoj Kumar (2003)*⁷ argued that large tour operators have the reputation for not staying loyal to specific destination. Hence, when a resort becomes no longer popular, the tour operators shift allegiance to other locations. Tour operators can have significant impact on the sustainability of tourists' destinations through the design of their holiday product under the principles of sustainable development.

¹ WTO (2004). "Indicators of sustainable development for tourism destinations". Spain: Madrid.

² World Economic Forum (2004). "Making tourism more sustainable: a guide for policy makers". Paris: United Nations Environment programme.

³ Borelli and Ministrini (1999). "Developing good practices for ecotourism tour operators"

⁴ Frederickson (2003). "Why the tourism industry is misleading as a generic expression: the case for the plural variation"

⁵ Cochrane, (2005). Integrating sustainability into business.. *an implementation guide for responsible tourism coordinators*

⁶ Alegre (2006). Repeat visitation in mature sun and sand holiday destinations. *Journal of travel research*, 88-97.

⁷ Manoj Kumar (2003). "Eco-tourism - a tool for environmental awareness."

9. Statement of the Problem

Tour operator business is one of the profit as well as service motive activities. There are many recognized and un-recognized tour operators are providing services to the tourist in this aspects the way in which the patron of services are guided and followed with some tourism policies of the state and central government of India. The policies and the guidance which are issued by the government are to be followed by tour operators compulsorily. While following the policies and guidance of the government, tour operator are feel uncomfortable with these. Some polices are against to the role of tour operator's activities. By following the policies of the government, tour operators are facing risk to provide tourism services to the tourist.

10. Scope of the Study

The study area covers two districts of the Karnataka state that is Mysore and Dakshina Kannada districts. Even though they come under the one state, the method and patron of providing the tourism services are different. The differences has made on the basis of tourism destinations of the two districts. As Mysore districts is famous for its tradition as well as culture and Dakshina Kannada district is famous for its pilgrimages. So these two districts are chosen for the study in order to identify how the policies and guidance are implemented in the districts and how the tour operator provide services to tourists by following the policies and guidance of the state and central government.

11. Need for the Study

The study enhances the role of tour operators in tourism activities. An attempt is made to identify how the tourism policies and guidance is implementing in tour operating business. Is there any policies and guidance are enhances the tour operating services towards profit and secure manner. What is the effectiveness of the policies and guidance which are issued by the government on the role of tour operators services that has been undertaken in the study? To identify the answer for these questions an attempt is made to identify the policies, guidance of the state and central government towards effective implementation on tour operating business.

12. Objectives of the Study

1. To study the impact of tourism policies, programs and regulatory framework on the activities of tour operators.
2. To evaluate the various services provided by tour operators.

13. Hypotheses of the Study

1. H₁: "The activities of tour operators are commensurate with the tourism policy and guidelines of the State"
2. H₀: "The activities of tour operators are not commensurate with the tourism policy and guidelines of the state"

14. Research Methodology

Sample Design:

1. Selection of study area: To study the role of tour operators towards development of tourism, Mysore and Dakshina Kannada districts have been selected as a study area.

2. Selection of the sampling methods: Since the survey is intended to find out the role of tour operators in development of tourism industry in Mysore and Dakshina Kannada districts of Karnataka, Cluster sampling have been adopted. To choose the sample in both districts by making the cluster, stratified sampling method also applied in order to select the same type of respondents in both the districts. In order to identify the opinion of the government tourism policies and guidance 40 tour operators have been chosen equally from Mysore and Dakshina Kannada districts.

Table No. 01 Frequency and Percent Responses for Hypothesis Statement

Sl no	Statement		SA	A	N	D	SD
1	As a tour operator, you abide policies, rules and guidelines of the state	F	8	10	12	8	2
		%	20	25	30	20	5

2	The state tourism policies and rules make it difficult to carry on tourism related activities	F	15	9	12	1	3
		%	37.5	22.5	30	2.5	7.5
3	Guidelines and regulations which are issued by the government are favorable to the objective of tourism development	F	1	5	10	16	8
		%	2.5	12.5	25	40	20
4	Your activities keep changing based on tourism policies and regulations which leads to negative effect on development of tourism sector	F	9	7	9	11	4
		%	22.5	17.5	22.5	27.5	10
5	The national tourism policy is very good	F	2	6	9	16	7
		%	5	15	22.5	40	17.5
6	The state tourism policy is very good	F	1	6	7	19	7
		%	2.5	15	17.5	47.5	17.5
7	You are satisfied with the state tourism rules, regulations associated with transportation, accommodations and such other facilities	F	7	6	11	13	3
		%	17.5	15	27.5	32.5	7.5
8	The role of tour operator are very important in the fulfilment of the objectives of state tourism policy	F	5	6	9	17	3
		%	12.5	15	22.5	42.5	7.5
9	Tourism policies which are framed by state create a conducive environment for tour operator which leads to enlargement of tourism sector	F	3	8	13	13	3
		%	7.5	20	32.5	32.5	7.5
10	Tourism services are negatively affected due to frequent changes in policy and regulations of state	F	5	6	9	16	4
		%	12.5	15	22.5	40	10
11	New tourism services have emerged due to policy changes by state government which leads to development of tourism sector	F	14	9	8	7	2
		%	35	22.5	20	17.5	5
12	Tour operator are given incentives and concessions as part of tourism promotion policy of the government	F	5	4	8	20	3
		%	12.5	10	20	50	7.5

Note: F-Frequency; %-Percent; SA-Strongly agree, A-Agree, N-Neutral, D-Disagree, SD-Strongly disagree.

Table No. 02 One-Sample Statistics

Statements	N	Mean	Std. Deviation	Std. Error Mean
Q1.01	40	3.35	1.167	0.184
Q1.02	40	2.20	1.203	0.190
Q1.03	40	3.62	1.030	0.163
Q1.04	40	2.85	1.331	0.210
Q1.05	40	3.50	1.109	0.175
Q1.06	40	3.62	1.3030	0.163
Q1.07	40	2.98	1.230	0.194
Q1.08	40	3.18	1.174	0.186
Q1.09	40	3.12	1.067	0.169
Q1.10	40	3.20	1.203	0.190
Q1.11	40	2.35	1.272	0.201
Q1.12	40	3.30	1.159	0.183

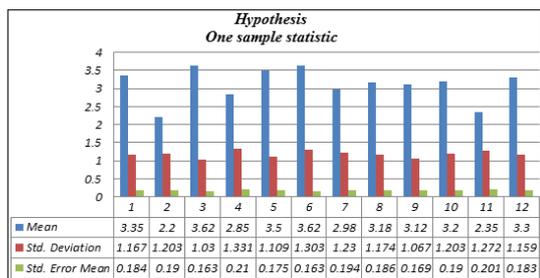


Chart No. 01

Table No.03 Type of Respondents/N Mean

Type of Respondents	N	Mean obtained	Std. Deviation	Mean expected	t	P
Tour operators	40	37.2750	4.98710	36	1.617	.000

The average total mean score obtained (Mean 37.2750) on the issue of 'the activities of tour operators are commensurate with the tourism policy and guidelines of the state', were verified against the average expected mean value of 36, one sample t test revealed a significant difference between average expected and observed mean values. t value of 1.617 was found to be significant at .000 levels. Further, it is clear that the observed mean values were significantly higher than the average expected mean values.

H_0 formulated as "The activities of tour operators are not commensurate with the tourism policy and guidelines of the state" is rejected since test statistics revealed a significant value.

H_1 formulated as "The activities of tour operators are commensurate with the tourism policy and guidelines of the state" is accepted since the role of tour operators' are made up of with tourism policy and guidelines of the state.

Tour operators are following the rules and policies which are framed by the state and central government, but implementation of those policies takes time. As tour operators are service provider to the tourists, they need to follow the policies which are framed by the government as mandatory aspects. Always government policies are favourable to tourists, but tour operators are performing their role according to the guidance of the state and central government. Only few tour operators are against to the government policies and guidance but majority of the tour operators are commensurate with the tourism policy and guidelines of the state.

Therefore the results indicate that null hypothesis be rejected and accept the alternative hypothesis.

15. Research Findings

1. More than 75 percent of tour operator respondents are agreed with the statement that tour operators abide tourism policies, rules and guidelines of the state. Remaining 25 percent of the respondents are not agreed with statement.

2. Above 90 percent of tour operator respondents are agreed with statement that state tourism polices and rules make it difficult to carry on tourism related activities. Remaining 10 percent of the respondents are against to the statement. While providing the tourism services to the tourists, tour operator has to follow the guidance made by the state government. Majority of the tour operators finds difficult to follow the rules and policies made by the state tourism.

3. Only 40 percent of tour operator's respondents are agreed with statement that tourism guidelines and regulations of government are favourable to the objective of tourism development. Over 60 percent of respondents are against to the statement. In case of changing the tourism policies and guidance, it adversely affects on the role of tour operators. As and when the tourism polices changes tour operators also have to modify their patron of rendering tourism services to the tourists. This patron of changes made tour operators to feel negative towards the government policies and guidance.

4. Above 62.5 percent of tour operator's respondents are satisfied with the statement that tourism activities are changing based on state tourism policies and regulations, which leads to negative effect on development of tourism sector. Remaining 37.5 percent of respondents are against to the statement. The activities of tour operators keep changes based on the tourism policies and regulations which lead to negative effect on development of tourism sector.

5. Only 42.5 percent of tour operators' respondents are agreed with statement that national tourism policy is favourable on the basis of tour operator's services. Over 57.5 percent of respondents are not agreed with statement. The tour operators feel dissatisfaction towards the nations and state tourism policy. While framing the policies state and central government has not taken the consideration of tour operators, there are no policies and rules which are favorably framed on the concept of tour operators.

16. Suggestions

1. As a tour operator, they should not concentrate only on making profit in their tourism business but also tries to develop the tourism industry. Along with the profit oriented a tour operating business has to focus towards service orientation aspects.

2. Tour operating agency depends on tourism activities, so they need to identify various tourism destinations and those destinations should be conveyed to tourists, which leads to promotion of tourism industry. When the tour operators' gives information about new tourism destinations, tourists will attracted from those tour operators. So it is suggested that, always tour operators tries to introduce new tourism destinations which is unknown to tourists.

3. Tour operating agency should not concentrate only on restricted tourism services; they need to offer various tourism services so that more number of tourists prefers to such tour operators for their tourism activities. When there is more number of tourism services are offered from tour operating agency, tourist will attracted towards those agencies.

4. While promoting the tourism services to the tourists, tour operators has to highlights the destination's importance and its features so that it enhances more number of tourists to visit those destinations. Tour operator has to give advance information about visiting tourism destinations.

5. Due to competition, more number of tour operating agency are facing towards the failure, they need to improve on optimum utilization of employees, guides and other stake holders so that it can accelerate their business towards the peak level.

17. Conclusion

Tour operator has direct relationship with tourism activities. When the tourists prefer for trip, they concern the tour operator to analyze the exactness of upcoming tour visits. Providing the detail information to the tourists is also one of the roles of tour operator. Many tour operators provide tourism services in order to make some profits but there may be few tour operators provide services with the view of service and development oriented. Tailor-made packages as well as readymade package trip are also available with the tour operators. They provide the package tour according to the requirement of tourists. Tour operators mainly depends on tourism, they are suppose to adopt some policies and guidelines which are made by the government. Through incorporation of policies and guidelines there may be the chances of development of tourism activities in the selected destinations. By following the policies and guidance of the state and central government, tour operators can rendered their services to the tourists in an effective manner it will enhances the tourist flow into the destinations.

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