



Trends and Growth of Tourism Sector in India – A Research Perspective

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ABSTRACT

Tourism is one of the largest service industries in terms of gross revenue and foreign exchange earnings. Its role and importance in fostering economic development of a country and creating greater employment opportunities has been well recognized worldwide. In India, the tourism industry has the potential to grow at a high rate and ensure consequential development of the infrastructure. It has the capacity to stimulate other economic sectors through its backward and forward linkages and cross-sectional synergies with sectors like agriculture, horticulture, poultry, handicrafts, transport, construction, and so on. It is also a major contributor to the national integration process of the country and encourages preservation of natural as well as cultural environments. The main purpose of this work is to explore the unlimited business opportunities of entrepreneurship in tourism industry and a guide for entrepreneurs entering tourism business.

KEYWORDS

Tourism Business, Foreign Tourist, Tourist Income

INTRODUCTION

Traveling and Tourism has been an integral part of Indian Culture and Tradition. Tourism Industry is the most vibrant tertiary activity and a multibillion industry in India. The potential and performance of India's tourism industry needs to gauge in terms of its socio- economic magnitudes. This paper discusses how India is emerging as a popular tourist destination in the world, driven by the focus on innovation and creating value for tourists. It aimed to change the attitude and behavior toward foreign tourists by stressing on the aspect that a guest has been held in high esteem in India since ancient times. It also examines the impact of India's economic growth on tourism, Contributors to economic growth, Role of Tourism industry in India's GDP, Foreign versus Domestic Tourists. The paper also explores that there has been a tremendous growth in tourism in India because of the policies of the government and support from all levels. There are recently many events that have taken place, which are a big catalyst for prompting tourism in India like 20/20 IPL Cricket matches, Commonwealth Games, visit of President Obama of USA & 1st lady Michelle have also helped the tourism industry and will continue helping in India and it will prosper to great heights and standards in near future.

STATEMENT OF THE PROBLEM

Tourism is not only an economic activity of importance in as much as it earns a country, the foreign exchange and provides employment, it can also correct adverse trade balance and regional imbalances, as they are both labour- intensive and capital intensive activities. It is an important medium of social cultural development, capable of promoting lasting goodwill and friendship among the nations of the world. It also helps in the regional development of the country and acts as a means of social education and better understanding among people of different regions in the country. In the long run, the most important contribution of tourism is in the area of developing understanding among varied cultures and life style. Tourism is basically a private sector activity in the development of infrastructure. Private participation is the need of the hour. Very often, tourism and environment are in conflict. Many places in the interior of the country are not well-connected by proper roads, railways or airways. Excessive bureaucracy also delays new hotel and transportation projects. Tourists are often exploited economically, and criminal elements in India can make visits to India which is unsafe for women and elderly tourists.

TOURISM IS A BUSINESS

Tourism is one of the world's fastest growing industries as income is generated by the spending of goods and services required by tourists. The tourism industry is therefore very important to the well being of many countries.

At the beginning of this century, tourism was turning into a business, although it slackened in the first half of the century, owing to the two world wars. After these difficulties, tourism came to signify the personal transfer from one place to another for income, for the purposes of consumerism as the result of economic well being and technological progress. Tourism has led to the creation of new habits and different behavior and life models as well as a different conception of time.

TOURISM IN INDIA AS UPCOMING INDUSTRY

Home of Buddha, Gandhi and the seat of the Dali Lama, India has long draw certain types of tourists as a pilgrimage location. But with over 4,000 miles of coastline, a portion of the Himalayas and megalopolises like Bombay and Delhi, there are many other attractions to draw tourists. As a young country, having gained independence from Britain in 1947, India is in the midst of the process of honing, developing and expanding its tourism industry and messaging.

OBJECTIVES OF THE STUDY

1. To study the modus operandi of tourism sector in India
2. To analysis the trends and growth of tourism in India
3. To offer suggestions based on the findings

MODUS OPERANDI OF TOURISM SECTORS

According to the World Tourism Organization, the growth sectors in the 21st century are:

- Culture & Heritage
- Eco-Tourism
- Adventure Travel
- Special Interest Travel
- Sport Tourism
- Health & Wellness
- Cruising

HIGHLIGHTS OF INDIAN TOURISM

The following are the scope and highlights of Indian Tourism

- Increase in GDCP making the tourism industry a unifying force
- Helping to preserve, retain and enrich our cultural heritages
- Increase in International Trade
- Giving more innovative promotion all measures for tourism
- Offering more Tourism Education
- Growth in Health Care Management
- Progress in Health Care Industries
- Multi-socio cultural Activities
- Growth in Hotel Industry
- Focus on Rural Tourism
- Motivating private sectors to attract more tourists

REVIEW OF LITERATURE

Gary McCain and Nina. M. Ray reveal that in recent years, the existence and nature of heritage tourism market has attracted substantial attention in the tourism industry. There appears to be a sub-segment of the heritage market that consists of tourists who have a personal connection with their heritage beyond a general relationship of collective ancestry. Those that travel to engage in genealogical endeavor, to search for information on or to simply feel connected to ancestors and ancestral roots are categorized as legacy tourists. this paper describes the heritage tourism market, discusses distinguishing characteristics that identify legacy tourists, and emphasizes to tourism managers the importance of recognizing and responding to this segment.

Craig Young and Duncan Light observe that post-socialist societies in East and Central Europe are creating new place identities to signify the end of socialism and a “return to Europe”. These processes are also linked to economic strategies centred on European and global integration, European Union accession and creating a suitable environment for attracting resources, particularly, Foreign Direct Investment. The key discourses of creating post-socialist place identities thus often focus on “rediscovering” a “common European Heritage” to signal that the formerly socialist nations have in fact always been “European”. However, the heritage of socialism is still present in the landscape and is increasingly re-emerging, particularly through the heritage tourism industry, to disrupt and challenge post-socialist narratives of place identity. This paper considers the increasing importance of “communist Heritage Tourism” as a form of cultural heritage tourism and explores its implications for economic development and European Integration.

Peter Schofield reveals the post modern heritage tourism market has matured and contemporary preoccupation with an increasing number of topics from the past which has resulted in the emergence of different criteria for defining and interpreting heritage in terms of popular images of preferred histories. Within this context, visual media-themed heritage products are making an important contribution to tourism development. Manchester’s “Hollywood of the North” tour, which reconstructs the city’s image in its cinematographic past and present is an example of new product development through interpretation and an alternative tourist experience of place which represents the coming of age of urban heritage tourism.

Duncan Light, in his paper, considers “Communist heritage” tourism in contemporary Central and Easter Europe. As one form of special interest tourism, this phenomenon is an illustration of the ever-diversifying tourist gaze. However, such tourism also raises wider issues concerning the relationship between tourism and the politics of identity in the region. While the former communist countries of Central and Eastern Europe are seeking to construct new, post communist identities, this project is frustrated by tourists’ interests in the heritage of communism. Through consideration of three case studies of communists heritage tourism (the Berlin Wall, Bu-

dapest’s Statue Park and Bucharest’s House of the people) the paper examines the strategies which different countries (Germany, Hungary and Romania) have adopted to negotiate and accommodate such tourism without compromising post-communist identities.

TRENDS AND GROWTH OF TOURISM INDUSTRY IN INDIA

The importance of international tourism in earning foreign exchange and thereby making a major contribution to the national economy as well as creating international goodwill and understanding, high priority is being accorded to the development of international tourism. Table1 explain the foreign tourist arrivals in India during the year.

TABLE - 1
FOREIGN TOURIST ARRIVALS IN INDIA

Year	FTAs in India (in million)	percentage
2002 -03	2.38	-
2003-04	2.73	14.71
2004-05	3.46	26.74
2005-06	3.92	13.29
2006-07	4.45	13.52
2007-08	5.08	14.16
2008-09	5.28	3.94
2009-10	5.17	-2.08
2010-11	5.58	7.93
2011-12	6.30	12.90
2012 -13	6.65	5.56
Total	51	110.67
Avg	8.50	20.12
SD	13.45	30.93
CV	1.58	1.54
CAGR	30.49	20.14

Source: Bureau of Immigration and Ministry of Tourism, GOI

As could be seen from Table 1 describe that the number of tourist arrived in India. The number of tourist has increased continuously from 2.38 million in 2002-03 to Rs. 6.65 million in 2012-13. During the year 2009-10 the number tourist has declined of-2.08 percent compare with previous years. The total growth rate of the tourist were shows 13.45 percent, The CAGR of the tourism is 30.49 percent. It shows the level of income has gradually increased from every year.

TABLE 2
FOREIGN EXCHANGE EARNINGS FROM TOURISM IN INDIA,

Year	Fee from tourism in India (in US \$ million)	Percentage
2002 -03	3103	-
2003-04	4463	43.83
2004-05	6170	38.25
2005-06	7493	21.44
2006-07	8634	15.23
2007-08	10729	24.26
2008-09	11832	10.28
2009-10	11136	-5.88
2010-11	14193	27.45
2011-12	16564	16.71
2012 -13	18455	11.41
Total	112772	202.98
Avg	10252	25.93
SD	27246.53	46.02
CV	1.59	1.77
CAGR	33.00	11.32

Source: RBI and Ministry of Tourism, GOI

It is seen from Table 2 reveals that the amount of income arrived through the tourism industry in India. The income has increased continuously from Rs. 3103 million in 2002-03 to Rs. 18455 million in 2012-13. It has increased sixteen times during the study period. During the year 2009-10 the income has declined of-5.88 percent compare with previous years. The total growth rate of the tourism industry were shows 202.98 percent, the standard deviation of income of tourism industry is 27246.53. The CAGR of the banks is 33.00percent. It shows the level of income has gradually increased from every year.

TABLE 3
THE GROWTH POTENTIAL OF INDIAN (INTERNATIONAL) TOURISM

Growth (%)	2012	2013	2014
Real GDP Growth	3.8	4.2	6.0
Arrivals (Trips)	11	10.7	10.5
Incoming Tourist Receipts Value (US\$)	4.3	11.7	10.1
Air Transport Value (US\$)	5.0	15.6	15.7
Hotels Value (US\$)	1.4	9.2	8.3
Travel Retail Value (US\$)	2.8	10.4	11.3

Source: Euromonitor International

Table 3 elucidates the trends and growth of tourism industry in India. The real GDP growth rates were increased every year during the analysis period like 3.8, 4.2 and 6.0 percent respectively. Similarly all the aspects of tourism were increased during the analysis period like arrivals, income, air transport, hotels and travel retail value.

RECENT INITIATIVES TOWARDS TOURISM INDUSTRY

India is predicted to have over 300 million internet users by 2017, with more than 75 Percent active on social media.

- Online travel retail sales in India are forecast to reach US\$14.7 billion in 2017, following a 19 Percent CAGR from 2012.
- As smart phones and tablets become more main stream among Indian travelers, the mobile booking channel is expected to take off.
- Make My Trip saw over 1 million downloads of its mobile travel app by May 2013.

GOVERNMENT ON BOARD

- The Indian Ministry of Tourism recently started using social media to promote tourism sites throughout the country. It joined Face book in January 2013.
- 70 Percent of all 4 and 5 star hotels in first-tier cities in India had established their presence in social media by August 2013.
- Leading Indian airline Jet Airways put social media at the center of its marketing, involving 10 different departments in its social media activities targeting consumers.

SUGGESTIONS OF THE STUDY

The following are the important suggestions for the development of tourism sector in India and it will enhance the economic growth

- support tourism organizations' capacity building;
- encourage new private sector tourism investment attraction; and
- Enhance Ontario's overall economic competitiveness and opportunities for the Ontario tourism industry.
- Through this offer more employment for the people.
- It create more economic development to the country.

CONCLUSION

Tourism helps a country's economy in a various ways. Tourism is a service industry and can have a significant effect on those countries with surplus labour .To this service industry human labour is extremely important, most sector of tourism industry are labour- intensive, and require relatively short training for most jobs. Jobs in tourism were always attractive and highly respected. It is a composite sector, generating income in a large number of activities as sectors and sub sectors like, hotel and other accommodation units, travel agents and tour operators, transport services, tourist resorts and complexes, shopping facilities including sales outlets for curios, handicrafts, souvenirs, and so on. The tourism sector is often criticized for providing only low-wage, seasonal employment, but it has to be obvious that if there were no tourism many workers in India would be unemployed.

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