### CHAPTER VII

**SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION**

#### 7.1 INTRODUCTION

The hotel industry constitutes one of the vital and essential components of tourist industry. The tourist industry, in other words, is also termed as leisure industry while hotel industry is termed as hospitality industry. It goes without saying that this hospitality industry provides services such as accommodation, food and beverages not only to those travelling for pleasure, but also to the business travellers. By doing so, the hotel industry as a whole benefits from increased travel. It has, therefore, been aptly said “No Hotels, No Tourism”.

<table>
<thead>
<tr>
<th>Rooms</th>
<th>Score</th>
<th>Restaurant Score</th>
<th>Bar Score</th>
<th>Conference Hall Score</th>
<th>Shopping Score</th>
<th>Staff Score</th>
<th>Laundry Score</th>
<th>Telephone/Telex Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>110</td>
<td>32</td>
<td>160</td>
<td>30</td>
<td>150</td>
<td>38</td>
<td>190</td>
<td>34</td>
<td>588</td>
</tr>
<tr>
<td>48</td>
<td>96</td>
<td>62</td>
<td>40</td>
<td>10</td>
<td>4</td>
<td>6</td>
<td>32</td>
<td>18</td>
<td>152</td>
</tr>
<tr>
<td>20</td>
<td>40</td>
<td>20</td>
<td>20</td>
<td>10</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>152</td>
</tr>
<tr>
<td>152</td>
<td>494</td>
<td>152</td>
<td>588</td>
<td>152</td>
<td>152</td>
<td>600</td>
<td>152</td>
<td>608</td>
<td>152</td>
</tr>
<tr>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>582</td>
<td>152</td>
<td>520</td>
<td>152</td>
</tr>
<tr>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>152</td>
<td>536</td>
<td>152</td>
<td>560</td>
<td>152</td>
</tr>
</tbody>
</table>

- Outstanding (5)
- Good (4)
- Average (3)
- Poor (2)
- Total
Among the numerous types of facilities sought by the tourists, transport and accommodation constitute the most important items. In this study ‘Accommodation’ is assumed to be the first and the foremost infrastructure necessary to improve tourist traffic since the demand for accommodation away from home has become an important function of tourism. Hence, without offering suitable, satisfactory hotel accommodation, all the natural scenery, the attractive, pleasing climatic conditions, plethora of sporting, recreational facilities will not be adequate to attract and sustain a large number of tourists.

It has been rightly pointed out by Charles Kaiser Jr., and Larry E. Helber that “the accommodation facilities are the places where tourists stop (cease to be travelers) and become guests. The level of guest satisfaction achieved by an area’s accommodation facilities will, in a large measure, determine the total success of the tourism programme”.

While defining the term ‘hotel’, one is, of course, forced to take into account several factors which can be used in measuring establishment of this nature. As the hotel industry consists of a large number of heterogeneous units, there are differences in the definitions provided by various authors. But many have called the ‘hotel’, “a home away from home”. The Concise Oxford University defines hotel as a ‘house wherein travellers stay’.
In practice, however, the term hotel is not at all precise and hence, generally when one thinks of accommodation, it means an establishment which offers a certain degree of comfort. Therefore, in most countries, a hotel is defined as a public establishment offering travellers against payment, two basic services, namely accommodation and catering.

Tourism has emerged as the most lucrative business of the world, having tremendous potential for earning foreign exchange. In the modern times, tourism has received the widest recognition and it is the second largest industry in the world and the sixth largest in India. Globally speaking, tourism accounts for nearly 5.4 per cent of the world’s trade and 11 per cent of world’s Gross Product. In the global market of 400 million tourists, India’s share constitutes at present a meager 0.35 per cent only.

Tamil Nadu, one of the States of India, is also a land of splendour, serenity and tranquility renowned for its hospitality. Its vast and colourful canvas studded with diverse cultural, architectural and historical gems makes it one of the most interesting and satisfying tourist regions. It has something to offer to every category of tourist. It is ranked third among the Indian States in the matter of attracting tourists.
In order to provide suitable accommodation facilities for the tourists visiting Tamil Nadu, the Tamil Nadu Tourism Development Corporation has set up a chain of hotels and Youth Hostels throughout the State to suit every pocket and taste despite the overall constraints in resources. Apart from this, the private sector undertakings also provide considerable accommodation facilities both to the foreign and domestic tourists in Tamil Nadu.

7.2 FINDINGS

In keeping with the first objective, an elaborate study was undertaken and reported in Chapter three about the major tourist centres in Madurai. No pain was spared in giving a vivid portrayal of the environmental significance of tourist attractions such as forests, Meenakshi Sundareswarar Temple, Ashta Sakthi Mandapam, Meenakshi Naicken Mandapam, Mudali Pillai Mandapam, Golden Lotus Tank, Unjal Mandapam, Kilikootta Mandapam, Meenakshi Shrine, Mukkuruni Vinayakar, Kambathadi Mandapam, Sundareswarar Shrine, Hall of Thousand Pillars, Mangayarkarasi Mandapam, Towers, Musical Pillars, Puthu Mandapam, Vandiyoor Theppakulam, Alagarkoil, Thirupparankundram and the like. This chapter shows how the natural cultural, and social environments of regions constitute a major lure for both national and international tourism.

The second objective was examined in Chapter IV. A steady increase was observed in the arrivals of domestic as well as foreign tourists in Tamil Nadu and
Madurai during the period under study. The fluctuation in arrival was found to be less in Madurai compared to Tamil Nadu. The arrivals of tourists were studied by analysing the variations due to seasonal, cyclical, irregular and trend components. The results revealed that the seasonal variations within a year for arrivals were found to be high. Further, it was observed that September to October was an off-season period of arrivals, whereas April to June was a peak period for both domestic and foreign tourist arrivals. It is inferred from the analysis that the irregular fluctuations in the arrivals of domestic tourists were much higher than those of foreign tourists. This may be due to social ceremonies and religious festivals. The same trend was observed in cyclical variations during the period under study. The trend in arrivals was found to be positive and significant over a period of time. The growth rate was estimated to be 4.001 per cent and 5.441 per cent for domestic and foreign tourists respectively.

Regarding the third objective namely demand and supply of hotel accommodation, the analysis revealed that there are three different classifications namely first class, second class and third class of rooms based on tariff in hotel accommodation. The demand for first class room was higher linked to the rate of growth per annum, followed by second and third class rooms. Out of total arrivals, 85 per cent of the tourists were seeking accommodation of hotels in Madurai. Further it is inferred that demand and supply of beds have steadily increased in hotels at Madurai.
The fourth objective of the study was to bring out in detail the expenditure portfolio and its basic determinants with respect to sample tourists in Madurai. Among the foreign tourists, tourists from Sri Lanka and Malaysia stayed on an average for 12 and 11 days respectively. The age group of 25-35 years represented nearly 46 per cent of total arrivals in Madurai. Sex-wise classification showed that male tourists outnumbered (70 to 73 per cent) female tourists (27 to 30 per cent). In Madurai the government tourist vehicles scored over private/own cars. The books on travel and tourism considerably have influenced the foreign tourists. The foreign tourists visited Madurai on holidays for sightseeing. Thus it may be inferred that foreign as well as domestic tourists are attracted to Madurai mainly by its temples. More than 64 per cent of the tourists opted to visit Madurai at any cost at least once more in their lives.

It is inferred from the analysis that domestic tourists prefer only economy type while foreign tourists prefer high-class rooms. The patterns of expenditure of domestic and foreign tourists were subjected to a detailed statistical study. While dealing with the expenditure pattern of the tourists, care was taken to show how money was spent on food, accommodation, health, shopping, transport, entertainment, handicrafts and the like by the tourists of national and foreign origin. The multiple log linear regression models was used to identify the factors which determine the expenditure of tourists in low and high income brackets. The
results revealed that the income, age and duration stay have influenced the expenditure of the tourists.

The fifth objective of the study was to examine the tourists’ evaluation of hotel facilities and services in Madurai.

**IN SELECTION OF ROOMS, QUALITY OF FOOD, HOTEL IMAGE, HOSPITALITY OF WORKERS, ROOM SERVICE QUALITY AND ROOM TARIFF ARE THE MOST IMPORTANT FACTORS WHEREAS HEALTH CLUB, SWIMMING POOL FACILITIES, ETC., ARE THE LEAST GOVERNING FACTORS.**

As regards location of the hotels, 61 per cent of the tourists favours down town area, because it facilitates their business activities.

As regards actual location of hotels that they occupied, the location of South Indian star hotels provide complete satisfactions to the touristers.

With regard to the area of the hotels, majority of the customers are satisfied with room area, parking area, seating capacity of restaurant etc.

Nearly 74 per cent of the tourists are satisfied with the services of the receptionists.

Sixty eight per cent of the tourists does not avail of boarding facilities. Only 32 per cent has availed of the boarding facilities attached to the hotels.
Considering food and beverage price, the room tariff is viewed to be very high. 52 per cent of the tourists feel that the room tariff is high/very high. In India hotels occupying is wholly governed by ‘seasons’ that also affect ‘tariff’.

When compared to continental food, most of the tourists, especially foreign tourists, graded Indian food as delicious and very good. Majority of the tourists have graded beverage as good. An important fact revealed is that the tourists feel no difference in quality and taste between domestic and foreign beverages.

7.3 SUGGESTIONS AND POLICY RECOMMENDATIONS

It is quite heartening that recently hotel industry has been recognized by the Government as one of the major industries. The hotel industry is yet to be treated as an industry in the right sense of the term. To put it more bluntly, hotel business (industry) is not considered as an industry fully and fairly in India whenever concessions and incentives are provided to various other industries. However, it is quite disheartening to note that hotel business is very much treated as ‘industry’ for the purpose of levying taxes.

Keeping all the problems connected with hotel and tourism industries in the country in general and at Madurai in particular, the researcher has made the
following suggestions and recommendations applicable, both at the national level as well as at micro-level. The first few recommendations are meant for country as a whole and the remaining are to be adopted to the hotel and tourism industries at Madurai.

- Hotel and tourism industries should, first of all be treated as infant industries and provided with all due protection, particularly in connection with concessions, incentives in terms of guarantees grants, tax exemptions and subsidy on loans for construction of hotels eventhough it would certainly entail costs to the governments and other financial institutions. But it should be kept in mind that, in due course, as the industries develop and grow satisfactorily, the costs will be off-set by the gains accruing to it. Thus, the economic impact of hotel industry is the balance between the associated costs and their benefits and hence it becomes necessary for the accommodation industry to form appropriate judgements very carefully.

- Since hotel and tourism industries are still in their infant stages expenditure tax in hotels should be reduced either considerably or exempted completely at least for a specific period of time depending upon their growth and development. In this respect, it is encouraging to note that the expenditure tax in hotels has been
reduced from 20 per cent to 10 per cent as per the 1994-95 budget. However, such considerations to the resorts and other tourist destinations which are seasonal in character must prove to be still more favourable.

- The supply of food or drinks to customers staying in a hotel does not partake the character of a sale of goods. The hotel industry constitutes a distinct activity altogether to which the existing Sale of Goods Act would not apply. Imposition of sales tax on hotel services is not justifiable. Therefore Sales tax on food and beverage should be abolished.

- The rate of Luxury Tax is varying in accordance with the volume of room sale. It is also varying from State to State in India. It should be rationalized by designing uniform structure of luxury tax throughout the nation for hotel industry. The uniform luxury tax would not create any confusion in the minds of customers. The rate of luxury tax should be at a minimum level as against the present rate.

- For the development of hotel industry, hotels should enter into tie-ups with the leading hotel chains in the world. These tie-ups would provide facilities for global marketing inputs, intensive training to the executives and others, consultancy services on operative
systems, computer software, business meeting facilities and equipment procurement and joint participation in the international sales convention.

- It is the duty and obligation on the part of the hoteliers to maintain a good public relation. For this purpose, a handy travel packet guide with detailed information about Indian tourism and hotel facilities and service should be given. Apart from that, sales calls and seminars should be arranged frequently inviting participants from various fields such as consultants, travel agents, employees of the hotels, government agencies and hotel association members.

- The existing scheme of star rating and classification should be abandoned as it is a costly and unnecessary practice. But the new hotels should be approved by the Department of Tourism on certain quality standards as practiced in other countries. The Hotel Association should evolve a self-regulatory mechanism to fulfill the objectives of quality control.

- In South Indian hotels, the demand for rooms is higher than the supply of rooms. This situation leads to sellers’ (hoteliers’) market in the hotel industry. Hence, to some extent, the hoteliers are not concerned about customer satisfaction and quality of facilities and services. The Hotel Association should therefore form a committee
which consists of hoteliers and government representatives to watch the standard of services and facilities offered by the hotels. Those hotels which are not giving co-operation in this regard should be given no concession or incentive and should be sidelined.