CHAPTER I

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

The phenomenon of tourism has received worldwide recognition and is growing by leaps and bounds. Till recently considered as a past time and thus a trivial activity, it has developed into a highly complex phenomena with multifarious and multidimensional economic, socio-cultural and environmental effects. It has emerged as one of the world’s largest industry with latent vast growth potential and it had established itself as world’s third most important industry behind oil and motor cars. Being an important facet of socio economic development, it has become one of the crucial concerns of not only the nations but also of the international community as a whole. Most countries are using tourism as an important facet of economic and social development. To achieve this, they are exploiting their historical, social, cultural and environmental resources. Today tourism forms an important part of all the developmental strategies and is often present on top of the priority list among the “hierarchy of priorities”. Its potential to generate employment and earn foreign
exchange for the host country has made this industry, the concern of all
governments, planners, entrepreneurs and the people in general. As a result,
countries around the world are pumping resources for an effective planned
development of the industry. This chimneyless industry is an essence of software
product and his tertiary service sector with relatively high value addition. The
pace of growth in demand is such that it has given tourism is a Cinderella like
existence. In addition to the economic benefits it adheres, there are various social,
political and developmental benefits for which it has received worldwide
recognition. Today tourism is perceived as a contributor for peace and
development, image building, mixing people and culture, development of
international relations, infrastructure development, achieving sustainable patterns
of environmental up-gradation, upliftment of the society and global integration.

1.1.1 Tourism- The Concepts

Tourism places an important role in the economic and cultural
development of mankind. Tourism is a composite of activities, services that
deriver a travel experience namely transportation, accommodation, shops,
entertainment and other hospitality services available for individuals or groups
that are travelling away from their homes. It encompasses all providers of
services and it is the entire world industry of travel, hotel, transportation, and all
other components including promotion that serves the needs and wants of
travelers. Tourism society of England defines Tourism as the temporary short
term movement of people to destination outside the places where they normally

1. Asif Iqbal Fazil and Hussain Ashraf, S., (2006), “Tourism in India Planning and
live and work and their activities during the stay at each destination. It also includes services like accommodation, restaurant establishments, cafes, bars and canteens as well as travel agencies and tour operators^2.

Tourism today is not only an entertainment activity but it has also been recognized by the world as an industry. It has a tremendous potential for earning foreign exchange, employment, increasing tax revenue and promoting business activities like transport, fruit production, agriculture, crafts, hotel industry, entertainment and productive services. The enormous scope for tourism evident by the fact that every year more than 1500 million people, i.e., over one third of the world’s population travel away from their places of residence. It is estimated that on a global scale more than 750 million people are on holiday travel both within their countries and abroad. Tourism is gaining importance not only in industrialized and developed countries of the world but also in developing countries like India. Various tourism promotional steps have resulted in continuous increase in tourism arrivals and thus in foreign exchange earnings. Income from foreign tourists in India in 1991-92 was estimated at `3,400 crore as against `1,189.10 crore recorded in 1985-86 and `2,440 crore recorded in 1990-91. According to the National Council of Applied Economical Research, tourism had generated employment for nearly `64 lakhs

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of our countrymen in 1978. These figures have increased to about nine and half crore in 1990\(^3\).

Tourism is multi-sector activity characterized by multiple services provided by a range of suppliers. It is the largest service industry in the country. Its importance lies in being an instrument for economic development and employment generation, particularly in remote and backward areas. It is contributing towards overall socio-economic improvement and accelerated growth in the economy. The economic benefits flow in to the economy through growth of tourism in the shape of increased national and state revenues, business income, employment, wages and salary income. Tourism is overwhelmingly an industry of private sector providers and the public sector has a significant role to play in infrastructure areas either directly or through public private partnership mode.

Tourism is one of the economic sector in India which has the potential to grow at a high rate and can ensure consequential development of the infrastructure of the destinations. It has the potential to stimulate other economic sectors through its backward and forward like agriculture, horticulture, handicrafts, transport, construction, etc. The particular significance of tourism industry in India is its contribution to national integration and preservation of natural as well as cultural environments and enrichment of the social and cultural

lives of people like preservation of monuments and heritage properties. This sector is also helping the traditional art forms, crafts and culture.

Tourism is unique. It involves industry without smoke, education without classroom, integration without legislation and diplomacy without formality. Tourism is not an industry, it is better to call it is an activity. It is an activity that takes place when people move to some other place for leisure or for business and stay at least for 24 hours. Tourism is a travel for recreational, leisure or business purposes. The World Tourism Organization defines tourists as people who “travel to and stay in places outside their usual environment for more than 24 hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within places visited”. Tourism is the largest peacetime movement of people in the history of mankind. Millions of people, internationally and domestically, travel each year, and this makes tourism one of the largest and fastest growing economic sectors in the world.

Tourism is one of the most vibrant, growing and economically useful activities in the world having wide social and cultural ramifications. Since the end of the second world war, tourism has grown to one of the world’s largest economic sectors, providing employment opportunities and fostering cultural exchange.

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industries in the world with a growth rate of 5 percent per annum over the past twenty years. It is accepted world over that tourism is a major force in the economy of the world, an activity of global importance and significance. As an economic activity it can help to contribute to the alleviation of poverty in almost all the areas of the global GDP and generating employment for 200 million people. According to report in India alone, travel and tourism industry is expected to generate 2 percentage of GDP and 1,14,04,000 jobs, while the broader travel and tourism economy is expected to generate 4.9 percentage GDP and 2,44,56,606 jobs. Tourism is the second largest net foreign exchange earner by way of invisible exports. Tourism creates more jobs than any other sector for every rupee invested. The endeavor of Government of India is to achieve sustained growth of tourist facilities in private sectors and to ensure high standards of quality in their services.

1.1.2 Types of Tourism

There are fourteen types of tourism. Major types of tourism are analyzed below.

1.1.2.1 Leisure Tourism

Tourist visiting tourist centers for leisure constitute is a major segment of tourists. They usually throng the hill resorts, beach resorts, waterfalls, zoological parks, bird sanctuaries, and botanical/ horticultural gardens.

1.1.2.2 Pilgrim/religious tourism

Pilgrims are another major group of tourists visiting Tamil Nadu. They visit places of worship according to their faith. But, at times they also visit places of other religions.

1.1.2.3 Fairs / Festivals Tourism

Large inflow of tourists are usually seen during the major festival seasons like Deepavali, Christmas, Ramzan and Pongal. The exhibitions, fairs (like India tourist & industrial fair conducted every year by Tamilnadu tourism Development Corporation at island ground, Chennai) also draw significant number of tourists.

1.1.2.4 Cultural Tourism

Cultural tourism is concerned with a country’s or region’s culture, especially its arts. It generally focuses on traditional communities who have diverse customs, art and distinct social practices which distinguish them from other cultures. Culture has always been a major object of travel since the European Grand tours of the 16th century when aristocrats and nobility travelled to Europe to educate themselves. Due to globalization and technology, traditional cultures are declining as the youth takes on to modern ways. Those countries that preserve their culture have a great opportunity for tourism. Tourism to traditional centers can present advantages and disadvantages. On the positive side, unique, cultural practices and arts attract the curiosity of tourist and provide the opportunity for economic development. On the negative side tourists may leave foot prints of their culture that youth may emulate, while the community in
general feels violated. Cultural tourism includes tourism in urban areas, particularly historic or large cities and their cultural facilities such as museum and theatres. It can also include tourism in rural areas showcasing the traditions of indigenous cultural communities (i.e. festivals, rituals, etc) and their values and lifestyle. It is generally agreed that cultural tourist spend more than standard tourists. Cultural tourism is the fastest growing segment of tourism industry because of globalization and a better informed public who are exposed to universal cultures through the internet.

1.1.2.5 Heritage Tourism

Heritage tourism is a branch of cultural tourism that showcases the cultural heritage of the past. Heritage attractions play an important role in tourism as people most likely would have been introduced to them in school. The seven wonders of the world have spurred tourists in million to visit the Taj Mahal, the Great Wall China or the Hanging Gardens of Babylon. Ancient civilations like India, Egypt, China or Iraq have a wealth of heritage that stand as witness to great cultures. Countries with rich cultural heritage has used it as an important marketing tool to attract tourists. Heritage tourism involves visiting historical sites like monuments, forts, battlegrounds, etc. with the overall purpose of appreciating the past.12

1.1.2.6 Adventure Tourism

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Preservation of ecology or the environment is a concept gaining prominence now. Similarly, eco-friendly adventure tours are also gaining momentum. Tourists in search of adventure constitute mostly youngsters. They like to whet their appetite for adventure through trekking, hang-gliding, ballooning, boating and angling. The Madras Hang Gliders Association is keen on popularizing this adventure sport. Now, to train those who are interested in these adventure activities, motorized hang-gliders are being provided by the Madras Hang-Gliders Association. The St. Thomas Mount is an outcrop of hillock on the outskirts of Chennai, the hills of Kodaikanal and Udhagamandalam are the best locations Hang-gliding.¹³ Modern adventure tourism includes trekking, skiing, mountaineering, water sports, river rafting, canoeing and kayaking.¹⁴

1.1.2.7 Business Tourism

Top executive who arrive on business trips or to attend seminars, conference, conventions and general body meetings, combine tourism with their business trips. Group could combine academic programmes with factory visits as part of familiarization on Indian business climate. People travelling for their business needs are now called business tourism.

1.1.2.8 Eco-Tourism

The national Eco-tourism policy and Guidelines aim to preserve, retain and enrich natural resources and to ensure regulated growth of eco-tourism

¹³ The Department of Tourism., (1998) Adventure Trails, Tamil Nadu, India, Chennai, March1, p.11.
with its positive impacts on environmental protection and community
development. The World Trade Organization (WTO) has decided to observe
2002 as the international year of eco-tourism. The eco-tourism society gives a
slightly fuller definition: “Eco-Tourism is responsible travel to natural areas
which conserves the environment and improves the welfare of locale people”.
Eco tourism is about creating and satisfying a hunger for nature, about exploiting
tourism’s potential conservation and development, and about averting its negative
impact on ecology, culture and aesthetics.  

1.1.2.9 Medical Tourism

Medical tourism has to offer a business and value proposition. There is an opportunity in medical tourism because we are in a position to offer
quality medical at one-tenth the cost compared to that in many countries in the
west. Moreover, India is unique in offering holistic medicinal service, with yoga,
meditation, ayurveda and other medical facilities we offer a unique basket of
services to an individual that will be difficult to match in other countries. The
growth for medical tourism in India, in the year 2001 the amount of foreign
exchange earned through medical tourism was `120.30 million whereas in 2004
the earning reached to `312.918 million. Tamilnadu has some of India’s best
medical facilities (Allopathy, Ayurveda, Siddha and Unani). This coupled with
Tamil Nadu’s traditional hospitality attracts patients from other states and even

from neighboring countries. After full recovery, the patients as well as their attendants visit places of tourist interest. The Government of India has introduced a new category of medical visa (M-Visa), which can be given for specific period to foreign tourists coming to India for medical treatment. By 2012 foreign patients visiting India are expected to spend 2.3 billion dollars and if this is true healthcare could become another major driver of the Indian economy, just like software and its enabled services.¹⁷

1.1.2.10 Health Tourism

Even though health tourism existed long before, it gained importance during eighteenth century. This tourism is associated with spas, places with health-giving mineral waters, treating diseases from gout to liver disorders and bronchitis. As numbers of doctor have highlighted the benefits of bathing in sea water, and sea bathing, even this has became a part of health tourism.

1.1.2.11 Winter Tourism

Winter sports contribute to winter tourism. Many water sports holiday package are available at places in many countries apart from Ski and Snow festival tours organized annually. Skiing is extremely popular in the mountanous areas. Ski festivals have variety of events like ski and sled competitions, ski and snow board lessons, performances and recreational

activities. Majority of the event participants are from countries with a warm climate\textsuperscript{18}.

1.1.2.12 Social Functional Tourism

People visit their friends and relatives in connection with social functions like marriage, dedication of new house and ear-boring ceremony, and visit tourist places either before or after the function.

1.1.2.13 Cruise Tourism

The Government has constituted a high-power steering group to formulate cruise shipping policy in the country. The recommendations of this group include formation of working groups to look into issues like immigration, identification of ports, customs clearances, infrastructural facilities, quarantine restrictions, taxation issues, connectivity, tourism related issues and dcabotage to develop cruise shipping policy for India. On the eastern part of the country, Tuticorin port and Chennai port have been identified. Along with the increase in the cruise tourists arrivals in India, there is a great leap in the number of domestic travelers also. Though the water transport is considered as cheaper when it comes to cruise travel, it is less affordable to the commoner.\textsuperscript{19}

1.1.2.14 Rural Tourism

Rural tourism is essentially any activity which takes place in the countryside, it is multi-faceted and may entail farm or agricultural tourism and is


experience oriented. The locations are predominantly in natural environments; they mesh with seasonality and local events and are based on preservation of culture, heritage and traditions. Rural area attracts tourists because of their mystique and their distinct cultural, historic, ethnic, and geographic characteristics.\(^{20}\)

### 1.1.3 Tourist

The Oxford Encyclopedic English Dictionary defines, ‘tourist’ is ‘a person making a visit or tour on a holiday; a traveler, especially abroad’. The WTO, the apex International Organization for tourism has defined ‘tourist’ as follows: “Tourist-(Overnight Visitors) visitors staying at least one night in a collective or private accommodation in the place visited”.\(^{21}\)

#### 1.1.3.1 Inbound Tourists

Tourism is well recognized as a good foreign exchange earner and highest among the services industries. In India it is the third highest export earner after gems and jewellery and readymade garments. Impact of inbound tourists as well as recognized due to following reasons:

1. More foreign tourist mean more national image abroad, reduction of ideological gap and international understanding about India.

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2. It will generate more economic activity and thus more employment in the host country.

3. It helps in the development of remote areas.

4. International tourists like Indian handicraft items.

5. Inbound tourist requirement compels the development of good infrastructure facilities at tourist destination. This automatically stimulates diversification and the development of other related industries.

6. Expansion of business tourism keeps our hotels in the cities fully occupied throughout the year.

1.1.3.2 Outbound Tourists

Indians going abroad is increasing for the following reasons:

1. Business

2. Higher studies

3. Pilgrim

4. Pleasure

5. Family movement is another important part of outbound move in the recent years\textsuperscript{22}

1.1.4 Tourist Attractions

Planners must know what makes a tourist destination click. The following are some of the factors which would create tourist attraction:

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\textsuperscript{22} Sipra Mukhopadhyay, (2008), "\textit{Tourism Economics}," Ane Book India Publication, p.60.
1.1.4.1 Entertainment and Amusement

- Theatre, cinemas
- Local leisure, good food
- Night life
- Health resort, spa, springs
- Recreational/Amusement parks
- Zoo and ocean marinas
- Sporting activities, adventure sports

1.1.4.2 Scenic

- Wildlife, flora and fauna
- Natural beauty
- Attractive coastline/long beaches
- Wildlife safari parks
- Mountain location, rivers

1.1.4.3 Climatic

- Mild temperature
- Duration of sunshine

1.1.4.4 Cultural

- Ancient buildings, archaeological sites, history and culture
- Religion
- Customs and traditions

1.1.4.5 Way of life
• Folk arts
• Handicrafts
• Traditional music
• Classical and folk dances
• Festivals /Fairs
• Art

1.1.5 Tourism Industry

Tourism is one of the largest industry. Though India has rich religious traditions which advocated pilgrimage as one of the modes for salvation, tourism as a modern concept is gaining more importance and conscious efforts are made to promote the same. Tourism has the greatest needed to protect the environment of places of natural and cultural importance. Tourist are interested to experience places of beauty where nature remains intact. To attract the visitors inflow, the particular character of tourist places should not be distorted there are many governmental and non-governmental agencies involved in tourism development. Coordination among different institutions is essential for development and improvement of tourism.

Tourism industry is the one that treats the consumer as tourists, the money spent by them, and the resource rendering various goods and services which facilitate the composition of the tourism product. It has become a cliché to term this industry as ‘smokeless industry’ because unlike other industries it is

rather invisible and the resulting pollution from tourism is relatively very less. Indeed, like tourism product, tourism industry, too, is an extraordinarily complex integration of many industries spread over many sectors. For example, industries like transport (air, water and surface), accommodation (hotels, motels and supplementary accommodations), travel intermediaries (tour operators/travel agents), recreation and entertainment institutions, handicrafts business etc. provides a multitude of goods and services demanded by tourist. 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 illustration25.

FIGURE 1.1

STRUCTURE OF TOURISM INDUSTRY

TOURISM INDUSTRY

Provincial & National Tourism
Local Tourist Organization
Organizations
Component Industries
Accommodation
- Hotel Industry
- Motel Industry
- Holiday Resorts
- Supplementary Accommodation
Transport
- Air Transport
- Rail Transport
- Road Transport
- Water Transport
Travel Trade Organ
- Travel agency
- Tour operator’s
Recreation Entertainment
- Provision of indoor and outdoors recreation and entertainment facilities

<table>
<thead>
<tr>
<th>Private Sector Support Services</th>
<th>Tourist Attraction</th>
<th>Public Sector Support Services</th>
</tr>
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<tbody>
<tr>
<td>-Market Services</td>
<td>-Natural: Mountains, lakes, forests, beaches etc.</td>
<td>-Public utility services</td>
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<tr>
<td>-Finance &amp; Institute Services</td>
<td>-Man made: Monuments, fair &amp; Festivals, performing Arts, handicrafts etc.</td>
<td>-Health utility services</td>
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<td>-Training and Education</td>
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<td>-Immigration facilities</td>
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<td>-Training and education etc.</td>
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Tourism these days has come to stay all over the world as multi-dimensional, pollution-free and a fast growing industry, having potential for unlimited direct and indirect employment. It is not only a source for valuable foreign exchange earning but also a public utility occupation\(^{26}\). Under this ‘Industry’ view, the tourism industry is composed of a clearly defined grouping of firms that are perceived to be primarily in the business of selling to or serving tourists. Hotels, restaurants, transportation and amusements are examples of the types firms that comprise the tourism industry.\(^{27}\)

Tourism has tremendous potentialities for earning foreign exchange, yielding tax revenues, providing employment, promoting the growth of the ancillary industries and development of industrially backward regions. A foreign tourist is a person visiting on a foreign passport for a period of not less than 24 hours and not exceeding 6 months, for non-immigrant, non-employment

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tourist purpose such as business, pleasure and the like. This process is called tourism.²⁸

The tourism industry has been officially defined to include the accommodation sector, travel-related services like travel agents, tour operators, reservation systems, amusement parks, special health units and convention organizers. In 1986 it was declared an industry and at the very start of the economic reforms, the horizons for foreign investment were widened. It is eligible for automatic approval of direct foreign investment of 51 percent of equity since July 1991. NRIs, however, can invest up to 100 percent. Automatic approvals for foreign technology agreements and management contracts within specified parameters are permissible. A series of incentives has been notified from time to time to facilitate the growth of tourism which in many parts of the world is the largest industry.²⁹

Tourism, which is the third largest foreign exchange earner in India, has started gaining prominence in the national agenda only in recent years. More and more countries in the world are relying on tourism as one of the fastest growing sectors, and it is finally receiving due to recognition and importance. Tourism is one of the few industries, which generates high levels of economic

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output, with minimal investments. It has immense socio-economic development potential.\textsuperscript{30}

The development of tourism as an industry had to wait for long time until the early 20\textsuperscript{th} century. Today, tourism has become a white collar, environment-friendly industry and one of the largest and fastest growing industries employing the largest number of labour force. According to the World Trade Organization (WTO) more than 700 million tourists travel internationally every year spending more than 300 billion US dollars, accounting for 8 percent of the total world exports, 30 percent of international trade in services and more than one billion jobs.\textsuperscript{31} Tourism as an industry is a high priority one in terms of employability, exchange earnings and eco-friendliness. Its potential is great considering the nature of human activities today and the transnational cultural bondages evolving world over.\textsuperscript{32}

Tourism is one of the rapidly growing industries in the present day world, influencing societal, governmental and academic circles. Emerging trend of tourism opens door for many, especially in the developing world. Tourism industry needing comparatively lesser import content can bear promise to the countries and regions of the world, which are otherwise economically backward to afford large scale investment in other capital-intensive industrial sectors. As a


service industry, tourism has a flexible character, having capability of accommodating people skilled, semi-skilled and un skilled³³

Tourism is an ever expanding service industry with latent vast growth potential and has, therefore, become one of the crucial concerns of not only the nation but also of international community as a whole. In fact, it has come up as a decisive link in gearing up the pace of socio-economic development world over, thereby it has come to weigh significantly in the growth strategies of the developed countries and also the developing ones. It is being perceived as an important instrument of economic development. Most of these countries have sought the answer in development through the tourist recreation industry by exploiting their historic-societal-cultural and environmental resources. Emergence of tourism as a leading growth industry is a part of a gradual process involving the displacement of manufacture from its dominant position and the transition to a service oriented economy.³⁴

Tourism is basically a service industry and is an amalgamation of both tangible and intangible components like accessibility, amenities, attraction, accommodation and activities. The socio-economic implications of tourism include a) enhancement of domestic and foreign exchange growth, b) employment generation, c) cultural assimilation and support to the local

³⁴ Krishan, K. Kamra, Mohinder Chand., \textit{op.cit.}, p.48.
people. For tourists, India is a confluence of modernity and traditional hospitality.\textsuperscript{35}

Tourism plays a major role in the growth of economy. The tourism industry generates large scale employment and is also a large foreign exchange earner. This industry is the third largest foreign exchange earner in the country after jewellery and ready-made garments.\textsuperscript{36}

Defining the tourist industry is difficult. It is not an industry that is grouped in to a single heading within the Standard Industrial Classification. The defining features of tourism is not the product, but the purchaser, the `tourist`. Most definitions concentrate on the services that a number of different industries such as the travel industry; hotels and catering; retailing and entertainment provide to tourist. The internationally definition of tourism says that tourism comprises the activities of persons travelling to and staying places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

Tourism industry in India is one of the largest net earner of foreign exchange and a major catalyst in the socio economic development of the country. Most of the states in India have declared tourism as an industry and have been granted several incentives and concessions to this growing industry. In Tamilnadu tourism was declared as an industry in 1986. A committee also was


constituted to identify the benefits and concessions that could be extended to the tourism sector.\textsuperscript{37}

The tourism industry is composed to those sectors of the economy providing services such as accommodation, food and beverages, transportation and recreation, as well as the associated distribution and sales services. It is supplemented by public and private concerns organizing and providing a broad range of events and attractions.\textsuperscript{38}

Over the past couple of decades, tourism had emerged as an important socio-economic activity. While on the social side, it promoted international understanding and helped in national integration, on the economic side also it played significant role. Because of the scope for the enormous foreign exchange earnings and employment generating potential, tourism had emerged as fastest growing industry in the world.\textsuperscript{39}

1.1.6 Global Status of Tourism Industry

Over the past few years, the travel and tourism industry has had to contend with a series of unprecedented challenges. International events, such as terrorism and SARS, and economic turbulence have led to significant changes in travel and tourism demand. At the same time international events such as an increase in information and booking facilities, made available over the internet;

an ongoing desire by consumers to travel more frequently; stronger branding and globalization by companies; and the expansion of low cost carrier have acted as a catalyst, accelerating fundamental changes in market behavior and travel patterns that have been slowly emerging over the past decade. While business plans have become increasingly short term, more and more governments are starting to realize that they cannot leave the growth of Travel and Tourism to chance. This emerging global consciousness represents a great opportunity for this industry.

As per the estimates of World Travel and Tourism Council, the worldwide travel and tourism is expected to grow by 4.3 percent per annum between 2008-17. The industry is expected to post US$7060.3 billion of economic activity (total demand) in 2007, which will increase to US$ 1323.6 billion by 2007. The industry is expected to contribute 3.6 percent to GDP in 2007 (US$ 1851.1billion), which is expected to rise to US$ 3121.7 billion in absolute terms but percentage wise it will decrease to 3.4 percent by 2017. The earning from Travel and Tourism have made it one of the largest industries in the world and the fastest growing sector of global GDP, 12.2 percent of global exports, 8.3 percent of global employment, and 9.5 percent of global capital investment.40

Tourism has become a popular leisure activity globally. In 2008, there were over 922 million international tourist arrivals, with a growth of 1.9 percent as compared to 2007. International tourism receipts grew by 1.8 percent to $944 billion (Euro 642 billion) in 2008. As a result of the recession, international arrivals suffered a strong slow down beginning in June 2008.

Growth from 2007 to 2008 was only 3.7 percent during the first eight months of 2008. The Asian and Pacific markets were affected and Europe stagnated during the summer months, while the Americas performed better, reducing their expansion rate but keeping a 6 percent growth from January to August 2008.

Only the Middle East continued its rapid growth during the same period, reaching 17 percent growth as compared to the September 2008 and a 3.3 percent growth in passenger traffic through September. The negative trend intensified during 2009, exacerbated in some countries due to outbreak of the AH1N1 influenza virus, resulting in a worldwide decline of 4 percent in 2009 to 880 million international tourist arrivals, and an estimated 6 percent decline in international tourism receipts.41

As expected, the negative trend in international tourism that emerged during the second half of 2008 intensified in 2009, international tourist arrivals have suffered a sharp drop since January of 8 percent overall first four months of the year. Moreover, this decline is expected to have continued through to the end of June, due to the sector’s strong first half-year performance in 2008. In absolute terms, the number of international tourist arrival is estimated to have reached 247 million between January and April, down from 269 million in 2008 and close to the 254 million of 2007. So far the number of international tourist arrivals is 22 million short of last year’s volume. The first four months generally account for some 28 percent of the total annual number. Result reflect the severe impact of the global economic crisis and all the associated causes and effects.

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exacerbated in some regions by concerns about the outbreak of the influenza A(H1N1) virus. But the effect on tourism demand has been different one region to another until now. With the expectation of Africa, which is estimated to have been a 3 percent growth, all regions recorded declines in arrivals from January through April, with the worst hit being Europe (-10 percent) and the middle East (-18 percent). Asia and Pacific was down an estimated 6 percent and the America 5 percent and outside Africa, only one sub region, South America, bucked the general downward trend, registering a flat + 0.2 percent.

April was the best of the first four months of 2009 boosted by the fact that the Easter holidays fell in April rather than March this year – but it was still negative in terms of growth (-2 percent). However it is worth remembering that these declines are calculated on very strong base figures- the first part of 2008 represented the climax of the boom in world tourism. Care must of course be taken in interpreting the data available so far for 2009, since a number of countries have no yet filed results for April, and there are major graphs in coverage for the whole period in some regions and sub regions. In addition, preliminary trends are often based on measures other than international tourist arrivals (e.g. hotel says or bed nights).

It is difficult to generalize with regard to global trends over the first four months of 2009. But cost clearly seems to have been the main driver of trends in all regions. Business traveler ones that have still been travelling have generally been trading down and changing their habits. Instead of three trips, for
example, they are combining everything into one extended trip, thereby spending
more time away in one go- which means lower costs.

- Worldwide, international tourist arrivals declined by 85 between January and
  April, thus continuing the downward trend that emerged in the second half of
  2008.
- Growth was negative in all worlds regions, except for Africa (+5 percent),
  which bucked the global trend. Europe (-10 percent) and the middle east (-18
  percent)were the hardest hit regions.
- In Europe (-10 percent), central and eastern destinations were the most
  affected (-13 percent), but results for all other sub regions were close to the
  average.
- Asia and pacific (-6 percent) lagged well behind its previous growth levels.
  By sub regions, only Oceania (-14 percent) declined at below average rate
  while south Asia (-12 percent) shows the sharpest drop.
- Result for the Americas (-5 percent) were more mixed. Destinations in North
  America(-7 percent), the Caribbean (-6 percent) and central America (-4
  percent)have been more impacted by decaling traffic from the USA and
  Europe, while south America (+0.2 percent) held up comparatively well, and
  was one of the few sub regions together with North and Sub-Saharan Africa,
  to show positive results.
- The Middle East (-18 percent) reports a sharp reversal of trends (data is still
  limited and very volatile though, and it is likely that this estimate will be
  revised ) due in most part to the very strong decline for Saudi Arabia .
• Africa’s growth (+3 percent) was very positive compared with the world’s performance overall. Results reflect the good performance of North African destinations as well as some sub-Saharan countries.

• Despite this overall decline, several destinations around the world still reported encouraging results for the first four months of 2009, notably Morocco, Tunisia, Kenya (which recovered the losses of previous years), Mexico, Cuba, Jamaica, several central and south Americans destinations- Guatemala, Honduras, Nicaragua, Panama, Chile, Jordan, Lebanon, and Syria.42

1.1.7 Indian Tourism Industry

The report “Indian Tourism Industry Analysis” provides an insight into the Indian tourism market. It evaluates the past, present and future scenario of the Indian tourism market and discusses the key factors, which are making India a potential tourism destination. With focuses on different parameters of tourism industry, including inbound tourism, outbound tourism, expenditure by inbound tourists, medical tourism, and hotel industry, the report gives a thorough analysis on the tourism industry in India.

According to the report, India represents one of the most potential tourism markets in the world. It has expanded rapidly over the past few years and underpinned by the government support, rising income level and various international sports events, the Indian tourism industry will continue to grow at

the fastest pace in the coming years. However, the industry may have to cope up with several challenges which will limits growth. India is expected to see an influx of 10 Million international tourists by 2010, up from just 5 Million in 2007. Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Karnataka and Rajasthan are the leading tourism destinations in terms of total tourist arrivals. India has been promoting its healthcare tourism by providing the visitors with private healthcare facilities. It is expected that the total market for medical tourism will reach US$ 2 Billion by 2012, representing a CAGR of 60.69 percent.

Personal disposable income during 2002-2007 grew at a CAGR of 14.16 percent, thereby driving domestic as well as outbound tourism. Indian outbound tourist flow is expected to increase at a CAGR of 13.30 percent over the five-year period spanning from 2008 to 2012. India’s share in the global tourism is expected to reach 1.5 percent by 2010. The growth in India’s tourism market is expected to serve as a boon, driving the growth of several associated industries, including hotel industry, medical tourism industry and aviation industry.43

The real GDP growth for travel and tourism economy is expected to be 0.2 per cent in 2009 and is expected to grow at an average of 7.7 percent per annum in the coming decade. Earning through exports from international visitors and tourism goods are expected to generate 6.0 percent of total exports (nearly $16.9 billion) in 2009 and expected to increase to US$ 51.4 billion in 2019. According to the Ministry of Tourism, Foreign Tourist Arrivals (FTAs) for the

period from January to March in 2009 was 1.461 million. For the month of March 2009 the FTAs was 472000. The reason for the decline is attributed to the ongoing economic crisis. In spite of the short term and medium term impediment due to the global meltdown the revenues from tourism is expected to increase by 42 per cent from 2007 to 2017\textsuperscript{44}. The United Nations World Tourism Organization (UNWTO) has estimated the outgoing tourists to reach around 50 million by the year 2020\textsuperscript{45}.

1.2 STATEMENT OF THE PROBLEM

Tourism is regarded for all practical purposes as a smokeless industry. For the development of tourism, there should be adequate supporting facilities to attract and motivate the tourist. The sweet experience of the tourists depends to a great extent, on the availability and quality of good tourism service. The provision of supporting service and quality tourism services may lead to satisfaction of tourists. There is a need for objective evaluation on preference and awareness of tourists to promote and develop good tourist services. As far as Kanyakumari district is concerned its industrial backwardness is more than compensated by the encouraging uptrend registered by the tourism industry over the years. Kanyakumari is a beautiful place with a huge variety of tourist centers. Yet, these tourist centers remain unidentified by large number of tourists. In this district nature themes relate to flora, fauna, parks, scenic beauty, geology, and marine environmental available in a modest way. Apart from the cultural themes

\textsuperscript{44} http://www.tradechakra.com/indian-economy/service-sector/tourism-industry.html.

\textsuperscript{45} http://business.mapsofindia.com/india-gdp/industries/tourism.html.
including music, dance, fine arts, drama, architecture, handicrafts, and archaeology traditional lifestyles are also available here. The most important problem of tourism industry is competition and innovation of promotional strategies. Tourist’s attraction places and facilities are not positively effective. The following aspect of problems are important to be dealt with waste disposal, cleanliness in public places, shortage of tourists guide, lack of employment opportunities, lack of transportation facilities and poor accommodation within the tourist location. This problem has created an unflagging interest in the mind of the investigator to embark on study of tourism industry in Kanyakumari district.

1.3 NEED FOR THE STUDY

Tourism industry places play an important role in the development of Indian economy. It earns more income to the government. Kanyakumari district occupies a unique place among the tourist centers of India. There are several places of social, cultural, historical and religious significance. Tourism in Kanyakumari district has been contributing to the overall growth of district. Beach, sunset point, Vivekananda rock, Thiruvalluar statue, Padmanabhapuram palace, Thirparapu falls, Chitharal jain temple, etc. are the main attractive places of Kanyakumari district. Tourism brings in its wave a spurt of employment opportunity directly and indirectly to many people. Its pleasant climate rivers, beautiful hills, forests, coconut groves, paddy fields, rubber estate and wonderful flower garden which are substantial ecological factors for the growth of tourism. It connects social, cultural, religious and economic factors. Hence there is a need to focus all these factors which are related to tourism industry in Kanyakumari
district. This study made an attempt to analyse the tourism industry in Kanyakumari district.

1.4 SCOPE OF THE STUDY

The study relates to the tourism industry and the tourists who are visiting Kanyakumari. It covers all the components of tourism industry namely locale, accommodation, transport and other infrastructural facilities and it cover the growth of tourism industry in Kanyakumari. It also covers the opinion of business people and tourists in the study area.

1.5 REVIEW OF LITERATURE

The review of previous studies related to tourism industry are summarized below.

Mc Cannel (1976) believes that all tourism is a cultural experience. Cultural heritage plays a major part in the tourism industry worldwide and the importance of cultural heritage to the tourism industry has increased as tourist search for postmodern tourist experiences, subsequently increasing the demand for cultural attractions.46

Robinson, H. (1976) has pointed out that tourism industry is affected by seasonality. Seasonality means that tourism plant is frequently used for only a limited part of the year and this clearly is uneconomic.47


Douglas (1981) has opined that natural resources including climate are very good tourism assets. It is also stated that even though no conventional method is available for its measurement, logical techniques can be applied in the area.

R.B.L. Garg (1981) in his study on the ills of Indian tourism confronted with certain very serious problems. Among the major problems listed down, growing insecurity to the lives of tourists occupies a place of predominant significance. In the course of his discussion on this point Garg makes an allusion to scare among tourists about rail travel. The incidents such as the looting of foreign tourists that occurred in a train near Agra are still fresh in their memory. Then he goes on to deal with problems such as poor hygiene and sanitation in hotels and restaurants, unscrupulous shop keepers, foreign exchange racketeers, dishonest tax collectors and sneers of religious fundamentalists and fanatics.

Prakash Adnur (1981) has studied precisely the issues and problems involved in promoting tourism in an integrated manner. He has brought out the general potential and also discussed the measures to be adopted to reach the optimum travels in this intricate area with promising rewards. This work could be rated as a path breaking one in the sense that a number of dimensions of the tourism industry were examined from the demand side also.

Bhatia, A.K. (1982) in his book, “Tourism development: Principles and Practices” has carried out the study exploring some important concepts in tourism, what makes tourism possible and how tourism is an important factor in the prosperity of any nation and the early history and development of tourism; tourism psychology and motivation for travel, cultural tourism and social tourism; how tourism is planned, organized, developed and promoted; tourism research and benefits; international tourism organization, accommodation and travel agents. The study reveals that 54 percent of the tourists enjoyed their stay because of the “beautiful creations of man buildings, temples and churches”\(^5\).  

Vivek Sharma (1985) makes a study about the socio economic importance of tourism. Notably, tourism has come to be accepted as a catalyst to economic development and as a potent tool for social integration and foreign exchange earner. The author stresses that economic importance of tourism can be studied in relation to its contribution to increase the income, foreign exchange earnings, employment, return on investment and conservation of resources\(^5\).  

Murphy, Peter E. (1985) points out that tourism is more profitable for both the industry and community. Business can develop better profit margins and more competitive prices if their committed capital investment is used over a

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longer period. Communities can benefit from larger sales tax and longer employment periods\textsuperscript{53}.

Vivek Sharma (1985) adds one more dimension to this analysis. In his opinion, apart from the advantages of better interaction with the people of other countries, tourism is beneficial as foreign tourists spend about 30 percent of their money on shopping. The tourist traffic gives a boost to production of handicraft products of Small and Village industries and has its spin of effects on all village industries. These ideas have been upheld also by K. Shiva Shankar Bhat\textsuperscript{54}.

V.K. Gupta (1987) has produced a good work with details of places with tourists attraction and facilities in India in a region wise pattern. He has given useful ups to tourists and hotel services. The leading merits of a number of places in India have been listed by this author. He provided useful suggestion also to tourists in his work\textsuperscript{55}.

According to K. Shiv Shankar Bhat (1990), tourism is a major foreign exchange earner and hence the industry can make a very strong case that it should be treated on par with export oriented industries and the same benefits be extended to it. The outlook for tourism is bright if the central and state government decide to step in hand help this industry to grow by leaps and bounds. Bhat thinks of some ways to promote tourism in India. It is necessary to

\textsuperscript{53} Murphy, Peter E., (1985), \textit{“Tourism A Community Approach”}, Methuen Inc., New York, p.104.


create a new environment. Also new package of infrastructure facilities should be devised.\(^{56}\)

While evaluating the tourism and its development in India, S.P. Ahuja and S.R. Sharma, (1990) described that developing countries should give immediate attention to identify the important geographical zones and assign special importance to tourism product development. They also suggested that proper consideration must be given to pilgrim centers, places of scenic beauty and centers of historical and cultural importance and advocated both luxury and economic class amenities for the future growth of tourism.\(^{57}\)

Javid Akthar (1990) in his book “Tourism Management in India” has studied the importance of the management principles in tourism organizations which specialise in inbound tourism. He has investigated the planning, organizing, staffing, controlling, motivating, and leadership procedure.\(^{58}\)

Water and Somerset (1990) described that tourism appears to be becoming an acceptable term to singularly describe the activity of people taking trips away from home and the industry which has developed in response to this activity.\(^{59}\)

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Sinha S.L.N., (1990) in his article “Tourism Industry Needs Revamp” estimates that tourism industry needs revamping. The steps taken to so far include creation of new tourist destinations, simplification of visa procedures, promote adventure tourism, creation of separate cadre of immigration officials and liberalization of air charters guidelines\(^60\).

Suhita Chopra (1991) in his book, “Tourism and development in India” has emphasized economic, social, physical, and cultural impact on tourism in Khajuraho. The study show that tourism has opened new employment opportunities in Khajuraho. He has discussed the tourist characteristics, particularly their spending patterns; identified the needs of the different groups of tourists and examined tourist profile as it relates to destination impacts\(^61\).

Hunt, J.D., and Layne, D., (1991) noted, the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs\(^62\).

L.P. Singh (1991) comments on the problems and prospectus of tourism marketing in India. The author explains the problems of tourism in the following series of questions: Why is it what we do not have a fair share in the overall tourist spectrum? Why is it that only one out of every 250 tourists worldwide want to visit India despite her enormous tourists potential? Is there something fundamentally wrong with our tourism development programme?.

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author also makes some suggestion of special significance in this context. Considering India’s vast potential in tourism industry, the government should accord to tourists sector a high priority. Second factor that deserves attention is developing our beach resorts, hill resorts, and resorts at other way out places to encourage a balanced development of all regions. Due to stress must be exerted on the development of infrastructural facilities for promoting tourism in the country. For this we require a substantial injection of funds which may be obtained through local borrowings at concessional rates of interest, from financial institutions. Apart from understanding vigorous and effective publicity campaigns, efforts must be made to ensure a favourable impression given to all the tourists landing at our airport and make them feel more at home.

A.K Bhatia (1991) has made an elaborate study on the economics of hotel industry. In his opinion the hotel industry which provides facilities for boarding and lodging to the local and foreign tourists is absolutely essential to promote the growth of tourism industry. He goes on to add that an adequate supply of accommodation suitably tailored to the requirements of the tourist market is one of the basic condition of tourism development.

Tourism Marketing in India’s Problem and Prospects has been traced by Singh, L.P., (1991) Most of the tourists in India arrive by air and travel by other modes, especially rail and road, which are in a very bad shape every day. Indian Airlines is still not in a position take the tourists to most of our Hill


stations. Efforts should be directed towards tapping the market through tour operators, travel agents and airlines. The another problem analyzed acute shortage of accommodation, chaos at airports and poor travel facilities. The attention must also be drawn towards existing tourist facility, most prominently hotel accommodation. Hotels, need more incentives to keep pace with tourist traffic. In the traditional circuit popularly known as the ‘GOLDEN TRIANGLE’ COMPRISING Delhi, Jaipur and Agra. The attention has to be in developing beach resorts, hill resorts and resorts at other way out places to encourage balanced development of all regions.65

Richter (1992) suggest three reason that may have negative impact on tourism. For developing national, instability in a region may negatively affect neighboring nations due to interruption of air, sea or overland routes and also publicity about instability makes the whole region appear volatile. Internal up heal within a country may be far from tourist areas or close enough to spill over into areas frequently visited by tourists. Sometimes foreign tourists are deliberately targeted by anti- government forces to embarrass the government, weaken it economically, and draw international attention abroad to the political condition in the country66.

Kumar B. Dass and Mohanty P.M., (1992) in their article “Profile of International Tourism in India” have pointed out that tourism is the second largest industry of the world and sixth largest in India. Its cultural and historic

mosaic presented to the foreign tourists is indeed unique. There are abundance of fairs and festivals in India. `Product India boasts of being unique and exceptional in many ways. In developing countries Tourism involves a wide range of activities and services. Tourism is an industry with great employment potential67.

Thirumalai Kumarasami E.(1993) in his “Role of Boarding and Lodging Sector of Tirunelveli Kattabomman District in Tourism” has studied the importance of tourism and the boarding and lodging sector with reference to Tirunelveli Kattabomman district. He has brought out the features, standards and role of the boarding and lodging sector and to estimate the possible growth of a few key variables of the boarding and lodging sector in AD 2000. He has provided some useful suggestions for the improvement of functioning of the boarding and lodging sector of this district with respect to tourism68.

The tourism industry is noted for its tremendous social impact. According to M. Selvam (1993) promotion of national integration is possible through tourism development. As tourists, people forget their own creed, caste, community and religion and increasingly tend to mix with all. Standard of living improves with the development of tourism. Foreign tourism brings precious foreign exchange into the nation. Domestic tourism also results in income transfer. There is a faster rate of growth of employment generation. Tourism


promotes many wage goods industries and lower strata of people get additional income transferred to them. Development of people’s knowledge about a region is a social benefit. International understanding is promoted through tourism. Exchange of cultural values and protection of flora and fauna constitute a few other social benefits of tourism. Tourism involves grooming of the youth, harnessing their talents and challenging their energy in the right directions. Youth tourism, sport tourism, adventure tourism will encourages the youth to come closer and contribute the common good. Ecological degradation results from unplanned tourism.  

Veera Sekharan R., (1993) in his article ‘Significance of Tourism in India” advocates the development through tourism sector. According to him, tourism has become a major global activity, especially after the countries like Philippines, Hongkong, Singapore and Malaysia have considerably enhanced their economic development through tourism. The planning of tourism is emerging as a specialized type of development planning. As a result, tourism has emerged as a special branch of knowledge in economics to generate more direct and indirect employment opportunities.  

Rob Davidson(1993) in his book, ‘Tourism’ has produced a good work with details of places of tourist attractions and facilities in Britain and the skills and attitudes of those directly employed in all sectors of tourism, major part of what visitors notice and what they remember when they return home. He

has given useful tips to tourists regarding transport networks and accommodation and catering services. The leading importance of English as a common language of communication in tourism as well as other fields have been listed in the book\textsuperscript{71}.

Bijender K. Punia, (1994) in his book “Tourism Management-Problem and Prospects” has emphasized a good work with details of tourism patterns, arrivals, plant facilities, natural and manmade tourist resources in the Haryana state; and has reviewed the plans and policies of state government in the context of present and future development of tourism, he has brought out the existing problems in ways to tourism development in the state particularly in terms of tourist resources, human resources, tourist information and publicity, tourism awareness and allied aspects. He has suggested practical measures towards accelerated development of tourism in the state\textsuperscript{72}.

Batra, G.S. and Chawla, A.S. (1995) in their book, “Tourism Management – A Global Perspective” have studied that the recent trends in tourism industry in India. The work contains the performance and growth of central tourism corporation and state tourism development corporation in Punjab and highlights the problem of tourism management and the leading suggestion for improving the functioning and performance of tourism corporations\textsuperscript{73}.

Ameen A.M. (1995) points out that the economic gains of tourism include the direct as well as indirect effect of expenditure on tourism. Tourism generates foreign exchange for the host countries and it has emerged as the largest single item in the world’s foreign trade. Tourism provides employment on a large scale. The ratio of employment to capital in this industry is amazingly high.

Costa and Ferrone (1995) in his works, states that “tourism planning to succeed, the involvement and participation of the residents of the destination areas is needed”. As compared to Candolim, Assagao adopts a relatively more compassionate approach towards the guests. Candolim, on the other hand, has witnessed people from round the globe swarming its shores, concretization, traffic jams, garbage problem, water, sound pollution are just a few problems among other innumerable woes faced by the locals.

According to Gottrfried Langer (1996), the tourist decision-making process on different performance elements of holiday resorts, such as scenery and environment hotels, shows or shopping facilities, played a central role in the choice of destination. Whereas the natural factors offered had always been important determinants the environmental concerns had come to the forefront. An exploratory study in Switzerland, Australia and Bavaria had now shown that traffic-free mountain holiday resorts had an above average occupancy.


rate and the resorts where the environmental burden due to traffic was relatively low had a higher occupancy rate than resorts where the burden was higher. Also in hotels there were some clearly noise-related losses. It has become clear that hotel profits had been, in part, severely damaged. These findings concerning the situation in individual cases had been confirmed using the frame of an exploratory study\textsuperscript{76}.

Nirmal Kumar in his book, (1996) “Tourism and Economic Development” has studied the role of tourism in the economic development of Himachel Pradesh. He has pointed out the role of Himachel Pradesh Tourism Development Corporation and other government agencies in development of tourism in Himachel Pradesh. He has provided some useful suggestions for the development of tourism in the State\textsuperscript{77}.

Richards (1996) notes that the growing ‘new middle class’ is directly responsible for the growth in cultural heritage tourism in Europe since the 1970s. Similarly, it has been the expansion of the middle class that has been responsible for the growth in nature based and educational ecotourism marketed by middle-class organization such as international eco tourism society, income, employment and education are often interrelated, with higher educationally


\textsuperscript{77} Nirmal Kumar, (1996), \textit{“Tourism and Economic Development”}, APH Publishing Corporation, New Delhi, pp.1-146.
qualified individuals securing more highly paid jobs. One way examining social
class is to classify individuals into socio-economic grouping\textsuperscript{78}.

Brahmankar E.B., (1998), in his study on “Travel and Tourism as
a Career” reveals that red rap in ticketing, checking, language difficulties and
poor communication, difficulty in transport and traffic, lack of recreation and
entertainment facilities, beggars and tipping problem in meeting people and
overcharging by taxi drivers and private transport operators\textsuperscript{79}.

Siviniah, A.(1999) has studied hotels and Tourism development
with special reference to Kanyakumari township for his M.T.M degree from
M.K University ,Madurai. An analysis has been made of how the existing hotels
cater to needs of domestic and international tourists and examined the various
measures to be undertaken to improve lodging facilities in Kanyakumari, so as
to boost tourism\textsuperscript{80}.

Bontron and Lasnier (1997) described that the local tourism
impact varies greatly among rural region and depends on a host of factors
including workforce characteristics and seasonably issues\textsuperscript{81}.

Rajavel, N. (1998) has studied the natural and manmade tourist
resources and facilities in Andaman Nicobar Islands. He has brought out the

growth of tourism in the islands by taking in to account both foreign and
domestic tourism during plan periods and total amounts of money invested on
tourism industry by the Andaman and Nicobar administration and the problem
facing tourism. He has provided some suitable suggestions for the planning and
development of tourism in Andaman and Nicobar Islands\textsuperscript{82}.

The new strategy for Indian tourism industry was pointed out
A.Vijayakumar (1998). To him it should evolve an integrated strategy for the
promotion of tourism industry in a big way. This need assumes considerable
importance with a proper emphasis on a comprehensive, long term approach in
order to achieve sustainable development in harmony with the countr’ys overall
development objectives\textsuperscript{83}.

In his book “Tourism Development in India” Satish Babu, A.(1998) has studied about the Tourism Development in Andra Pradesh and also
the structure and working Of Department of Tourism and Travel and Tourism
Development Corporation Limited in general and with particular reference to
organization, operation, marketing, finance and human resource, to review the
important policy decisions such as Government control, implementation of
projects and co-ordination with other tourism promoting agencies\textsuperscript{84}.

\textsuperscript{82} Rajavel, N., (1998),\textit{“Tourism in Andaman and Nicobar Islands”}, Manas Publications, New Delhi, pp.1-211

Vol.37(11), October.1, pp.18-19.

\textsuperscript{84} Satish Babu, A., (1998), \textit{“Tourism Development in India”}, APH Publishing Corporation,
New Delhi, pp.1-286.
Arun Kumar and Premnath Dhar (1998) in their book, Indian Tourism: Economic Planning and Strategies” has explained the nature and characteristics of tourism industry, tourist product and tourist reaction of Indian economy. They have pointed out the participation of Government agency in tourism industry and also explained the pattern of tourist expenditure in India. They have provided some useful economic significance of tourism industry in India in his work85.

Concerning the beneficiaries of tourism sector, Sarngadharan (1998) gives an account of the various categories of beneficiaries in the Indian economy through the systematic development of tourism, which include travel agents, airlines, banks, hotels, transporters, guides, artists and manufacturers86.

Rabindra Seth (1999) in his article “Tourism: Problem and Prospects” observes the seven major hurdles in the way of faster tourism growth. They are land and land laws, roads, power, telecoms, airports, road transport and aviation policy. The author says that these are the important hurdles facing our tourism industry87.

R.A. Padmanabha Rao (1999) in his article “Tourism: Medium of Social and Cultural Development” According to him tourism is an important medium of social and cultural development. It builds lasting goodwill and

friendship among the nations. It helps in regional development of the country and act as a means of social education and better understanding\textsuperscript{88}.

Nageswara Rar, S.B. and Mathowi, C. (1999), in their study “Encouraging Tourism to earn foreign exchange”, pointed out six aspects for growth of tourism as attractions and atmosphere. The reason for the set back of tourism in India are uncertainty, violence, pollution and unstable political climate\textsuperscript{89}.

Cees Goossens (2000) focused on the motivational aspect of destination choice behaviour. In a marketing context, a conceptual model using push, pull and hedronic factors was developed for research on evaluation of destination attributes. In this context, tourists are pushed by their emotional needs and pulled by the emotional benefits. Consequently, emotional and experiential need are relevant in pleasure seeking and choice behaviour. From an information processing point of view, it is suggested that mental imagery is an anticipating and motivating force that mediates emotional experience evaluations and behavioural intentions. The conceptual model is relevant for managers who want to know the effective and motivational reaction of customers to promotional stimuli\textsuperscript{90}.

\begin{itemize}
\item \textsuperscript{89}Nageswara Rar, S.B., and Mathowi, C., (1999), “Encouraging Tourism to Earn Foreign Exchange Third Concept”, pp.55-62.
\end{itemize}
Paul Routledge (2000) has pointed out that development of tourism, with increasing emphasis on the demand centered model of international tourism, particularly luxury tourism is an important component of India’s New Economic Policy. Besides contributing substantially to foreign exchange earnings, the government expect tourism to provide employment benefits which through multiplies effects and enable percolation of economic benefits to less developed areas. Goa is one such sight to be constructed as one of the premier beach resorts of India. Yet such intensive tourist development necessitates marginalization of the needs of the local population not only do the host communities lose control over their land and sea, which get increasingly exploited for tourist consumption, their share in the profits derived from tourists trade is minimal. Moreover tourism brings increased levels of crime, prostitution and drug use into local communities and affects the manipulation of their cultural traditions. In short construction of tourist sites such as Goa predicted upon a development ideology that defines local people’s spare as dispensable to the needs of national and transactional capital.

Unni Krishnan Nair G. (2000) in his work, An Economic Study of Tourism and Employment Generation in Kanyakumari Township, has studied the employment potentials of tourism in Kanyakumari township. He has brought out the income generation of tourism traders and growth of investment in tourism

employment from the tourist point of view. The important problems of tourism in Kanyakumari Township were stated in this work.92

Bramwell and Lane (2000) comment that stake holder collaboration has the potential to build mutually supportive proposals concerning how tourism should be developed, thus increasing competitive advantage for organizations and destinations93.

Middleton and Clarke (2001) note, some individuals are mentally predisposed to seek adventure, enjoy the risk and active vocations. Some seek environmental qualities often represented in ecotourism, while other seek the self-development associated with cultural tourism. In order to improve the prediction and segmentation process for products, including tourism, researchers and marketers have more recently used psychographic variables in conjunction with demographic and geographic variables to identify target markets and develop product to suit their preferences and needs.94

Tapan K.Panda Sitikhantha Mishra (2003) described that, today, in India, tourism is recognized as an industry generating a number of economic and

social benefits. It creates employment opportunities, augments foreign exchange earnings, and promotes national integration and international understanding.\textsuperscript{95}

Maneet Kumar (2003) highlighted the existence of a great potential in the Himachal state which was still untapped and which provided ample scope for growth. He was opinion that an integrated approach encompassing product identification infrastructure needs and support services could lead the state to make it a paradise for tourists.\textsuperscript{96}

Tapan K. Panda Sitikhantha Mishra (2003) stated about the major source of knowledge upon which this research has been drawn, for the delineation of socio political risk factors for tourism, is from socio political risk variables existing in general business. The general business literatures describe social political risk with illustrations such as civil war, labour conflict, foreign exchange control, production quotas and import-export restrictions. Simon’s typology is used for this study.\textsuperscript{97}

As Singh and Mishra (2004) suggested, tourist activities and facilities need to be diversified in order to achieve multiple benefits, including scientific field excursions, recreation in natural and cultural areas, community

\textsuperscript{95} Tapan K. Panda and Sitikhantha Mishra, (2003), \textit{“Tourism Industry in India”}, Anurag Jain Publication, New Delhi, p.64.

\textsuperscript{96} Maneet Kumar., (2003), \textit{“Tourism Today-An Indian Perspective”}, Kanishka Publishing House, New Delhi, pp.127-139.

\textsuperscript{97} Tapan K. Panda and Sitikhantha Mishra, (2003), \textit{“Tourism Industry in India”}, Anurag Jain Publication, New Delhi, p.29.
festival and sports tourism. Each state of India has innumerable treasures to offer.98

G.C Verna (2004) examined the challenges and opportunities of promoting tourism in India. He highlighted the fact that the time had come to promote leisure tourism in addition to cultural tourism. For long we have sold TajMahal, Red Fort and jama Masjid, the Burning Ghats of Varanasi, our temples, history, culture and classical dances.99

Puneet Aneja (2005) said that tourism is a service industry and multiplicity of taxes exists in this sector. The quantum of taxes also varies from place to place. This creates hurdles in packaging of tourism product and is also irksome to tourists and further makes the tourism product expensive. The tax burden of tourist in this sectors needs to be rationalized and reduced for end customer, to make the destination more competitive.100

Ramalingam L.P., (2005) in his article “Tourism and Foreign Exchange Earnings” has stressed tourism is the only industry, which touches all aspects of our everyday life. It helps in diversifying economic activity and in developing backward areas. Socially it brings the people of different nations

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closer through cultural assimilation and mutual understanding. Tourism gives support to local handicrafts and cultural activities too\textsuperscript{101}.

According to Sathya Naryana and M.V. Raghavalu (2005) the development of tourism industry means adequate hotel accommodation, better transport facilities, medical and communication facilities at multi languages. The central and state government should allocate huge budgetary allocations for this industry, to solve the problem of unemployment\textsuperscript{102}.

Amit K. Chakrabarty (2006), says that tourism industry creates employment especially for hoteliers, restaurant owners, guides, local shopkeepers, merchants etc. The remarkable features of the industry is that employees a large number of both educational and uneducated women’s. Both skilled and unskilled women are employed in this industry. The government should take necessary steps for development of this industry. The Central Governments should allocate huge budgetary allocations for tourism industry\textsuperscript{103}.

Saravana, K. (2011) in his article “Cultural Tourism in Kerala: A Study with special reference to Malabar”. He has studied the role of government in promoting cultural tourism in Kerala with reference to District Tourism Promotion Councils in Malabar and level of satisfaction among foreign and


domestic tourists in the present cultural tourism activities of DTPCs in Malabar. He has provided some suitable suggestions for the planning and development of tourism in Malabar\textsuperscript{104}.

Diganta KR. Mudoi (2011) suggested, tourism in north east region has a vast potential, which is yet to be exploited fully. It is necessary to develop all the sectors of the economy, for the economy of the north eastern states, tourism can be a path toward development. But, to develop the tourism sector in north eastern region there is a need to promote the existing products in a proper way. What is more important is creation of peaceful atmosphere so that tourists can enjoy their stay. Keeping in view of the deficiencies of tourism growth and the development potentials of this industry in employment generation, it is high time to take urgent steps by the government of each states of the region to boost the tourism sector in the region\textsuperscript{105}.

1.6 OBJECTIVES OF THE STUDY

The present study confined its objectives as follows:

1. To exhibit the growth of tourism industry in India

2. To assess the potential of natural resources in Kanyakumari, to promote tourism as an industry.

3. To evaluate the perception of tourists regarding tourism industry.

4. To analyse the growth of tourism industry.


5. To examine the barriers and threats to tourism industry, and

6. To find out the economic and social benefits of tourism industry.

1.7 OPERATIONAL DEFINITION OF CONCEPTS

1.7.1 Tour - Journey to various places and coming back in the end to the place the journey started from. Tour can be many types such as package tour, guided tour and holiday tour. Strictly speaking a tour is undertaken for a period of more than 24 hours.

1.7.2 Tour operator - Persons or a company which organizes and sells tours, destination travel, fixes itinerary.

1.7.3 Tourist - Persons who go on holiday to visit places away from his home. There are two kinds of tourists i.e. foreign tourists and domestic tourists. A foreign tourists is a person’s visiting India. A domestic tourist is a person who travels within the country to a place other than his usual place of residence and stays at hotels or other rented place, uses the sightseeing facilities for duration of not less than 24 hours.

1.7.4 Tourism - The practice of touring or travelling for pleasure or recreation and the guidance or management of tourists as a business.

1.7.5 Tourism facilities - Facilities which include accommodation like hotels, boarding houses, guest houses, youth hotels, etc. They also include recreational and sport facilities of great variety and also all the necessary infrastructure like transportation and utilities.
1.7.6 **Tourism policy** - Guidelines and decisions designed to assist the tourism industry in meeting objectives and goals. Tourism policy usually result from the actions of the government’s various agencies and organizations.

1.7.7 **Tourist centre** - A village or town with a definite concentration of tourist resources, material base and infrastructure of tourism development.

1.7.8 **Tourist flow** - Undisturbed and even movement of tourists from one country to another for the purpose of travelling for pleasure.

1.7.9 **Tourist lodge** - A small house providing temporary accommodation to tourist. The accommodation provided is inexpensive as compared to a conventional hotel. The lodge also offers meals.

1.7.10 **Tourist object** - Any object from a natural, socio economic or cultural-historical view point which has some specific attractions for the tourists.

1.7.11 **Tourist product** - A sum total of a country’s tourist attraction, infrastructure and tourist services which hopefully result in consumer satisfaction.

1.7.12 **Travel** - It is the movement of people from one place to another for staying ones needs and wants. These wants can be of primary or secondary type. Travel can be domestic or foreign.

1.7.13 **Travel agency** - Offices which arrange travel and accommodation for customers.

1.7.14 **Tour package** - A travel plan which includes most elements of a vacation, such as transportation, accommodation and sightseeing.
1.7.15 **Tourist region** - A branch of economic region with specific high dependence on natural and man-made tourist attraction

1.7.16 **Tourist visa** - A document issued under the authority of the government to a person visiting a particular country as a tourist.

1.7.17 **Vacation** - A person staying away from home for at least four nights on any one trip and may in some instances include tourist travelling for a combination of a business and pleasure.

1.7.18 **Visitors** - Any persons visiting a country other than that in which he has his usual place of residence, for any reason than following an occupation remunerated from within the country visited.

1.7.19 **Airline** - Any air transport enterprise offering or operating a scheduled international air service.

1.7.20 **Attractions** - Natural or man-made features which collectively or singly create the appeal of a country.

1.7.21 **Business travel** - Type of travel necessitated by a passenger’s professional activities, and possibly requiring special services like conference room, and secretariat services.

1.7.22 **Cultural tourism** - A form of tourism in which the culture and traditions of the region is the main attraction.

1.7.23 **Destination** - The place at which a traveler terminates his journey. The ultimate stopping place according to contract of carriage.
1.7.24 **Destination facilities** - All plant and infrastructure available in a country, an area or locality.

1.7.25 **Guaranteed Tour** - A tour which is guaranteed to operate unless cancelled 60 days prior to departure. In the event of cancellation within 60 days of the departure date, full commission is paid to agent of sold clients.

1.7.26 **Guide** - A person who is licensed to take paying guests on local sightseeing excursions.

1.7.27 **Hosted tour** - A tour where participants have an opportunity to travel independently, but also to receive guidance and assistance from a host at each of the destinations.

1.7.28 **Infrastructure** - The basic public services needed for the successful operation of tourism enterprises and for optimizing the comfort of the visitors. It includes such service as roads, electricity, water, security, sanitation and health services, telephone and postal communication, railways, and airports.

1.7.29 **Mass tourism** - Large-scale movement of travelers and the development of a standardized product.

1.7.30 **Motel** - A place which provides way side amenities for tourists travelling by road, by automobiles. It provides under one roof all usual facilities expected by the tourist including attach bath.

1.7.31 **National tourist organization** - The body responsible for the formulation and implementation of national tourist policy. It is the agency and the instrument
for the execution of the national government’s responsibilities for the control, direction and promotion of tourism

1.7.32 Resort, Resort complex - A self-contained site which provides all or most of the products and services required by the tourist. They tend to combine attractions with support services such as accommodation and catering.

1.7.33 Sightseeing - A tour within the city limits showing to clients the main attractions of the place such as major city centers, archaeological sites, museums, parks and monuments.

1.7.34 Social tourism - All the relations and phenomena resulting from the accession to tourism of low-income groups made possible or facilitated by specific social measures. It is the type of tourism practiced by those who otherwise would not be able to meet the cost without social intervention, i.e. without the assistance of an association to which the individual belongs.

1.7.35 Supplementary accommodation - Various types of accommodation other than the conventional hotel type. It includes accommodation for travelers in motels, youth hostels and camping sites, guest house, etc.\textsuperscript{106}

1.8 METHODOLOGY

The study was conducted in two stages. In the first stage, secondary data from the publications of government of India, Government of Tamil Nadu, Tourism Office from Kanyakumari District and also from relevant reports, periodicals and newspapers are collected and analyzed.

In the second stage, primary data have been collected from individual tourists through a sample survey. A sample of 150 domestic tourists and 50 foreign tourists has been selected for this purpose and 150 business people in the tourists area are also selected for this study. A structured interview schedule has been used. The content of the questionnaire have been developed with the help of reviews, experts in the relevant field, and tourists guide.

**1.9 SAMPLING DESIGN**

For the purpose of this study the data have been collected from foreign and domestic tourists in Kanyakumari district. For the selection of respondents Non-Probability Convenient Sampling Technique has been adopted. However due care is taken to include tourists with various socio-economic background to make the sample representative. The size of the sample is 350 respondents.

**1.10 FRAME WORK OF ANALYSIS**

**1.10.1 Garrett’s Ranking Technique**

It is often desirable to translate orders of merit into units of amount or scores. This may be done by means of tables. This is highly useful in the case of those attributes which are not easily measured by ordinary methods, but for which individuals may be arranged in order to transmute ranking into score is

\[ \text{Percentage position} = \frac{100 (R_{ij} - 0.5)}{N_j} \]
Rij = Ranking given to Ith for to jth individual

Nj = Number of factors ranked by jth individual.

By referring to the Garrett’s table the percentage positions estimated was converted into scores. Then for each factor the scores of various respondents were added and divided by the number of respondents to arrive at the mean score. The mean score thus obtained for each factor was arranged in descending order. The factor with highest mean scores was given first rank followed by second, third and so on. It is to be noted that, under each problem the respondents were asked to give only rank to a factor.

In the present study, Garrett Ranking Technique was used to examine problem faced by tourists and the preferential attributes of tourists.

1.10.2 Compound Growth Rate

The compound annual growth rate is calculated by taking the nth root of the total percentage growth rate, where n is the number of years in the period being considered. This can be written as follows:

\[ \text{CAGR} = \left( \frac{\text{Ending Value}}{\text{Beginning Value}} \right)^{\frac{1}{\text{No. of years}}} - 1 \]

Compound growth rate has been used to analyse the growth performance of tourism industry in Kanyakumari district over the past 10 years from 2000 to 2009.
1.10.3 Chi-square Test

Chi-square test was applied for the hypothesis testing by using the following formula:

\[
\text{Chi-square} = \sum \frac{(O - E)^2}{E}
\]

with \((r-1) (c-1)\) degree of freedom

Whereas,

- \(O\) – Observed frequency
- \(E\) – Expected frequency

\[
E = \frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}
\]

\(c\) = Number of columns in a contingency table

\(r\) = Number of rows in a contingency table

1.10.4 Factor Analysis

“Often among the many variables you measure, a few and more related to each other, than they are to others. Factor analysis allows us to look at these groups of variables that tend to relate to each other and estimate what underlying reasons might cause these variables to be more highly correlated with each other.”

The techniques of factor analysis provide a fascinating way of reducing the nature of variables in a research problem to a smaller and more manageable number by combining related ones into factors. This relieves the researcher from confusion arising through overlapping measures of the same

underlying variables. Also the cost of further research may be reduced by focusing efforts on fewer variables for study.

Factor analysis has many alternative algorithms that can be used to extract factors out of a set of variables. The method used here is the principal component analysis. Before conducting the factor analysis, the validity of data for factor analysis is tested with the help of Kaiser-Meyer-Ohlin (KMO) measure of sampling adequacy and Bartletts test of sphericity. The minimum acceptable KMO measure of sampling adequacy is 0.5 whereas the minimum acceptable level of significance of chi-square value is at 5 per cent.

The primary decision in stage 1 of factor analysis is to decide how many factors to extract from the data. The sample rule of thumb normally used says that all factors with an eigen value of 1 or more should be extracted.

In stage 2, The Rotated factor matrix is used to assign variables to factors and to interpret factors. This matrix should be viewed column wise. For each column (factor) the variables which have a high (close to 1) loading should be identified and a combined meaning for the factor found. This leads to a phrase which is the name given to the factor. Factor analysis also provides on estimate of the variance explained by each factor, which can be used as a measure of its relative importance.

The factor analysis model in matrix notation is given as:

\[ x = Af + e \]

Where \( x \) = \((x_1+x_2+x_3…………x_p)\)
Factor analysis has been used to find out the factors that provide satisfaction to tourists, expectations, negative effect of business people, factor influence the growth of tourism industry.

1.10.5 Weighted Average Ranking Method

This is developed after developing Likert type scales. Likert scales are developed by utilizing the items analysis approach wherein a particular items is evaluated on the basis of how well it discriminates between those persons whose total score is high and those whose score is low. It consists of number of statements which express their favourable or unfavourable attitude towards the given object to which the respondents is given a numerical score to record and then weight are being imposed according to the importance of the problem. The scores are then multiplied by the weights to arrive at the weighted average ranks.

In the present study weighted average ranking method was used to analyse the opinion of tourists and risk factors.

1.10.6 Paired Sample T test

Paired sample T test has very important application in problems involving paired data. In these problems, each pair of sample values can be replaced with a plus sign if the first value is greater than second, a minus sign if
the first value is smaller than the second, or be discarded if the two values are equal. Here the researcher has used this test to know the socio economic impact of the business respondents. Following formula was used to this study.

\[
\text{Calculated value} = \frac{x - np}{\sqrt{npq}}
\]

\(x\) - no. of positive sign

\(n\) - no. of respondents

\(p\) - probability of happiness

\(q\) - probability of not happiness

1.10.7 **Seasonal index method**

Seasonal index method has been calculated using the following formula.

\[
\text{General average} = \frac{\text{Seasonal average}}{\text{No.of seasons}}
\]

\[
\text{Seasonal index} = \frac{\text{Seasonal average}}{\text{No.of seasons}} \times 100
\]

1.11 **LIMITATION OF THE STUDY**

The researcher had to face a few limitations during the field work in connection with collection of data

1. It is very difficult to collect information from foreign tourists, since they are from different countries.

2. The reliability of the data depends upon the information furnished by the respondents.
3. The secondary data was taken with great difficulty. For secondary data the researcher completely relies on the figures compiled by the Tourist Information Office, TTDC and District Statistical Handbook.

4. Majority of the tourists have detailed accounts of their tours with experiences, feelings and problems, a few did not come out with their views and opinions so spontaneously.

5. The researcher had to collect primary information mostly through field visits. But for time and cost constraints it was not possible to visit all the places.

1.12 CHAPTER FRAMEWORK

In order to present the research report in a perfect and easily understandable manner, it is classified into seven chapters.

The chapter one focuses on the introduction, need for the study, statement of the problem, scope of the study, review of previous studies, objectives of the study, terms and concepts, methodology, reference period, frame work of analysis, limitations and chapter framework.

The second chapter deals with introduction, tourist attraction in India, arrivals of tourists in India, tourism and five year plans, employment generation and foreign exchange earnings of India.

The third chapter deals with introduction, history and attraction of Kanyakumari district.
The fourth chapter exhibits the demographic profile of the sample visitors and their level of satisfaction regarding tourism in Kanyakumari district.

The chapter five examine the growth of tourism industry in Kanyakumari district.

The chapter six exhibits the economic and social benefits of tourism industry.

The chapter seventh summarizes the findings of the study, conclusion and scope for further research.