CHAPTER TWO

I. Survey of Literature

II. Terms and Definitions used in Tourism Literature

III. How Does an Inbound Tourism’s Organization Function?
CHAPTER TWO

SURVEY OF LITERATURE

For the purpose of proposed research study, a thorough study of all possible academic and non-academic work in the field has been done, which can be classified in the following headings:

a) Doctoral thesis
b) Text and reference books
c) Dissertations and reports
d) Articles appeared in academic journals
e) Articles appeared in non-academic journals
f) Articles appeared in the newspapers

In search of Doctoral Thesis submitted on the subject, the publications of ‘Association of Indian Universities’ (AIU) were checked in the library of ‘Indian Council for Social Science Research’ (ICSSR) which publishes the details of doctoral thesis submitted with various universities in social science and science in its alternative issues. For the purpose of text books and reference books the catalogues of various libraries in Delhi and at Aligarh were seen and a list of books considered to be useful for the research was made and books were obtained accordingly. A list of these books has been given at the end as bibliography. For the consultation of dissertations, Indian Dissertation Abstracts upto 1986 were scanned. For studying the articles, published in academic and non-academic journals, the documentation
centre of the Indian Institute of Public Administration (IIPA), New Delhi was visited and references were noted from the Institute. Documentation centres of various libraries such as Library of Planning Commission, New Delhi, Library of the Indian Institute of Travel and Tourism Management, New Delhi, Library of Food Craft Institute at Aligarh Muslim University, Aligarh were visited and notes were taken there.

In the process of surveying the literature, it has been observed that no doctoral thesis has been submitted on Tourism Industry covering its management aspect. There was one study on tourism in Jammu and Kashmir in the form of doctoral thesis by Dr. Zafaruddin, submitted with the Aligarh Muslim University, Aligarh in the Department of Commerce in 1980. Otherwise one finds no records of work done in the field of Tourism with special reference to the emphasis on management practices followed in travel agencies. The same case is there with the dissertations. Taking the management aspect into consideration, no academic work has so far been done in Tourism and Travel industry.

Coming to the articles published in non-academic journals one observes that most the articles concentrate on the slow growth of tourism in India and hardly any of these realise the lack of better management practices in the industry. Articles published in academic journals of national and international repute also emphasise on the cost-benefit analysis of tourism, development of new tourists resorts and on pattern of growth of the industry.
Articles and notes appearing in the news papers also do not highlight any aspect of management being practised in the agencies involved in the trade. These articles are mostly informative and statistical in nature and give an account of trend in the arrival of tourists in India and few projection for future.

Now, all these work so far produced in any of the above forms are classified into the following headings for the purpose of this chapter:

a) Articles related to projections of arrival of tourists
b) Articles related to creation of new destinations
c) Articles on causes of slow growth of tourism in India and on promotional means
d) Articles on importance of industry
e) Case studies of government tourism organisations
f) Articles based on profile of tourists arriving in India
g) Articles on ill effects of tourism

Survey of the Articles on Projections of Tourist Arrivals in India:

Misra S.K. (Oct. 1982) in his article 'The Chief Executive Speaks: Public Sector in Tourism' writes that by the end of 1990, India will receive 3.5 millions tourists and accordingly centre and state tourists offices, government and private agencies involved in tourism should be prepared to
accommodate them. He also advocates the existence of India Tourism Development Corporation (ITDC) and says that ITDC was established 15 years ago till now it has contributed Rs. 80 millions to the exchequer and earned foreign exchange worth 950 million rupees. The article of Mr. Misra suffers from the limitation of statistical data in support of his projection of 3.5 million tourists arrival in India by 1990. There has been no analysis of any kind to project this trend. Moreover, ITDC is the only government sector corporation in the trade and enjoys full protection of government therefore a contribution of 950 million rupees in 15 years for such corporation is not a surprise.

Ajit S. Gopal (Oct. 1979) in his article writes about the average length of stay of tourists visiting different places. He says that in India a tourist stays for the longest period than in any other country. In Iran average stay is of 4 days, in Bangladesh it is 9 days, in Pakistan it is 10 days, in Sri Lanka at is 13 days while in India it is 27 days. He also gives an account of foreign exchange earned from this source in different years and shows the rank of this source for India among various other sources of foreign exchange earnings. He writes that it ranked 13th in the list of foreign exchange earning sources in 1975 and it became 10th in 1978, and hoped for further improvement in the coming years. He also discussed some concessions being given to various tourists by Indian Airlines. The hope of Mr. Gopal did materialize when in 1983-84 tourism stood first in the
list of foreign exchange sources of India, Total earnings from this source were worth 1200 crores rupees.

Ummat R.C. (Dec. 1979) in his article projects that by the end of century, this industry will become the biggest industry of the world. He gives arguments and following calculations:

a) World population will increase from 4000 millions to 6400 millions.

b) Global Gross National Product (GNP) may increase at 4.8% to US $ 109,00,000.

c) Per capita income will touch US $ 1,700.

d) Average working life of man will also be reduced to 40,000 hours from present 70,000 per annum.

e) Available leisure hours will increase by 40%.

Therefore the author concludes that it would become the biggest industry of the world by the end of this century.

Articles on Creating New Destinations for Tourists:

Charles E. Gearing, Willson W. Smart and Turgut Var (Dec. 1973) have given a detailed description of creating new destination for tourists in their article. The article can be summarised as follows:

For a developing country, trying to increase the purchasing power of its community, the establishment of a tourism industry is an important strategy. In the above referred paper, the authors have developed a decision structure whereby investment allocation division for tourists
projects may be made. The decision structure consists of a procedure of quantifying the concepts of tourists attractiveness. A mathematical model, representing the allocation problems and finally a procedure for the solution of that model has been given.

In order to appraise the project, the expected benefits from the project are to be measured in terms of money. Those factors which form the important ingredients, have been listed. The cost of making them is also given. These factors have been categorised in the following headings:

<table>
<thead>
<tr>
<th>Group heading</th>
<th>Category</th>
<th>Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Factor</td>
<td>1) Climate</td>
<td>Sun shine, temperature, and winds etc.</td>
</tr>
<tr>
<td></td>
<td>2) Natural beauty</td>
<td>General topography, flora and fauna, proximity to lakes, rivers and sea waters etc.</td>
</tr>
<tr>
<td>Social Factors</td>
<td>1) Artistic and architectural factors</td>
<td>Local architecture, mosque monuments, and museums etc.</td>
</tr>
<tr>
<td></td>
<td>2) Festivals</td>
<td>Music, Dance and Sports</td>
</tr>
<tr>
<td></td>
<td>3) Distinctive</td>
<td>Unorganised folk dances, local cuisine etc.</td>
</tr>
<tr>
<td></td>
<td>4) Fair and exhibitions</td>
<td>Fairs etc.</td>
</tr>
<tr>
<td></td>
<td>5) Attitude towards tourists</td>
<td>Local congeniality</td>
</tr>
<tr>
<td>Historical Factors</td>
<td>1) Ancient ruins</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>2) Religious significance</td>
<td>--</td>
</tr>
</tbody>
</table>

48
3) Historical significance

Recreational Factors
1) Sports
   Hunting, fishing, boating, and swimming
2) Educational
   Archeological and ethno-graphic museums
3) Health and rests
4) Night time recreation
   Discotheques, theatres and cinema etc.
5) Shopping

Infrastructural Factors
1) Fooding and lodging
   Water cleanliness, safety, communication, motels and hotels, village resorts and highway roads.

All the above factors have been ranked in order of priority. The priority is based on the interviews of 26 experts who were considered well qualified to give opinions. The interview and the results have been given in journal of Travel Research. However, the rankings of the factors considered in the analysis is given below:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Natural beauty</td>
</tr>
<tr>
<td>2</td>
<td>Infrastructure</td>
</tr>
<tr>
<td>3</td>
<td>Food and lodging</td>
</tr>
<tr>
<td>4</td>
<td>Climate</td>
</tr>
<tr>
<td>5</td>
<td>Historical prominence</td>
</tr>
<tr>
<td>6</td>
<td>Ancient ruins</td>
</tr>
<tr>
<td>7</td>
<td>Attitude towards tourists</td>
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<tr>
<td>8</td>
<td>Religious significance</td>
</tr>
<tr>
<td>9</td>
<td>Artistic and architectural factors</td>
</tr>
<tr>
<td>10</td>
<td>Sports facilities</td>
</tr>
<tr>
<td>11</td>
<td>Night time recreation</td>
</tr>
<tr>
<td>12</td>
<td>Shopping facilities</td>
</tr>
<tr>
<td>13</td>
<td>Resting and tranquility</td>
</tr>
<tr>
<td>14</td>
<td>Folk festivals</td>
</tr>
</tbody>
</table>
A critical look at the article reveals that the ranking of factors, these days finds no place in tourism. Because, at present tourism has been classified well in different kinds like tourism for pleasure, for religion, for educational advancement, for shopping, for natural beauty, for games, and for sports and so on. Therefore, the tourist who comes for shopping will rank the shopping accommodation or night time recreation. Hence, the priority of factors affecting the choice of a destination very much depends on the kind of tourist one attracts.

Because of the above cited reasons only, organisations have started specialising themselves in special kind of tourism rather than attracting all types of tourists. One can often find special departments in travel agencies dealing with wild life tours, hiking and mountaineering tours and so on. It is more like that one, who goes to Nepal for wild life tour, will stay at 'Tiger Tops' (A hut type accommodation, constructed in the middle of dense forests where from one can see wild animal in their routine life) even if it is an expensive place to stay and less comfortable as compared to other five star hotels like 'Shangrila' which is less expensive and safe as well. Therefore, the factor of accommodation ranks first to those who visits for wild life and the same case will be there with different other kinds of tourism.
In another article on creation of a tourist destination, Aggrawal Govind R., (March 1982) writes about the application of marketing concepts to tourism. He first gives brief statistics of foreign exchange earned by Nepal from this industry then gives the objectives of developing tourism in Nepal, and also gives a brief account of tourists arrival in Nepal. Aggrawal starts his article by calling tourist a consumer, while approaching to the application of marketing concepts to tourism industry. Being a consumer, he/she should be segmented into adventurist, businessman, pilgrim and leisure seeker. After segmenting a tourist into above heads, marketing strategy should be applied. Here he suggests the use of 4Ps i.e. Product, Price, Promotion, and Place.

**Product:**

The product to be offered to him/her may be natural beauty mountains, lakes, cultural heritage, honest and simple way of life of people, surplus craftsmanship of artisans and wild life.

**Price:**

All the above should be reasonably priced.

**Promotion:**

To promote all these products suitable measures can be taken, like advertisement with photographs, films etc.
Place:

By place, means to make accommodation available, transports' availability and availability of other associated services.

The article leaves the descriptive part of segmentation. Like one segments the market and supplies the product on the basis of needs and wants of a particular market, similarly, after classifying a tourist in different categories one should describe the ways and means to serve them in different segments.

Work related to Causes of Slow Growth of Tourism and Suggestions to Improve the Situation:

Much has been written on the causes of slow growth of tourism industry in India and a number of suggestions have also been given to improve the present position. Most of the authors blame the government's bureaucratic attitude and red tapism for slow growth of tourism. Some of them feel that there is something wrong at the planning level. Following paras will give the details of work done on these lines.

Sarojit Datta (Sep. 1980) in his article writes about some problems faced by tourists in North East region, like accessibility to the forests, non-availability of transport and accommodation, political conditions of north-east region etc. He also emphasises that this region is yet to be exploited because it offers many attraction for tourists. The
important one is wild life. He leaves this for the academicians to decide whether the trade or service approach would be appropriate for the development of this industry. He seems in dilemma while pointing to the problems, faced by the tourists when he says that local people believe that heavy traffic will pollute the environment and spotting animals.

(6)
A correspondent of capital (Sep. 1980) gives another account of problems faced by tourism industry. He mentions that the growth rate has declined from 19.9% in 1977 to 16.0% in 1978 and by 2.2% in 1979. The reason for this decline is the policies of government. Government levied 15% tax on gross receipts, of hotels which has kept private investors away from investment in hotels. However, it was applicable to hotels charging more than or equal to Rs. 75 per person per day as room rent.

(7)
Another special correspondent of capital (Sep. 1982) points out the way government functions, which results in many problems to all concerned. He refers to the event when Mr. J.B. Patnaik relinquished the ministry of tourism and became the Chief Minister of Orissa. There was a chaos in the ministry. It upset everything. He further emphasised that substantial amount of funds are spent on this industry but results are not visible. According to him, the basic problems are:

53
a) Lack of professionalisation in ITDC as they are headed by I.A.S. Officers with no experience in tourism.

b) Faulty schemes of governments is another reason for the slow growth of Tourism. He refers to government's scheme of opening Janta Hotels at Cannaught Place and Janpath, where many five star hotels already exist. In this scheme government had an intention to spend Rs.5000 crores in 10 years with an expectation of the receipt of foreign exchange worth Rs.5000 crores and 3.5 million tourists by 1990. This scheme did not take off. This is the way government creates problems which results in slow growth of this industry.

(B)
In another article Ram Laxman concludes that Indian charge more from tourists than other developing countries. He takes into account the number of tourists visited and foreign exchange receipts. According to the author, cancellation of the reservations by tourists went up in the year 1977, 1978 and 1979 because of the fact that government levied more taxes on food served by the hotels. India's share in foreign exchange is only 0.5 to 0.7% which is a proof of an over charging. A part from the above analysis he also gives the statistical information on the importance of industry.
Anil Chakraborthy, (Sep. 1980) in his article highlights the advantages of conducted tour organised by travel agents and also points out the difficulties faced by the tourists in such tours. According to the author, the business in India was started by the Supti Charan Kindu in 1933. There tours were cheap and provided a chance to see the places to low budgeted tourists also, but there were certain problems faced by the tourists, like it did not take into account the individual interests and same time delay caused by one member of the group has to be borne by all.

Ummat R.C. (Dec. 1979) in his long article examines the reasons for declining the tourists volume. After giving statistical data he examines the reasons for slow growth and suggests measure to overcome those problems. According to author, the causes for slow growth of tourism can be summarised as follows:

a) In 1950 government made some efforts which yielded good results. The results were not fully confined to the efforts made by the government but a rise in the income level of other countries and more and more leisure time were some other reasons. The government thereafter left it there.

b) It has not been awarded the status of an industry under ninth schedule of Income Tax Act.

c) Some concessions were also withdrawn by the government, for example 5 years tax holiday given
to newly established unit was not there. 25% development rebate was withdrawn. The 50% weightage that the government used to give on sales promotion on all foreign units was also withdrawn.

d) Government has developed some new places of tourists interest but they are not adequate. Out of 10 national wild life parks only 3 are developed.

e) In the own words of author, "even after 30 years we do not have clear cut programme, do we want quality or quantity? Do we want tourists as the customers or wish to impose our way of life on them? We like pleasure, but we wish to project puritanic image, we do not wish to believe that the majority of the tourists who come from an affluent society are used to standards of comforts that we regard as luxury. We should have to think of the preferences of tourists not to imagine what they are".

After giving various reasons for the slow growth of tourism industry in India, the author suggests means to improve the same and concludes that all the concessions that the government used to give should be restored.
In another article by Mr. Chib, S.N. (Sep. 1980), various reasons for slow growth of this industry in India have been discussed. The author puts all responsibility on the shoulders of government. He emphasises that public sector tourism corporation are white elephants. He gives an example of bureaucratic attitude of government. In 1973 Prof. Robar submitted a report to government on the request of Department of Tourism and recommended the set up of an institute of tourism management. In five year project report was sent from Department of Tourism to Planning Commission, and from Planning Commission to Ministry of Finance and so on. In the mean time Phillipines set up an institute within 3 years at Manila University.

In another example showing the slackness on the part of government, the author says that in 1979 government announced a target to receive 3.5 million tourist by 1990 and to earn foreign exchange worth 5000 crores. It was 28.5% increase in receipt and 15.5% in arrival. It was nothing but a political gimmick because such a high growth rate was too difficult to achieve.

Further to accommodate 3.5 million tourists we needed to construct 45000 more hotels, to rebuild our airports, to import thousands of cars and to improve our communication system. There was nothing done in this regards.

The author also emphasises to promote tourism to Budh Gaya-Rajgir and Nalanda, where we can sell Budhist market but
due to the lack of support facilities, it became difficult. There is not even 2 star hotel in these places. The government should pay its attention on marketing aspect of trade and should not depend only on tour operators, according to the article. The author also suggests the government to pay its attention on all kinds of tourism and not only on cultural tourism. He also complains about the step treatment being given by the government to this industry. In 1978-79 government gave concessions to various industries in customs and excise to the extent of 1831 crores rupees while tourism industry did not get any concession and it contributed a seizable amount to the exchequer.

Ummat R.C. (Dec. 1980) in his another article discusses some important places of tourist attraction in India. Then he examines the trend in the volume of tourists traffic to India. He gives the highlights of the conference held in the first week of December 1980 in Delhi wherein following suggestions were given:

- The government should withdraw 15% levy imposed on hotels.
- Concessional plots should be made available for the construction of hotels.
- Loans should be provided for such projects at subsidized rates.
- The tariff of electricity and water should be changed from commercial to domestic.
The government should follow a policy of liberalisation in granting licences and permits etc.

Garg, R.B.L. (Sep. 1981) writes in his article about the problems faced by Indian Tourism Industry. He first examines the trend of tourists arrival in India and gives an analysis of per cent change in the volume over previous year. The short falls according to author, are untapped resources, non-availability of suitable accommodation, customs procedure, poor image of the country, dearth of recreational facilities, poor transport and communication system, lack of night entertainment such as casino in Nepal, Security and safety. The author also believes that by end of 2000 A.D. tourism will become the largest industry. This is supported with the data published by U.N.O. related to expected short working hours and longer paid holidays etc.

In Tourism special (1982) volume of 'Capital' the writer emphasises on the need of consumer's satisfaction in the industry. He says that India occupies 2.3% of world's area and has around 15% of world's population but its share in tourists arrivals globally is only 0.3%. He writes with reference to the speech delivered by President of International Air Transport Association, who emphasised on consumer's satisfaction. In the words of President, "let's not forget the fact that ultimate future of the industry rightly depends on consumers satisfaction. We exist to serve
them. Unless we jointly shape our product to conform as closely as realistically as we can with their perceived requirements, we can not do much”.

(15) A correspondent of 'Capital' suggests the econometric model to be developed for tourism. He emphasises that the psychology of the tourists should be studied and model should be developed to satisfy him. He refers to the article of Prof. Gupta, wherein he identifies several stages buying process such as perceived needs (all forms of suggestions like education, information and advertisement etc) pre-purchase activities like collecting materials, brochure, talking to friends, purchase decision and post purchase decision. These stages should be studied by travel agents and used. One can also use the technique of getting a questionnaire filled in by the tourists to determine their likings and dislikings.

Some news items also appeared in ‘National dailies’ giving the causes of slow growth of this industry in India. Safety and security were on top among them. In fact a newspaper reported it in the form of a news item. The Times of India once wrote that 10 women were kidnapped on their way to Rajgir and Rajasthan and their fellow male were looted of Rs.2,00,000 at Bastibigha in Bihar according to reports received from U.N.I.

Articles Emphasising the Importance of Industry:
In many articles, the importance of tourism industry
has been emphasised. A summary of them is given here. Ram Laxman (Sep. 1980) in his article discussed the importance of this industry. He writes that it is the second largest industry in the world today i.e. next to oil. It is a multibillion dollar industry which received US $ 70 billion annually involving 300 million people in a year 1980 alone. Its multiplier effect is 1 : 3.5 which means that direct receipt of US $ 70 billion will result in multiplied economic activities of US $ 245 billion. Further, the author says that only one hotel room creates 3 direct and 9 indirect jobs.

In quarterly economic report of Indian Institute of Public Opinion, the contribution of Tourism Industry in India’s economy has been emphasised. In the article entitled, "The Contribution of Tourists in Indian Economy", the writer examines the multiplier effect of spending of a tourist. It takes the basis of Keynesian consumption multiplier (average propensity to consume and save). The article concludes that tourist multiplier will in any case be more than two. If we take 10% to 12% personal savings and 25% to 30% economy savings, it will be equal to 1-12 divided by 25+0.12 = 2.39. The article concludes by saying that there lies a good future of industry.

In another article "An input-output model for tourist sector" in the similar report the author has emphasised on the employment prospects in this industry. He says that we
should project the economic image of this industry in the form of a matrix. The sources of income from one industry goes to the payment towards other industries. Thus, the flow of income from inside an economy are best presented in terms of interdependence and aggregates both horizontally and vertically, in a matrix form. It was first introduced by Leontief (1952). The quantification of services from one industry (Tourism) to other industries (hotels, airlines, transportations) will enable the projections.

Further, the effect of tourism employment multiplier has also been studied, taking intermediate out and gross value added into consideration. In 1978-79 G.V.A. was worth 679.52 crores and intermediate output 1126.48 crores. Assuming employment proportionate to income its multiplier would be equal to 1.6 (1126.52 divided by 679.52). In addition to this total employment would be 2.08 million and total would came out to 3.4 million which supports the authors conclusion of offering high employment potential by this industry.

**Articles based on case studies of govt. tourism organisations**

In some cases, the literature presents the operational statistics of a tourism organisation and its future plans. Literature on Tourism planning and development in foreign country is also found in same books. A summary of the same work is presented here.
Wilson P. (Sep. 1980) gives an account of working of the India Tourism Development Corporation. (ITDC) Established in 1966, ITDC is India’s largest accommodation chain in 38 locations (now fortytwo) throughout the country. Its beach facilities are rated among 300 best hotels of the world. It planned to build middle class tourist economic hotels that would add 1250 beds to its present rooms. The hotel will charge Rs.10 and 15 for a single and double room (it refers to the economy class hotel of ITDC, Ashok Yatri Niwas). It also has largest transport fleet with 240 vehicles, out of which 129 are DLZs (imported cars used for tourists). ITDC offers a nice entertainment in the form of sound and light shows at Delhi, Srinagar and Ahmedabad. Its dance programmes also offer unique Indian culture. It has been awarded many national and international awards.

Seth, P.N. (1985) gives a detailed discussion in his book on Tourism Development and Planning in Sri Lanka. The author explains the way in which good planning has helped Sri Lanka in tapping this important source of foreign exchange earning. Sri Lanka received only 2000 tourists in 1965. After the government hired the services of Sri S.N. Chib, the number of tourists arrival just doubled in 1967 and it reached upto 3,71,000 in 1980. In 1967 Sri Lanka had only 770 rooms to offer to tourist and, it has grown at such a faster rate that in 1984 it had 10,856 rooms to offer.

Mr. S.N. Chib proposed Sri Lankan Government to change their approach of tourism — marketing and planning, from
cultural tourism to beach tourism. He suggested the formation of a tourist board and that was created by an Act of Parliament. Loans were given to private investors at generous terms. The development suggested by Mr. Chib was a balanced one which in no way affected the ecological balance adversely. New tourist resort with beautiful beach facilities was developed. Bentota was 40 miles away from Columbo, but developed in such a way that the turnover of tourist establishments here exceeded 40 million rupees in 1984. The real planning and development of tourist resort resulted in over all boom in the economy. According to Cylon Tourist Board, ninety per cent visitors go there for a pleasure trip and per capita income from tourism is around Rs.175 per person while in India it is only Rs.2 per person.

'Tourism in Asia' with this title Seth, Prem Nath has given a brief account of tourism activities in Asia. He refers to a study conducted to tourism to East Asia which revealed the following:

- International tourists arrivals to East Asia have grown at a faster rate than the world average.
- Asian Countries account for almost two-third of the regions international tourism.
- Three fourth of the tourism arrivals originate within the region and Japan supplies one fifth of all International arrivals in the region.
- Arrivals from Europe registered the highest growth rate over three years (1980-82) and constituted one fifth of arrivals.
- Holiday travel accounts for two-third of travel.
- Age-wise distribution shows that 20 to 50 years old predominate and ratio of male and female is 2:1.
- Hotel occupancy in East Asia is above the world's average.
- Domestic tourism is more than International tourism in East Asia.

In 1977, the Government of India conducted a foreign tourist survey through the Administrative Staff College of Hyderabad. The survey team took a sample of 10,000 tourists and revealed the following:

- Pleasure trips accounts for 61% of total tourists visited.
- Over 50% of tourists to India were found educated and professionals.
- The people visited belonged to more affluent group, the annual income of whom was more than US $10000.
- Age-wise distribution showed that large number of visitors more in the age group of 21 to 50 followed by 17 to 30 years of age group.
- More than 60% tourists travelled to India were single.
- About 39% tourists were repeat visitors to India.
In another survey conducted by Indian Statistical Institute of Calcutta revealed some other facts regarding tourism to India.

- 9% of all foreign visitors to India were of Indian ethnic origin.
- 37% of the visitors were professionals.
- Japan provided with 38% business visitors and west Asia 32%.
- 51% of them came here out of their own curiosity, 28% were influenced by those travelled to India before and rest due to other factors.
- Average stay of individual travellers was 25 days, with package it was 14 days.
- Average expenditure per tourists was Rs.8000.
- 72% visitors liked Indian friendliness while 82% were satisfied with Indian tour.
- 31% complained poor sanitation, 31% tiresome formalities, 18% complained of unethical traders, rest with miscellaneous difficulties.
- On image of India, following were highlights:
  a) US travellers are moderately familiar with India.
  b) India's image over other Asia Pacific destination is comparatively low.
  c) India has not been effective in communicating its sunny weather, good shopping cheap travel and so on.
d) Her rating in hotels is also below average.

e) It is not too good for children and night life.

f) It is also not considered as a safe place.


g) It is regarded as a country with interesting
culture.

Operational Terms and Definitions used in the Research:

Different words carry different and specific meanings
in a subject. Therefore, the words that carry specific meaning
in the present context have been explained below. These
terms have been arranged alphabetically to facilitate the
reference for readers:

(1) **Bed Nights:**

In tourism terminology bed night means the duration of
stay of a tourist in a commercial accommodation. In order to
determine the volume of business, and to negotiate the rates
with hotels, the travel agents and tour operators talk in
terms of bed nights. If ten tourists stay in a hotel for 5
days, the agent is said to have purchased 50 bed nights of
the hotel.

(2) **Excursionists:**

A person who stays for less than 24 hours in the
country visited or a temporary visitor who does not spend at
least one night in the country visited is called an
excursionist. They include cruise passengers, day visitors
and crews. But an excursionist is included for the purpose of estimating the arrivals of tourists in a country.

(3) **File Handling:**

In an operations department of a tour operator, there are basically two important tasks related to entertaining the tourists. One is to escort him/her and the other is to make all entries related to his/her movement. The later one is known as file handling.

(4) **F.I.T.:**

The acronym stands for Foreign Independent Traveller. (Gen. Y Chuck and others "The Travel Industry" 1st Ed., the Avi Publishing Co. Inc., West Post, p.44) or Foreign Independent Traveller. In common usage, the tourists who do not arrive in a group or whose number is normally between 10-15 are also known as foreign individuals traveller. Their requirement of services also differs from the requirements of general tour.

(5) **G.I.T.:**

It stands for Group inclusive tour. The tourists who arrive in number of more than 15 are known as GITs. The agents offers them special rates for sharing the same transport and a double or a triple room in a hotel.

(6) **Foreign Travel Agent:**

Foreign travel agents, in this context refers to those
travel agents who promote tourism to India from countries other than India. They sell tour to people of their country and Indian agents sells their services to those tours.

(7) **Inbound Tourism:**

The travel agencies perform various functions like providing consultancy, ticketing and cargo handling etc. It includes tour operators also. The tour operator may handle a tour arriving in India on behalf of his foreign agent or send a tour to a foreign country through an agent there. Those tour operators who provide services exclusively to the tourists arrived in India are said to have been involved in inbound tourism.

(8) **Incentive Tours:**

The employers offers free trips to their employees as incentive in lieu of cash incentive. The tourists travelling on such tours can be said to have taken an incentive tour. The tour operators also plan incentive tour for these categories of people.

(9) **Operations Department:**

In the present context Operations Department of a tour operator, is that department of his organisation which performs the functions related to the arrival transfers of tourists, arrangement of his air, rail air, hotel seats, making his stay comfortable and so on. In other words whatever services are provided to a tourist by the travel
agent after his arrival and upto his departure, are the activities of a department of tour operator, known as Operations Department.

(11) **Station Handling:**

The tour operator arranges to assists the tourists at the time of their arrival in a city or country and also at the time of their departure from a country or a city, and generally maintains special staff for this purpose and has a separate section, known as station handling section and the activity is known as station handling.

(12) **Tour Operators:**

A tour operator is a person who delivers the services, specified in a given, advertised tour package. In the present context, a tour operator is a person who provides tourism related services like arrangement of hotel’s seat, airline’s seat, fixation of transport and guides for the inbound tourists and so on.

There are basically two kinds of services a tour operator provides. They are known inbound and outbound tourism, and these have been explained at serial nos. 7 and 10 respectively.

(13) **Tourism:**

Tourism may be explained as an activity which results from the travel and stay of a person(s) who are non-residents
and they do not lead to a permanent residence and also they are not connected with any earning activity. There are various words used to describe it like travel industry, tourism industry or visitor's industry and one is as good as the other. It is the world 'Tourist' that has been examined in detail because the tourism is directly connection with the 'tourist' which shall be explained below.

(14) **Tourist:**

The committee of statistical experts of League of Nations adopted the following definition of international tourists.

"Any person visiting on country, other than that in which he usually resides for a period of at least 24 hours such as:

- Persons travelling for pleasure, for family reasons or for health;
- Persons travelling to meeting or in a representative capacity of any kind;
- Persons travelling for business reasons;
- Persons arriving in the course of a sea cruise, even when they do not stay less than 24 hours;

The committee specifically excluded from the definition:

- Persons arriving with or without a contract of work, to take up any occupation or engage in any business activity in the country;
- Other persons coming to establish a residence in the country;
- Students and young persons in the boarding establishments or school;
- Residence in a frontier zone and persons domiciled in one country and working in an adjoining country;
- Travellers passing through a country and without stopping, even if the journey takes more than 24 hours;

World tourism organisation has published a Technical Handbook on statistics of International Tourists and explained the concept of tourist, that can be illustrated in a figure-2.1 given on the next page. (source and reference is given in the figure)

(15) **Transfer**:
In the present context 'transfer' means bringing a tourists along with the representative of an agency to hotel from an airport and vice-versa.

(16) **Travel Agencies**:
Any commercial establishment that deals in travel and tourism can be called as travel agency. Dealing in travel and tourism, means that the establishment must assist the person intending to travel in respect of the travel formalities like arranging a passport, visa, foreign currency
NOTES:
(1) Visitors who spend at least one night in the country visited
(2) Foreign air or ship crews docked or in lay over and who used the accommodation establishments of the country visited
(3) Visitors who do not spend at least one night in the country visited although they may visit the country during one day or more
and return to their ship or train to sleep.
(4) Normally included in excursionists. Separate classification of these visitors is nevertheless preferable.
(5) Visitors who come and leave the same day.
(6) Crews who are not residents of the country visited and who stay in the country for the day.
(7) When they travel from their country of origin to the duty station and vice versa.
(8) Who do not leave the transit area of the airport or the port. In certain countries, transit may involve a stay of one day or more.
In this case, they should be included in the visitor statistics.
(9) Main purpose of visit as defined by the Rome Conference (1963).

World Tourism Organization classification of traders.

Source: The Travel Industry By Chuck Y. G and others, The AVI
Publishing Company, Inc. Westport 1984 pg 59
and other requirements for him. The establishment also must guide him in selecting the best tour programme (itinerary).

In India travel agencies are subjected to various regulations of central and state government.

(17) **Travel Agent**

Travel agent is a person who carries on the following professions:

a) Provides consultancy in travel
b) Arranges for legal requirements of travel
c) Arranges for accommodation and transportation
d) Arranges or guides on any information required for travelling

The travel agent generally procures the travel services from the supplier such as airlines companies, car rental companies, hotels and so on. He brings together the supplier and buyer of tourism services.

**Travel Agency - How Does it Function?**

For understanding the application of management functions, in an organisation, the study of the functioning of the organisation has been of much use. The detailed procedure involved in the functioning of a travel agency, involved in inbound tourism is given below in chronological order:

1. The foreign travel agent sends an enquiry about
the tour that the persons of his country wish to take.

2. The enquiry alongwith the suggested (proposed) itenerary is answered to the foreign travel agent by India tour operator. Also the cost of tour is sent to the foreign tour operator.

3. Foreign tour operator, if agrees to the price of tour and propsoed programme, confirms the arrival of tour or some bargaining takes place between the two agents on programme and cost, and finally the confirmation is received alongwith, cheque of advance.

4. The Indian tour operator, on the receipt of confirmation, passes on the request with the airline for seats, hotel for accommodation, transporters for fixing up the transport at various dates and timings as per the tour programmes.

5. On the exact date and mode of arrival, Indian agent sends his representative at the arrival place who transfers them to the hotel, which has already been booked in the name of this tour.

Here the travel agents provides the tourists, usually to a formal tour leader with a set of exchange orders/service vouchers. This set of exchange order contains the details of the services to be provided to this tour at various places throughout the country or outside which have already been
decided between the two agents. The tourists are not required to make any payment for the services that they avail but they leave that exchange order in lieu of payment at every place they visit.

The provider of service - hotel, transporter or anyone, honours that voucher because of a contract which has already been signed between the agent (Indian tour operator) and the provider of services.

(6) The group finally goes back after specified number of days and the different hotels, transporters and guides send in their bill to the agent for providing services along with that exchange order. The payment is made by the agent to these sub-agents and in the meantime he also receives final payment towards the cost of the tour from foreign travel agents.

To carry out all the above activities, the agency organises its office in various sections which have been discussed in detail in each of the four case studies, given in chapter four.
REFERENCES TO CHAPTER TWO


24. Ibid, p.68.