CHAPTER - III
THEORETICAL FRAMEWORK: ENTREPRENEURSHIP, TOURISM AND TOURISM ENTREPRENEURSHIP

3.1 INTRODUCTION

Tourism a smokeless industry is a multi-billion, multi-sectoral and multi-dimensional activity in the world. In the twenty first century, it has reached the space. The first Minister of India, Jawaharlal Nehru’s words” welcome a tourist and send back as friend” indicate the need for extending friendly hospitality to the inbound tourists. Tourism can be a real force to create and maintain world peace. Considering the vast and varied potential of tourism in the state and its impact on the economic, social and cultural environment of the state, a detailed study about it is found to be relevant and imperative. Modern transportation has removed the obstacles of distance enabling people to appreciate each other engaging in the exchange of ideas and commerce.

The tourism is considered as the ambassador for peace of the nation and the most efficient sector which moulds young entrepreneurs who would not have seen or gone to schools or colleges to have collective information but without having any sort of educational qualification they are able to speak not only English but also many foreign languages. From this, we come to know that interest and involvement alone can make successful entrepreneur in this sector. This is the sector that opens the gate lots of revenue and growth .This is considered as the only sector which makes development and across lots of chances for launching business and a little innovation in this sector can gain great business opportunities. These activities are essential for the success of a young entrepreneur in tourism industry. Hence an attempt has been made to
study about the theoretical information relating to the concepts of entrepreneurship, tourism industry and tourism entrepreneurship.

3.2 CONCEPT CLARIFICATION OF ENTREPRENEURSHIP

Entrepreneurship is the lifeblood of any economy. Indian entrepreneurs are efficient in overcoming barriers, obstacles, inspiring and to excel in their fields. It is one of the important segments of economic growth. Innovation is a key factor that an entrepreneur brings with him to introduce creative changes in society. The growth of entrepreneurship particularly in the small scale sector can be traced to the Second World War boom which has brought into this field many enterprising people from various walks of life. As such in entrepreneurship “failures are the stepping stones for success”. If we observe the life of any entrepreneur, their life is not a bed of roses. They would have faced many obstacles in the way of entrepreneurial achievement.

3.2.1 EVOLUTION OF THE CONCEPT OF ENTREPRENEUR AND ENTREPRENEURSHIP

The word ‘entrepreneur’ is derived from the French word entreprendre. It means ‘to undertake’. So an entrepreneur is a person who undertakes the risk of new enterprise. The concepts, thoughts and techniques of an entrepreneur have changed over the period of time. A lot of contributions from different fields to the field of entrepreneur have changed its nature. The evolution of an entrepreneur can be described as follows:

**Early period**

The earliest definition of an entrepreneur as a go-between is Marco Polo. He tried to establish trade route to the Far East. He signed a contract with a venture capitalist to sell his goods. The capitalist was the risk bearer. The merchant adventurer took the role of trading.
After his successful selling of goods and completing his trips, the profits were shared by the capitalist and the merchant.

**Middle ages**

The term entrepreneur began to refer to a person who was managing large projects. He was not taking any risk but was managing the projects using the resources provided to him. He is a cleric who is incharge of great architectural works such as castles, public buildings, cathedrals and so on.

**17th Century**

An entrepreneur was a person who entered into a contractual arrangement with the government to perform a service or to supply some goods. The profit was taken (or loss was borne) by the entrepreneur.

**18th Century**

It was Richard Cantillon, a French Economist, who applied the term entrepreneur to business for the first time. He is regarded by some as the founder of the term. He defined an entrepreneur is a person who buys factor services at certain prices with a view to sell them at uncertain prices in the future.

**19th Century**

The entrepreneurs were not distinguished from managers. They were viewed mostly from the economic perspective. He takes risk, contributes his own initiative and skills. He plans, organizes and leads his enterprise.
20\textsuperscript{th} Century

During the early 20\textsuperscript{th} century, Dewing connected the entrepreneur with business promoter and viewed the promoter as one who transformed ideas into a profitable business. It was Joseph Schumpeter who described an entrepreneur as an innovator. According to him an entrepreneur is an innovator who develops untried technology.

21\textsuperscript{st} Century

Research Scientists Live De Bone points out that it is not always important that an individual comes up with an entirely new idea to be called an entrepreneur, but if he is adding incremental value to the current product or service, he can rightly be called an entrepreneur.

We understand that entrepreneurship has a long history. There have been many significant changes in the mindset of the society and the field of entrepreneurship has changed throughout many periods. At present, the modern subject has blossomed and there are a wide host of subjects and themes to be developed in the field.

Giving a precise definition of entrepreneur or entrepreneurship is not simple or easy because the terms entrepreneur and entrepreneurship are used in a variety of contexts. Being a fabulous discipline it has drawn concepts and principles from a number of other disciplines such as sociology, economics, psychology and so on. The contributors from each of these groups have viewed entrepreneur and entrepreneurship differently. From the point of economists entrepreneurship is ‘a factor of production’; sociologists treated it as ‘a skill of persons’. By viewing, taking all these view points, it becomes difficult to define it in a comprehensive way and no definition of entrepreneurship has been universally accepted. Many definitions were given by various contributors which are given below:
In the words of J.B. Say, “An entrepreneur is one who brings together the factors of production and combines them into a product”. He makes a clear distinction between a capitalist and an entrepreneur. A capitalist is only a financier. An entrepreneur is the coordinator and organizer of a business enterprise¹.

Joseph A Schumpeter defines an entrepreneur as “one who innovates, raises money, assembles inputs and sets the organization going with the ability to identify them and use the opportunities, which others are not able to fulfil such economic opportunities”. He further said, “An entrepreneur is an innovator playing the role of a dynamic businessman adding material growth to economic development”².

From the above definitions, it is clear that entrepreneur is

i. A person  
ii. Innovator

iii. Risk taker  
iv. Raise the fund

v. Doing the things in a better way  
vii. Decision maker

vi. Problem solver

In a conference on entrepreneurship held in USA, it is defined³, “Entrepreneurship is an attempt to create value through recognition of business opportunity, the management of risk taking appropriate to the opportunity and through the communicative and management skills to mobilize human, financial and material resources necessary to bring a project to fruition”

According to Frank Knight, “It involves a specialized group or persons who bear ‘risks’ and meet the uncertainty”⁴.

Musselman and Jackson define “Entrepreneurship as the investing and risking of time, money and effort to start a business and make it successful⁵.”
In the words of B. Higgins, “Entrepreneurship is meant for the function of seeking investment and production opportunity, organizing an enterprise to undertake a new production process, raising capital, hiring labour, arranging the supply of raw materials, finding site, introducing a new technique, discovering new sources of raw materials and selecting top managers for day to day operations of the enterprise." 

A.H. Cole has defined entrepreneurship as “the purposeful activity of an individual or group of associated individuals, undertaken to initiate, maintain or earn profit by production and distribution of economic goods and services”.

According Mc Clelland, there are two characteristics for an entrepreneur: first is doing a thing in a new and better way, second is decision making under uncertainty.

From the above definitions, it is clear that entrepreneurship is a process of identifying opportunities in the market place. It involves

i. Innovation

ii. Organizing All Resources

iii. Risk Taking of Money and Time

iv. Discovering of new techniques. The relationship between two is indicated in Fig.3.1

**FIG. 3.1**

**CONCEPT OF ENTREPRENEURSHIP**

![Diagram of Concept of Entrepreneurship]

- Entrepreneur
- Entrepreneurship
- Enterprise
- Person
- Process of Action
- Object
3.2.2 CHARACTERISTICS OF ENTREPRENEURSHIP

Entrepreneurship is a purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or earn profit by production and distribution of economic goods or services. It is an act of starting and running an enterprise. It is the process of identifying opportunities in the market place, arranging the resources required to pursue these opportunities and investing the resources to exploit the opportunities for long term gains. The important characteristics of entrepreneurship are as follows:

1. **Economic Activity**: Entrepreneurship is primarily an economic activity because it involves the creation and operation of an enterprise. It is basically concerned with the production and distribution of goods and services and it optimally utilizes the resource towards productive use.

2. **Entrepreneurship Involves Innovation**: Entrepreneurship involves changing, revolutionizing, transforming, and introducing new approaches. Entrepreneurship is an innovative function as it involves doing things in a new and better way. Innovation may take several forms, such as a new product, a new source of raw material, a new market, a new method of production, not yet applied in a particular branch or manufacturing and so on.

3. **Goal-oriented Activity**: The entrepreneur who creates and operates enterprises seeks to earn profits through satisfaction of needs of consumers; hence, entrepreneurship is a goal-oriented activity. It emphasizes on targets, achievements and is result oriented.

4. **Value Creation**: The process of creating value is a characteristic that describes entrepreneurship. Through entrepreneurship, new products, services, transactions, approaches, resources, technologies, and markets are created to contribute some value to a community or market place. We can also see value created when, through entrepreneurship,
resources are transformed into outputs such as products or services. During this transformation process, value is introduced because the entrepreneur is fashioning something worthwhile and useful. Drucker says, “until entrepreneurial act, every plant is a seed and every mineral just another rock”.

5. **Enterprise Creation:** The next characteristic of entrepreneurship is enterprise creation. In order to pursue the perceived opportunities for innovation and to create value, there must be organized efforts and actions. Someone must take the initiative to do something; take action to get the entrepreneurial venture up and running. Entrepreneurship is a creative response to changes in the environment. It involves innovation or introduction of something new or improved. An entrepreneur is an agent to effect change.

6. **Function of Risk Bearing:** Risk is an inherent and inseparable element of entrepreneurship. An entrepreneur works under uncertainties and he assumes the uncertainty of future. In the pursuit of profit, there is possibility of loss also.

7. **Entrepreneurship Implies Growth:** The next characteristic in entrepreneurship is growth. One major difference between entrepreneurial ventures and other small businesses is the emphasis on growth. Entrepreneurship is about growing a business and pursuing opportunities as they arise. It is not about standing still or being content to stay in one market or with one product.

8. **Managerial Skill and Leadership Function:** Managerial skill and leadership are the most important facets of entrepreneurship. An entrepreneur must have the ability to lead and manage. He provides direction, create work culture, and build teamwork and cohesiveness among employees.
9. **Recognition that it is a process:** The characteristics commonly found in entrepreneurship is the recognition that it is a process, very simply, is a set of ongoing decisions and actions. Entrepreneurship is not a one-time phenomenon; it occurs over time. It involves a series of decisions and actions from initial start-up to managing the entrepreneurial venture.

10. **Gap Filling Function:** The gap between human needs and the available products and services are filled by entrepreneurship. An entrepreneur determines the needs of people and combines resources to produce goods and services of requirements. He introduces new products and services, new methods of production and distribution, new sources of inputs and new markets for this purpose.

11. **Dynamic Process:** Entrepreneurship is a dynamic function. Entrepreneur thrives on changes in the environment, which bring useful opportunities for business. An entrepreneur deals proactively with changing markets and environment. He looks at the changes as the source of market advantages, not as a problem. Uncertainties are market opportunities for him. He capitalizes on fleeting market anomalies.

12. **Uniqueness:** Another characteristic found in entrepreneurship is that of uniqueness. Entrepreneurship involves new combinations and new approaches with which entrepreneurs are willing to experiment. Through Entrepreneurship unique products are created and unique approaches are tried. Entrepreneurship is not merely imitating what others have done. It is doing something new, something untested and untried and something unique.

13. **Organizing Function:** It is the ability to bring together productive resources of society. Entrepreneur coordinates and controls the efforts of all the persons engaged in his enterprises. He harnesses land, labour, capital and other resources for the benefits of mankind. Therefore, an entrepreneur is called as an organization builder.
14. Essential in Every Activity: Entrepreneurship is required in all types of businesses such as small or big, trading or manufacturing or service industry. It is essential for every business to exist and grow. Hence, “Entrepreneurship is by no means confined solely to economic institutions.”

These characteristics and skills that help an entrepreneur to succeed. Entrepreneurs are like gamblers, and like any gambler, their chances of winning increase if they have the right cards with the help of these characteristics. Very few people are fortunate enough to be born with all of these characteristics, yet they could be learned and practised.

3.2.3 ENTREPRENEURIAL COMPETENCIES

Competency is a characteristic of a person, which results in effective and/or superior performance in a job. It is a combination of knowledge, skills and appropriate motives or traits that an individual must possess to perform a given task. In short, the competencies required by an entrepreneur for starting a business venture and carrying it on successfully are known as entrepreneurial competencies. It is classified mainly into two types, they are

1. Personal Entrepreneurial Competencies

These are required to perform the tasks effectively and efficiently. These include the following traits:

a. Initiative: It is an inner urge in an individual to do or initiate something.

b. Ability to See and Act on Opportunities: Entrepreneurs look for opportunities and take action on such opportunities.

c. Persistence: It means the capacity or skill to take repeated and different actions to overcome obstacles.
d. **Information Seeking:** A successful entrepreneur always keeps his eyes and ears open. He should accept new ideas which can help him in realizing his goals. He is ready to consult experts for getting their expert advice.

e. **Concern for High Quality of Work:** Entrepreneurial persons act to do things that meet or beat existing standards of excellence.

f. **Commitment to Work:** Successful entrepreneurs are prepared to make all sacrifices for completing the commitments they have made.

g. **Commitment to Efficiency:** Entrepreneurial persons have to look for new ways to do things faster or with fewer resources or at a lower cost. They should try new methods aimed at making work easier, simpler, better and economical.

h. **Systematic Planning:** Entrepreneurial persons ought to be able to develop and use the logical skill to plan step by step to reach goals.

i. **Problem Solving:** Entrepreneurial persons have to possess the skill of identifying new and potentially unique ideas to reach goals. They should generate new ideas or innovative solutions to solve problems.

j. **Assertiveness:** They have to assert their own competence, reliability or other personal or company’s qualities. They also have to assert strong confidence in one’s own company’s products or services.

2. **Venture Initiation and Success Competencies**

An entrepreneur must also possess the competencies required for launching the enterprise and for its survival and growth. These competencies may be further divided into two categories.

a. **Enterprise Launches Competencies:** It means the competencies that are needed to start the business firms such as competency to understand the nature of business, comply with
government regulations, deal with the business, finance the business, locate the business, plan the marketing strategy, choose the type of ownership, obtain technical assistance, develop a business plan, and determine the potential as an entrepreneur and so on.

b. Enterprise Management Competencies: Enterprise management competencies are needed for an entrepreneur for the survival of business such as competency to protect the business manage customer credit and collection, manage the finances, maintain the business records, manage sales efforts, promote the products and services of the business, manage human resources and competency to run the business.

3.2.4 FACTORS AFFECTING ENTREPRENEURIAL GROWTH

There are numerous factors which contribute to the growth of entrepreneurship. They can be broadly classified into five. They are,

1. Psychological Factors

Inspiration to achieve prepares an entrepreneur to set higher goals and reach them. The important psychological factors influencing entrepreneurial growth may be outlined as below.

a. Need for Achievement: Need for achievement means the drive to achieve a goal. People having need for achievement will be very much self – confident that they do not believe in mere luck. If an individual has need for achievement, he will become a successful entrepreneur.

b. Personal Motives: This is found to be one of the crucial factors responsible for entrepreneurship amongst individuals. Bill Gates dreamt that one day he would become the richest person. His dream became a reality later.
c. **Recognition:** Many people become successful entrepreneurs just for getting recognition from others.

d. **Need of Authority:** ‘Need of authority’ will inspire men to work. When they become entrepreneurs, they can exercise authority over managers, employees and others.

2. **Cultural Factors**

   Culture consists of tangible manmade objects like furniture, buildings, and vehicles and so on. Intangible concepts are like laws, morals, knowledge, regulations and so on. Values and behaviour are to be acceptable within the society. These important cultural factors influence entrepreneurial growth. They are briefly explained as follows:

   a. **Culture:** Culture is closely related to accepted values and human behaviour. Some societies have customs of polygamy and some have not.

   b. **Religious Belief:** Entrepreneurism is a function of religious belief and the impact of religion shapes the entrepreneurial culture. He emphasizes that the entrepreneurial energies are exogenous supplied by means of religious belief.

   c. **Minority Groups:** The supply of entrepreneurship is governed by cultural factors, and culturally minority groups are the spark plugs of entrepreneurial and economic development. Minority groups like the Jews and Greeks in Medieval Europe, the Lebanese in West Africa, the Indians in East Africa have important roles in promoting economic development.
d. **Spirit of Capitalism:** It guides the entrepreneur to engage in activities that can bring more and more profits. The profit motive character coupled with the attitude of acquisition of money urges the individual to start new venture.

3. **Social Factors**

A man is molded into an entrepreneur by the sociological and environmental factors during childhood, and at school, personal experience in adult life at the college and job environments, the mobility, occupation and support from parents. The social factors include

a. **Legitimacy of Entrepreneurship:** System of norms and values within a socio – cultural setting is responsible for the emergence of entrepreneurship. The degree of approval or disapproval granted to entrepreneurial behaviour will influence its emergence and its characteristics during the process.

b. **Social Marginality:** Individuals or groups on the perimeter of a given social system or between two social systems provide the personnel to assume entrepreneurial roles.

c. **Family, Role Models and Association with Similar Type of Individuals:** If an individual has a supportive family, he or she is more likely to become an entrepreneur. Similarly, if an individual has role models who have been successful in entrepreneurship, certainly, he may be motivated to start ventures. If a person is in association with entrepreneurs, this may add to his or her desire of setting up a new venture.

d. **Caste System:** Certain religions and castes encourage the growth of entrepreneurial talent. Some religious communities like the parsees, marwaris and sindhees seem to have an affinity for entrepreneurial activity. The caste system in Hindu society has promoted to the growth of business and professional skills.
e. **Occupation** - Those born in rich families with silver spoons in their mouths have not only an advantage of having financial resources for carrying out business but also learn the business skill by continuous interaction and contacts with parents, customers, employees and visitors in family shops, offices and homes.

f. **Education and Technical Qualifications**: **Education** is the best means of developing man’s resourcefulness which encompasses different dimensions of entrepreneurship. It may be expected that a high level of education may enable the entrepreneurs to exercise their entrepreneurial talent more efficiently and effectively than others.

g. **Social Status**: Every human being aspires for a high social status and once he achieves a reasonable level, his aspirations and desires get multiplied. People work hard to maintain their status as it also contributes to their entrepreneurial growth.

h. **Social Responsibility**: It is the obligation to the society in which the business enterprise operates. An entrepreneur generates employment for others besides helping himself.

4. **Economic Factors**

Economic factors also influence the growth of entrepreneurship. The important economic factors are

a. **Infrastructural Facilities**: Entrepreneurship development requires certain basic infrastructure like power, transportation, communication, technical information and so on. These factors provide external economies and improve the efficiency of investments by entrepreneurs. These infrastructural facilities are scarce in less developed countries. The entrepreneurs themselves have to procure these facilities at their own cost. They have
to obtain these facilities at higher costs. This will greatly discourage the entrepreneurship
development. In advanced countries, those who are desirous of starting an enterprise will
find no difficulty in procuring the infrastructural facilities at reasonable costs.

b. **Financial Resources:** Finance is the life blood of business activity. Capital is required to
obtain materials, machinery, and equipment. Capital is regarded as lubricant to the
process of production. The lack of financial resources discourages the youth and potential
entrepreneurs to start new ventures. Hence, the need for fixed and working capital should
be adequately met if new entrepreneurs are to come forward and grow.

c. **Availability of Material:** Entrepreneurship is encouraged only if there is an adequate
supply of materials and know-how. Easy availability of materials attracts more
individuals towards entrepreneurship. Technical know-how is essential for innovation.
With technical knowledge, men discover more and sophisticated techniques of
production.

d. **Labour Conditions:** The quality rather than quantity of labour is another factor which
influences the emergence and growth of entrepreneurship. The availability of cheap
labour positively affects entrepreneurship. Labour problem can be solved not by capital
intensive technologies but by increasing their mobility, by offering them facilities,
incentives and concessions in every remote corner of the country.

e. **Market:** The size and composition of market influence entrepreneurship in their own
ways. Practically, monopoly in a particular product in a market becomes more influential
for entrepreneurship than a competitive market.
f. **Support System:** Ability, initiative and support systems include financial and commercial institutions, research, training, consultancy services, ancillary industry and so on.

g. **Government Policy:** The socio-political and economic policies of the government inhibit or foster entrepreneurial growth. Land and factory sheds at concessional rates, adequate sources of power, supply of materials and other physical facilities should be provided by the government to facilitate the setting up of new enterprises. The government has a dominant role to play in the industrial development of backward regions with a view to attain a balanced regional development.

5. **Personality Factors**

The supply of entrepreneurship in a society is largely influenced by the presence of individuals with the imitativeness, foresightedness and organizing and managerial competence. The following personality factors contribute to the entrepreneurial development

a. **Personality:** The entrepreneurial personality comprises of the person, his skills, styles and motives. Impressive personality and individual skill help to develop entrepreneurship. These qualities are required for entrepreneurs because they have to work with officers, managers, engineers, labourers, customers, investors, government officers, ministers and so on.

b. **Independence:** Another personality factors which influences entrepreneurship is independence. An entrepreneur works out plans on his own, searches and explores resources and experiences and uses his inner urge to make the enterprise a success instead of waiting for suggestions or directions from others.
c. **Compulsion:** Certain compelling reasons also force the people to become entrepreneurs.

They include unemployment or dissatisfaction with existing job or occupation, use of technical or professional knowledge and skills and use the idle funds. A large number of technically qualified people after gaining initial experience and confidence and not being satisfied by their growth in the profession have a compulsive reason to try entrepreneurship.

**3.2.5 ROLE OF ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT**

Economic development essentially means a process of upward change whereby the real per capita income of a country increases for a long period of time. The economic history of the presently developed countries, such as USA and Japan tends to support the facts that the economy is an effect for which the entrepreneurship is the cause. The crucial role played by the entrepreneurs in the western countries has made the people of underdeveloped countries conscious of the significance of entrepreneurship in economic development. After the Independence, India has realized that, for achieving the goal of economic development, it is necessary to increase the entrepreneurship both qualitatively and quantitatively in the country. The important roles that an entrepreneurship plays in the economic development are as follows:

1. Entrepreneurship promotes capital formation by mobilizing the idle saving of the public.
2. It provides immediate large-scale employment. Thus it helps to reduce unemployment in the country.
3. It provides balanced regional development.
4. It helps to reduce the concentration of economic power.
3.3 CONCEPT CLARIFICATION OF TOURISM

People like to travel and are constantly looking for places to get new experience and learn and also for recreation and leisure. Tourism is a major source of revenue for many countries which therefore focus their resources to make their tourism popular in the world. Kenya, Dubai and Austria are some shining countries that depend on tourism for their main source of income. It provides seven percent of the world’s total jobs directly and millions more indirectly. Tourism sector jobs require only basic and highly transferable skills. In this way, tourism industry helps variety of job opportunities (hospitality, food and beverages, tour operators or travel agencies) in creating decent employment. Tourism has become an instrument for sustainable human development including poverty elimination, environmental regeneration and job creation. Moreover tourism is the third largest foreign exchange earner after gems and jewellery and readymade garments. Hence, in this section, the researcher has made an attempt to portray an outline of tourism industry.

3.3.1 TOURISM

Tourism has different meanings in different languages and in different regions and can be defined in different ways. The present day tourism is not the same as travels of the early periods of human history. In the language of Jewish, the word ‘Torah’ mean study or search and ‘tour’ seems to have been derived from it. In Latin the original word ‘Tornos’ stands close to it. ‘Tomos’ is a kind of round wheel-like tool hinting at the idea of a travel circuit or a package tour. In India, tourism in Sanskrit literature, has given us three terms for tourism derived from the root word ‘Atana’ which means going out and according we have the terms
Tirthayana - It means going out and visiting places of religious merit.

Paryatana - It means going out for pleasure and knowledge.

Deshatana - It means going out of the country primarily for economic gains.

In simple terms Tourism is the act of travel for the purposes of leisure, pleasure or business and the provision of services for this act. The ‘tourism’ can be analysed by considering some of the published descriptions and definitions which are as follows

**Institute of Tourism in Britain** (now the Tourism Society) attempts to clarify the term tourism. “Tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work, and activities during their stay at these destinations; it includes movement for all purposes, as well as day visits or excursions.” ⁹

The International Conference on Leisure, Recreation and Tourism, held by the **International Association of Scientific Experts in Tourism (AIEST)** concludes that “Tourism may be defined in terms of particular activities selected by choice and undertaken outside the home environment. Tourism may or may not involve overnight stays away from home”. ¹⁰

**World Tourism Organization** defines tourism as “the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to exercise of an activity remunerated from within the place visited.”
Hence, tourism is a composite of activities, services, and industries that deliver a travel experience like as transportation, accommodations, eating and drinking establishments, shops, entertainment, activity facilities, and other hospitality services available for individuals or groups that are traveling away from home. It encompasses all providers of visitor and visitor-related services.

3.3.2 CHARACTERISTICS OF TOURISM

The following are the main characteristics of tourism

1. Tourism arises from the movement of people to and their stay in various destinations

2. There are two elements in all tourism, the journey to the destination and the stay including activities at the destination.

3. The journey and stay take place outside the usual place of residence and work, so that tourism gives rise to activities which are distinct from those of the resident and the working population of the places, through which the tourists travel and in which they stay.

4. The movement to destination is of temporary, short term character, with the intension of returning to the usual environment within a few days, week or months.

5. Destinations are visited for purposes other than taking up permanent residence or employment remunerated from within the palaces visited.
3.3.3 TOURISM INDUSTRY COMPONENTS

The tourism and hospitality industry consists of a wide variety of activities. The fundamental components of tourism industry are given below

1. **Attractions:** The attraction can be *natural* products such as mountains, seas, sea beaches, rivers, forests, valleys, flora and fauna and wildlife. There can also be *manmade* as monuments, places of worship, parks, statues, entertainment places, sports venues, festivals, shows, museums, shops, malls, food outlets and so on.

2. **Accommodation:** This component provides the tourist home away from home, when they are traveling. These are of wide variety as multinational hotel chains, individual luxury hotels, budget hotels, resorts, condominiums, time share properties, serviced apartments, dharmashalas, guest houses, youth hostels, home stays and so on.

3. **Accessibility:** The marketability of tourism destinations depend on their accountability. This includes the presence of good roadways, airways, railways and waterways that lead to the tourist sites. The existence of ports, airports and railway stations near the destinations facilitate tourism growth. The passage should be safe and should not have natural, political or territorial threats.

4. **Transportation:** Based on the mode of transportation, transport systems are classified under:

   a. Surface transport – cars, buses, maxi cabs, jeeps and luxury coaches are brought under surface transport.

   b. Rail transport – National property in India, consisting of all trains, luxury trains, toy trains and so on are rail transport.
c. Air transport – Domestic as well as international airlines both in private and public sectors are called air transport.

d. Water transport – It refers to ships, cruise liners, boats, catamarans, steamers and so on.

5. **Amenities:** The various amenities that facilitate tourism by offering comfort and convenience to the tourists are basic infrastructure, the civic facilities, good telecommunication, tourist information centers, security measures, availability of trained guides and safe equipments.

### 3.3.4 SIGNIFICANCE OF TOURISM

Tourism is an act of travel for the purpose of not only recreation, but also the provision of services for this act. It might occupy local services such as entertainment, accommodation and catering to tourists. The following are the significant aspects of tourism

1. Tourism is the best source of revitalization
2. It is available for all sections of the people
3. It is the best source of foreign exchange
4. It creates unity through socialization
5. It promotes the culture of a country
6. It improves infrastructure
7. Regions get a face lift
8. Economy of a country improves
9. It helps to settle the balance of payments
10. It creates job opportunities
3.3.5 ROLE OF TOURISM FOR A NATION, STATE OR REGION DEVELOPMENT

Tourism is an important catalyst in the socio-economic development in the modern times, contributing in multiple ways and strengthen the inter-connected processes. It is often portrayed as a panacea for many evils such as underdevelopment, unemployment, poverty eradication, social discrimination and so on.

1. Eradicate Extreme Poverty and Hunger
   a. Tourism stimulates economic growth both at the national and local levels and promotes the growth of the agricultural, industrial and service sectors.
   b. Tourism provides a wide range of employment opportunities easily accessible for the poor. Tourism businesses and tourists purchase goods and services directly from the poor or enterprises employing the poor. This creates opportunities in which the poor can participate.
   c. International and domestic tourism spreads development to poor regions and remote rural areas of a country that may not have benefitted from other types of economic development.
   d. The development of tourism infrastructure can benefit the livelihood of the poor through investments in tourism linked service sectors, including transport and communications, water supply, energy and health services.

2. Achieve Universal Primary Education
   a. The construction of roads and tracks to remote areas for tourists also improves access for school children and for teachers.
b. Tourism can help local resource mobilization part of which can be spent on improvement of education facilities.

3. Promote Gender Equality and Empower Women

The tourism industry employs a high proportion of women and creates microenterprise opportunities for them. It promotes women’s’ mobility and provides opportunities for social networking.

4. Ensure environmental sustainability

a. Tourism can generate financial resources for conservation of the natural environment.
b. Tourism raises awareness on environmental conservation and promotes waste management recycling and biodiversity conservation
c. Uncontrolled tourism may generate negative externalities as a result of pollution, congestion and depletion of natural resources (negative effect)

5. Develop a Global Partnership for Development

a. Tourism contributes to the socio-economic development of least developed countries, landlocked countries and island developing countries through foreign exchange earnings and the creation of job opportunities.
b. It stimulates the development of the transport infrastructure, which facilitates access to and from the least developed countries, landlocked countries and island developing countries.
c. It stimulates internal and external trade and strengthens supply chains.
d. It promotes the integration of isolated economies with regional and global flows of trade and investment.

e. It reduces the burden on government budgets through implementation of public-private initiatives.

f. It creates decent and productive work for youth.

g. It provides opportunities for bilateral, multilateral and sub-regional cooperation among Countries.

h. Information technologies play an important role in integrating tourism enterprises into global tourism markets.

3.3.6 TOURISM INDUSTRY IN INDIA

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

India has been a late starter of tourism and understandably after independence in 1947, the attention of the government and people were focused on key areas like agriculture, irrigation, industry power and the infrastructure and so called “luxury” activities like tourism were left to
their own devices. Tourism thus was forced to grow on its own and from 15000 tourists arrivals in 1950, it has reached a figure of 7.68 million arrivals in the year 2014\textsuperscript{11}.

Though tourism has emerged as one of the world’s largest industries and is one of fastest growing sectors of the world economy, tourism receipts account for a little over eight per cent of world export of goods and more than 34 per cent of the world export of services. However in India this sector has failed to receive due importance on the country’s development agenda employing only 2.4 per cent of the Indian workforce and the vast potential of tourism as an instrument of employment generation and poverty alleviation has tended to remain largely unutilized\textsuperscript{12}.

As far as Indian tourism is concerned, India has vast tourist attractions being rich in its history, culture, art, music, dance, beaches, snow peaks and sand dunes, wildlife and fairs and festivals. Still the share of Indian tourism in world tourism is only 0.41per cent of the total tourist’s movements over the world. The tourism industry in India is fast growing in terms of employment generation, revenue generation and for its immense national and regional development. This industry is considered one of the ancient industries of the world. Primarily, tourism and travel was confined only to Rulers or Kings of the nations and some enterprising men travelled in search of God or for pilgrimage purposes\textsuperscript{13}.

The concept of modern tourism is relatively new in its approach. With the growth of science and technology revolutionary changes have been taken place in the field of transportation and communication has contributed massively to the development of tourist trade all over the world. Modern tourism is based upon a desire to go around to places of interest – religious, spiritual, natural monuments, ancient cities, historical sites and places of pilgrimage, beautiful
places and all the places of curiosity. Therefore tourism is a triadic composition of social, natural and the cultural phenomenon, which is emerging as the world’s largest employment generating industry.

The development of tourism in India was taken up in a planned manner in the year 1956 coinciding with the Second Five Year Plan. The approach has evolved from isolated planning of single unit facilities in the Second and Third Five Year Plans. The Sixth Plan marked the beginning of a new era when tourism was considered a major instrument for social integration and economic development. However in India, the year 1966, saw the formation of India Tourism Development Corporation to work out commercial activities and it looked after hotels, motels, transport and entertainment activities by which domestic tourism also started growing. By the end of 1970’s and from the Five Year Plan (1971-76), tourism scene in India saw a sea change.

Many new dimensions were added and tourism was also being given due recognition in the State Tourism Plans and State Governments also started to form Tourism corporations and allocated more fund to tourism sector. New dimension to Indian Tourism was seen along with beach leisure tourism in the areas of adventure tourism with construction of forest lodges at Bharatpur, Kaziranga, Sasangir, Bandipur, Dandeli and Corbett. Later three more were added, one each at Simlipal in Orissa, Palamau in Bihar, and Nagrahole in Kerala (Jawahar National Park). Many forest regions with lake frontage were given fiber boats and mini bus with focus lights or trained elephants for wild life viewing. Special thrust was also given to boost youth tourism with construction of 14 youth hostels and tourist bungalows / tourist rest houses.
But it was only after the 1980’s that tourism activity gained momentum. The Government took several significant steps. A national policy on tourism was announced in 1982. Later in the year 1988, the national committee on tourism formulated a comprehensive plan for achieving a sustainable growth in tourism. In the year 1992, a national action plan was prepared and in 1996 the national strategy for promotion of tourism was drafted. The new tourism policy in was 2002 formulated which recognizes the roles of central and state governments, public sector undertakings and the private sector in the development of tourism where the need for involvement of panchayati raj institutions, local bodies, non-governmental organizations and the local youth in the creation of tourism facilities has also been recognized.

Tourism in India has come into its own brand “India Tourism”. There have been several innovative approaches in the Ministry’s policy in 2009-10. The creation of niche tourism products like heliport tourism, medical tourism, wellness tourism, adventure tourism, cruise tourism and caravan tourism has served to widen the net of this sector. Tourism industry in India is on a great boom at the moment. India has tremendous potential to become a major global tourist destination and Indian tourism industry is exploiting this potential. The travel and tourism industry is the second highest foreign exchange earner for India and the government has also given a status of travel and tourism organizations export house.

India is a country known for its lavish cordial and hospitable treatment to all visitors, no matter where they come from. Its visitor-friendly traditions, varied life styles and cultural heritage and colourful fairs and festivals held surviving attractions for the tourists. The other attractions include beautiful beaches, forests and landscapes for eco-tourism, snow, river and mountain peaks for adventure tourism, technological parks and science museums for science tourism; centers of pilgrimage for spiritual tourism; heritage trains and hotels for heritage
tourism. The Indian handicrafts particularly, jewellery, carpets, leather goods and brass work are the main shopping items of foreign tourists\textsuperscript{16}.

To sum up, Indian tourism has a vast potential for generating employment and earning large sums of foreign exchange besides giving a fillip to the country’s overall economic and social development. Much has been achieved by way of increasing air seat capacity, increasing trains and railway connectivity to important tourist destinations, four-lining of roads, connecting important tourist centers and increasing availability of accommodation by adding heritage hotels to the hotel industry and encouraging paying guest accommodation. Since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organizations become active partners in the endeavor to attain sustainable growth in tourism if India is to become a world player in the tourist industry.

3.3.7 DEVELOPMENT OF TOURISM IN INDIA

The systematic development of tourism in India is linked with the Industrial revolution and the change in the mode of travels with the introduction of rail travels, aviation and automobile revolution. The air travel supplemented by railways brought a sea-change in the global movement and India also became a tourism partner. However, in the 19th century, India has not yet become a prime destination for the overseas travellers. It had mainly a domestic tourism with focus on pilgrimage tourism. It was on the principle of Chardham initiated by Sankaracharya at four corners of India that our main tourism started. Even after independence, it did not reach the momentum and it always remained at a low priority sector.
The concept of development was very basic and provision of facilities for tourists was available only at selected tourist centers. As cultural tourism was the main thrust, most of the developmental activities were carried on at the archaeological sites such as Taj Mahal in Agra, Buddhist sites, (Ajanta-Ellora) or the main tourist itinerary the golden triangle – Delhi – Agra – Jaipur or at the four entry points like Mumbai, Delhi, Kolkata and Chennai. Tourism development in India has passed through many phases. At the government level the development of tourist facilities was taken up in a planned manner in 1956 coinciding with the Second Five Year Plan. The approach has evolved from isolated planning of single unit facilities in the Second and Third Five Year Plans. The Sixth Plan marked the beginning of a new era when tourism began to be considered a major instrument for social integration and economic development. But the actual role of tourism came into existence after 1980’s when the government of India framed various tourism policies and action plans for the development of tourism in India and the government took measures to increase the role of Central and State governments, public and private sector undertakings and non-governmental organizations for the development of tourism.

The other major development that took place in tourism industry was the setting up of the India Tourism Development Corporation in the year 1966 to promote India as a tourist destination, and the incorporation of the Tourism Finance Corporation in the year 1989 helped to finance tourism projects. Altogether, 21 Hotel Management and Catering Technology Institutes and 14 Food Craft Institutes were also established by Government for imparting special training in hoteliering and catering.\(^{17}\)
Over the decades, tourism has experienced continued growth and deepening diversification to become one of the fastest growing economic sectors in India. Tourism has become one of the major sectors of the economy, contributing a large proportion of the national income and generating huge employment opportunities. It has become the fastest growing service industry in the country with great potentials for its further expansion and diversification.

In the recent years tourism in India has shot up at lightening speed. India has succeeded in becoming the most preferred place among domestic and overseas travellers. India witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India has generated about US$100 billion in 2008 and that is expected to increase to US$275.5 billion by 2018 at a 9.4 per cent annual growth rate. According to World Travel and Tourism Council, India will be a tourism hotspot from 2009-2018, having the highest 10 year growth potential. As per the Travel and Tourism Competitiveness Report 2009 prepared by the World Economic Forum, India is ranked 11th in the Asia Pacific region and 62nd in overall, moving up three places on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural resources and 24th for its cultural resources, with many World Heritage Sites, both natural and cultural, rich fauna and strong creative industries in the country. India also bagged 37th rank for its air transport network. The India travel and tourism industry ranked 5th in the long term (10-year) growth and is expected to become the second largest employer in the world by 2019\(^8\).

The report of "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 make India a potential tourism destination. 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. This report reveals that Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Karnataka and Rajasthan are the leading tourism destinations in India in terms of total tourist arrivals and 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 Compound Annual Growth Rate (CAGR) of 60.69 per cent. Though India has much more to offer in terms of tourist attractions, there are major constraints on the growth of tourism, particularly the international tourist traffic. The greatest constraint is inadequate infrastructure which includes lack of sufficient airport facilities at domestic and International level, lack of accommodation, shopping and recreational capacities, poor transport system and other support facilities.

The second serious problem in Indian tourism is the scarcity and high cost of hotel accommodation. Lack of priced hotel accommodation in the tourist season is being cited as one of the reasons for not choosing India as a place for holiday. Another major hurdle in growth of tourism in India is the difficulty in obtaining visas for India. Visa restrictions need to be liberalized, to ensure larger flow of tourists to the country. An added negative factor is the image of India as a country overrun by poverty, disease and political instability. Similarly lack of promotional expenditure by India compared to other countries also affects the growth of tourism in India. However, the Government of India has set up a group of Ministers under the Ministry of Tourism to coordinate activities of various government departments and agencies. A committee under the Cabinet Secretary assists in formulation and implementation of various programs relating to tourism activities with other state governments.
In order to speed up the development of tourism in the country several thrust areas have been identified for accomplishment during the Ninth Five Year Plan (1997-2002). The important aspects are development of infrastructure products such as trekking, winter sports, wildlife and beach resorts and streamlining of facilitation procedures at airports, ensuring human resource development and facilitating private sector participation in the growth of infrastructure.

During the Golden Jubilee celebrations of India as a Republic, the Ministry of Tourism made special efforts to publicize the tourism potential of India. The first-ever Indian Tourism Day was celebrated on January 25, 1998. Some of the recent initiatives taken by the Government to boost tourism include grant of export house status to the tourism sector and incentives for promoting private investment in the form of Income Tax exemptions, interest subsidy and reduced import duty. The hotel and tourism-related industry has been declared as a high priority industry for foreign investment which entails automatic approval of direct investment upto 51 per cent of foreign equity and allowing 100 per cent non-resident Indian investment by simplifying rules regarding the grant of approval to travel agents, tour operators and tourist transport operators. At present the Ministry of Tourism handles major tourist activities in India and it immensely activates all possible steps to increase tourism in the country and enhance employment to earn more foreign exchange. Thus tourism development in India is quite significant but still it requires adoption of modern concept and techniques to become the first preference for domestic and international tourists to spend their valuable time and money and take advantage of various tourist destinations in India.
3.3.8 ROLE OF GOVERNMENT OF INDIA IN TOURISM DEVELOPMENT

Ministry of Tourism of the Government of India as the nodal agency formulations national policies and programmes for the development and promotion of tourism sector in the country. In performing this role the ministry coordinates the activities of various other central government ministries, state government, union territories and the private sector representatives. The union minister for tourism and culture, Government of India heads the ministry. The Secretary of tourism is also the ex officio; Director General of Tourism provides the executive direction to the ministry. The Directorate General of Tourism is an attached office of the ministry which has 20 field offices within the country and 14 overseas offices. The overseas offices promote the market for Indian Tourism abroad. The domestic field offices are sources of tourist information. They are also responsible for monitoring the progress of implementation of field projects in their respective jurisdictions. The important roles are

1. All policy matters including
   a. Development Policies
   b. Incentives
   c. External Assistance
   d. Manpower Development
   e. Promotion and Marketing
   f. Investment Facilitation
   g. Growth Strategies
2. Planning

3. Co-ordination with other Ministries, Department, State/Union territory Government.

4. Regulations
   a. Standard
   b. Guidelines

5. Infrastructure and Product Development
   a. Central Assistance
   b. Distribution of Tourism Products

6. Research Analysis, Monitoring and Evaluation

7. International Co-operation and External Assistance
   a. International Bodies
   b. Bilateral Agreements
   c. External Assistance
   d. Foreign Technical Collaboration
   e. Legislation and Parliamentary work

8. Plan Co-ordination and Monitoring

9. Integrated Finance Division

10. Overseas Marketing Work

3.3.9 ORGANIZATIONS INVOLVED IN TOURISM

The organizations involved in the development of tourism in India are the Ministry of Tourism with its 21 field offices within the country and 18 in abroad. The other organizations related to tourism in India are as follows

1. Department of Tourism
2. India Tourism Development Corporation Limited
3. Indian Institute of Tourism and Travel Management
5. Tourism Finance Corporation of India Ltd
7. Indian Institute of Skiing and Mountaineering

1. Department of Tourism

The Department of Tourism is responsible for formulation and implementation of policies and programmes for the development of tourism within the country and for attracting foreign tourists to India by way of developing tourism infrastructure, publicity and promotion, dissemination of information, coordination and supervision of various activities of industry such as hotels, travel agencies and tour operators. It has four regional offices at Delhi, Mumbai, Kolkata and Chennai and a sub-regional office at Guhawati. The regional offices of department of tourism supervise the working of other tourist offices situated at different places throughout the country and abroad. The overseas offices are in constant contact with tourists, travel intermediaries and media to promote tourism in India. The field offices in India provide facilitation services to tourists and co-ordinate with the state governments on tourism infrastructural development. The main objectives of the overseas tourist offices are to position
India in the tourism generating markets as a preferred tourism destination, to promote various 
Indian tourism products as well as to face competition from various destinations and to increase 
India's share in the global tourism market. These objectives are met through an integrated 
marketing strategy and synergized promotional activities undertaken in association with the 
Travel Trade and State Governments.

It has been the endeavor of the Ministry of Tourism to put in place a system of training 
and professional education with necessary infrastructural support capable of generating 
manpower sufficient to meet the needs of the tourism and hospitality industry, both 
quantitatively and qualitatively.

2. **Indian Tourism Development Corporation (ITDC)**

ITDC is an apex body in India for development of tourism and various activities related 
to it. ITDC came into existence since October 1966 and has been the prime mover in the 
progressive development, promotion and expansion of tourism in the country. The India Tourism 
Development Corporation (ITDC), a public sector body, undertakes

a. Construction, management and marketing of hotels, restaurants and travellers lodges,
b. Provision of tourist transport facilities,
c. Production, distribution and sale of tourist publicity materials,
d. Provision of entertainment facilities such as light and sound shows and music concerts,
e. Provision of shopping facilities including duty free shops and
f. Provision of consultancy – cum – managerial services in India and abroad.
The Corporation runs hotels and restaurants at various places for tourists, besides providing transport facilities. In addition, the Corporation is engaged in production, distribution and sale of tourist publicity literature and providing entertainment and duty free shopping facilities to the tourists. The Corporation has diversified into new avenues and innovative services like Full-Fledged Money Changer (FFMC) services, engineering related consultancy services and so on.

The Ashok International Trade Division of ITDC offers world class duty free shopping facilities to international travellers at its 38 outlets, earning crucial foreign exchange for the country and showcasing Indian products to the world. The Ashok Institute of Hospitality and Tourism Management (AIH and TM) of ITDC has been associated with the pioneering efforts in human resource development for more than three decades. This institute has been awarded by the ISO-9001-2000 Certification and the institute conducts 18 months Craft/Certificate courses in the field of Culinary Skill Development, besides providing training to management trainees/apprentices and organizing Executive Development programmes for the officials of ITDC.

3. **Indian Institute of Tourism and Travel Management (IITTM)**

Indian Institute of Tourism and Travel Management (IITTM) is an autonomous organization of the Ministry of Tourism, Government of India. It is one of the premier institutes in the country offering education, training, research and consultancy in sustainable management of tourism, travel and other allied sectors. It was set up in January 1983 with its registered office at New Delhi. It offers different level academic courses in tourism and travel management and
related areas. Indian Institute of Tourism and Travel Management (IITTM) is a registered society for teaching and research in travel and tourism management. Its mandate includes:

a. Development of human resources for the travel and tourism industry,

b. Infuse greater professionalism in tourism services and

c. Deal with future challenges.

Indian Institute of Tourism and Travel Management is an autonomous body set up to provide education in tourism and travel management to meet the demands for professionally trained personnel in the tourism industry. The Institute organizes executive development programmes, seminars and workshops relating to these subjects. The Institute has assisted several universities in organizing courses at the postgraduate level. In order to meet the growing demand for the labour force of the tourism industries, 19 institutes of the hotel management and catering technology and 14 food crafts institutes have been set up in the country. The IITTM came into being on 18th January 1983 with its registration at New Delhi. The IITTM has its headquarters at Gwalior (set up in 1992) with centers at Bhubaneswar (set up in 1996) and Noida. The Noida centre is functioning from Pusa (January, 2007) pending the setting up of its campus. In the year 2004, the National Institute of Water Sports (NIWS), Goa was also incorporated in the IITTM. It has been decided to set up another centre of the IITTM at Nellore in Andhra Pradesh. The management of the IITTM vests in its Board of Governors having the Union Minister for Tourism as Chairperson.
IITTM is committed to develop quality of human resources for tourism and allied services. It is devoted to the pursuit of higher knowledge in tourism and its dissemination to a diverse audience. The efforts of the Institute have been instrumental in evolving the fundamental framework for tourism education and training in the country as it exists today. Over the years, the institute has established a distinguished identity of its own and reached a commanding position among sectoral B-Schools in the country. The institute develops various programmes like introduction of tourism marketing, language courses and wildlife tourism management, a basic course on tour operation services management and many more in different regions of the nation like Madhya Pradesh, Goa, Himachal Pradesh, Ladakh, Delhi and many more regions in India. The courses currently offered by IITTM and its chapters include, part-time management development programmes, diplomas in the travel and tourism industry, in-service training to government officials and industry personnel, language training in French, German, Japanese, Spanish and so on and training to gross-roots workers.

4. National Council for Hotel Management and Catering Technology (NCHMCT)

Some of the services required in the tourism and hotel industries are highly personalized and no amount of automation can substitute for personal service providers. Human resource development in the tourism industry normally includes manpower training in two main areas:

a. The hospitality and catering sector and

b. The travel trade and tourism sector.

The hotel and catering sector is highly personalized. The central and state government has collaborated to provide resources in order to train people in hospitality sector as part of overall development efforts. For steering and regulating the academic efforts of the IHMs and
FCIs, the Ministry had set up, in 1982, the National Council for Hotel Management and Catering Technology (NCHMCT). It is an autonomous body under the Ministry of Tourism, Government of India. Its head office is in New Delhi. The council centrally regulates academics for hospitality and hotel administration and other eleven structured courses of studies that are imparted at the existing 29 Institutes of Hotel. It ensures uniformity in academic standards and procedure for selection and admission of candidates for various courses conducted by these institutes. The Main objectives for setting up the Council at the apex level are:

i. To advise the Government on coordinated development of hotel management and catering education.

ii. To collect and implement international development in the area of human resource development for the hospitality sector.

iii. To affiliate institutes and prescribe courses of study and instructions leading to examinations conducted by it.

iv. To standardize courses and infrastructure requirements for institutes imparting education and training in hospitality management.

v. To prescribe educational and other qualifications for the members of staff in the affiliated institutes to organize faculty development programs.

vi. To award Certificates and Diplomas in Hospitality and Hotel Administration.

There are 20 institutes of hotel management throughout the country which are sponsored by the government and directly affiliated to National Council for Hotel Management and Catering Technology (NCHMCT). These institutes are located at Ahmadabad, Bangalore, Lucknow, Mumbai, Hyderabad and many other cities in India. In addition to these 20 institutes, there are also 15 Food Crafts Institutes around the country. The food craft institutes are located at
Ajmer, Faridabad, New Delhi, Patna, Pune and other cities in India. All of the institutes in hotel management and food crafts are managed by autonomous societies registered under the Societies Registration Act, 1860 and have a Board of Governors consisting representative from the central and state governments. As a result of vast expansion and modernization of the country’s hospitality industry, hotel management and catering education programmes gained tremendous popularity and the profile of students seeking admission to these courses also underwent a transformation. As a result, courses offered by the National Council are of international standard and are recognized by the hospitality industry.

5. Tourism Finance Corporation of India Ltd (TFCI)

This Corporation sponsored by the Industrial Finance Corporation of India, was set up in April 1988 with initial seed capital of Rs. 50 Crores to provide institutional assistance to tourism projects other than those in the accommodation sector. It started its operations from 1st February, 1989. TFCI provides financial assistance to enterprises for setting up and/or development of tourism related projects, facilities and services, such as hotels, restaurants, holiday resorts, amusement parks, multiplexes and entertainment centers, safari parks, rope-ways, cultural centers, convention halls, transport and air service.

Since its inception, TFCI offers high-quality research and consultancy services to the tourism industry in general and to the investors in tourism industry in particular. In line with this, TFCI also provides consultancy services to different central and state agencies by undertaking broad-based assignments to cover micro and macro level tourism-related studies/exercises to facilitate identification, conceptualization, promotion and implementation of specific tourism-related projects and for taking policy level decisions with respect to investment and
infrastructure. During the Ninth Five Year Plan, two new institutes have been proposed related to tourism activities, one in North-Eastern India and one in the southern region. Both are being cleared by the planning commission and the ministry of finance.

6. **National Institute of Water Sport (NIWS)**

In 1990, the Department of Tourism set up a National Institute of Water Sports (NIWS) at Goa to promote water sports throughout the country. An expert from the India Navy has been appointed to head NIWS. The institute provides training in sailing, wind surfing, water skiing, rescue trainings, outboard motor maintenance and water sport management. The administrative control of the NIWS has been transferred to IITTM in order to supervise more closely the training programmes.

The NIWS is primarily a training Institute and it conducts short term training programmes especially water sports. First the NIWS manage its work by staff on contract basis. However, realising the importance of this Institute and its mandate, it was felt that it must have a regular establishment of its own. Accordingly, its work measurement was entrusted to the Staff Inspection Unit (SIU) of the Ministry of Finance. Based on the report of the SIU, the Ministry has sanctioned 15 posts (including 8 posts to be outsourced) both for short duration training course and one year regular PG Diploma courses in adventure and water sports management.

Thus NIWS has trained 831 water sports professional from 20 states. In 1997 the courses included outboard motor maintenance, power boat handling, life saving techniques, water sport orientation courses, water sport centre management and the like. NIWS also conducted training programmes at locations outside Goa such as Darjeeling, Pune, Sikkim Bhopal and so on. The Ministry of Tourism has formulated safety and security guidelines for various water sport
activities and standardized water sports equipment, maintenance and operation, all of which are included in NIWS training.

7. **Indian Institute of Skiing and Mountaineering (IISM)**

India Institute of Skiing and Mountaineering (IISM) and Gulmarg Winter Sports Project were set up in 1968 as pioneering institutes of the Department of Tourism for developing adventure sports activities like mountaineering, skiing and trekking. The IISM was started with help of 24 officers of the defence forces. Later on regular instructors and staff were appointed from the trainees. Till 1991 there were about 60 employees at IISM. In addition to the above mentioned organizations at the Central level, the State governments and Union territories have their own Departments of Tourism, Tourism Development Corporations and other Institutions and organizations formed for the purpose of helping the development of tourism industry in their areas.

Besides these institutional supports, a large number of other agencies, such as the Department of Archaeology, International Airport Authority of India, Indian Airlines, Indian Railways, Customs Department, Forest Departments, Handloom and Handicrafts Boards and Corporations and individual travel agents, hotels and tour operators are also engaged in the promotion of tourism in India. Many universities also offer various courses related to travel and tourism activities. 13 universities and 45 colleges which have started tourism courses at the postgraduate level.
3.3.10 TOURISM GROWTH IN INDIA: FACTS AND FIGURES

International tourist arrivals have grown steadily from 25 million in 1950 to over 1.1 billion in 2014. At present, one in every 11 people worldwide are employed by the tourism sector, with the industry generating US$ 7.6 trillion or 10 per cent of the global GDP in 2014 (Source: www.scientificpapers.org). The growth of the tourism sector will have a direct and tangible impact on the Indian economy in terms of spreading benefits across the country including remote areas and providing employment and entrepreneurial opportunities to youth, women, marginalized sections of the society and those in the informal sector.

3.3.10.1 GROWTH OF DOMESTIC TOURISM

The growth of Indian tourism industry is determined by several factors. To start with, India is one of the greatest civilizations in the world. It is a rich tapestry of varied products and with its innate strengths of culture, heritage, nature, beaches, mountains, wild life, wellness, cuisine and other unique assets spread across different landscapes, communities and climatic zones. The tremendous growth of Indian economy has resulted in more disposable income in the hands of middle class, thereby promoting increasingly a large number of people to spend money on vacations abroad or at home. The aggressive advertising campaign “Incredible India” by Tourism Ministry has played a significant role in increasing of tourism in India.
### TABLE 3.1

**NUMBER OF DOMESTIC TOURISTS VISITS TO ALL STATES/UTS IN INDIA**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Domestic Tourists Visits (in Millions)</th>
<th>Percentage (%) Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>168.20</td>
<td>-</td>
</tr>
<tr>
<td>1999</td>
<td>190.67</td>
<td>13.4</td>
</tr>
<tr>
<td>2000</td>
<td>220.11</td>
<td>15.4</td>
</tr>
<tr>
<td>2001</td>
<td>236.47</td>
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</tr>
<tr>
<td>2002</td>
<td>269.60</td>
<td>14.0</td>
</tr>
<tr>
<td>2003</td>
<td>309.04</td>
<td>14.6</td>
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<tr>
<td>2004</td>
<td>366.27</td>
<td>18.5</td>
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<tr>
<td>2005</td>
<td>392.01</td>
<td>7.0</td>
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<tr>
<td>2006</td>
<td>462.32</td>
<td>17.9</td>
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<tr>
<td>2007</td>
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<tr>
<td>2008</td>
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<tr>
<td>2011</td>
<td>864.53</td>
<td>15.6</td>
</tr>
<tr>
<td>2012</td>
<td>1045.05</td>
<td>20.9</td>
</tr>
<tr>
<td>2013</td>
<td>1145.2</td>
<td>9.6</td>
</tr>
<tr>
<td>2014</td>
<td>1281.95</td>
<td>11.9</td>
</tr>
</tbody>
</table>

Source: State/Union Territory Tourism Departments

Table 3.1 shows Domestic Tourists’ Visit to all States and UTs in India during the period 1998 and 2014. The lowest growth rate of 6.9 per cent was noticed in 2008 and the highest 20.9 per cent in 2012. The domestic tourists mostly visit other states to know about different cultures, tradition, eco and spiritual importance. Most of the states visited by domestic tourists are Tamilnadu, Uttar Pradesh, Karnataka, Maharashtra and Andhra Pradesh, where they are very
much attracted by their rich heritage culture, tradition, temples, natural beauty of beaches, wildlife sanctuary parks and so on.

3.3.10.2 GROWTH OF FOREIGN TOURIST ARRIVALS IN INDIA

India is a country known for its hospitable and generous treatment to all visitors. Its visitor-friendly traditions, varied life styles and cultural heritage and colourful fairs and festivals attract foreign tourists. The other attractions include beautiful beaches, forests and wild life and landscapes for eco-tourism, snow, river and mountain peaks for adventure tourism, technological parks and science museums for science tourism, pilgrimage for spiritual tourism, heritage trains and hotels for heritage tourism. Yoga, ayurveda and natural health resorts also attract foreign tourists. The Indian handicrafts particularly jewellery, carpets, leather goods, ivory and brass work are the main shopping items of foreign tourists.
### TABLE 3.2

**NUMBER OF FOREIGN TOURISTS VISIT TO ALL STATES/UTS IN INDIA**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Foreign Tourists Visits to States / UTs (in Millions)</th>
<th>Percentage Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>2.36</td>
<td>-</td>
</tr>
<tr>
<td>1999</td>
<td>2.48</td>
<td>5.2</td>
</tr>
<tr>
<td>2000</td>
<td>2.65</td>
<td>6.7</td>
</tr>
<tr>
<td>2001</td>
<td>2.54</td>
<td>-4.2</td>
</tr>
<tr>
<td>2002</td>
<td>2.38</td>
<td>-6.0</td>
</tr>
<tr>
<td>2003</td>
<td>2.73</td>
<td>14.3</td>
</tr>
<tr>
<td>2004</td>
<td>3.46</td>
<td>26.8</td>
</tr>
<tr>
<td>2005</td>
<td>3.92</td>
<td>13.3</td>
</tr>
<tr>
<td>2006</td>
<td>4.45</td>
<td>13.5</td>
</tr>
<tr>
<td>2007</td>
<td>5.08</td>
<td>14.3</td>
</tr>
<tr>
<td>2008</td>
<td>5.28</td>
<td>4.0</td>
</tr>
<tr>
<td>2009</td>
<td>5.17</td>
<td>-2.2</td>
</tr>
<tr>
<td>2010</td>
<td>5.78</td>
<td>11.8</td>
</tr>
<tr>
<td>2011</td>
<td>6.31</td>
<td>9.2</td>
</tr>
<tr>
<td>2012</td>
<td>6.58</td>
<td>4.3</td>
</tr>
<tr>
<td>2013</td>
<td>6.97</td>
<td>5.9</td>
</tr>
<tr>
<td>2014</td>
<td>7.68</td>
<td>10.2</td>
</tr>
<tr>
<td>Jan-June 2015(P)</td>
<td>5.13</td>
<td>3.7@</td>
</tr>
</tbody>
</table>

P) Provisional, @Growth rate over Jan-June, 2014.

Source: (i) Bureau of Immigration, Govt. of India, for 1998-2014 (ii) Ministry of Tourism, Govt. of India, for Jan-June, 2015.
Table 3.2 represents Foreign Tourists’ Visit to All states and UTs in India during the period 1998 and 2015. The trends of foreign tourists visits’ increase during that period was registered as 2.36 million in 1998 and 7.68 million in 2014. The foreign tourists mostly are attracted by topography, region, culture, tradition, adventure and spiritual importance of the state. The most visited states by the foreign tourists are Tamilnadu, Uttar Pradesh and Karnataka, where tourists are much attracted by its rich culture, tradition, shopping products, adventure places, natural beauty of beaches, fairs and festivals and wildlife sanctuary parks.

3.3.10.3 FOREIGN EXCHANGE EARNINGS FROM TOURISM

Tourism is an important sector of the economy and contributes significantly to the country’s GDP as well as Foreign Exchange Earnings (FEE). Indian tourism boosts to the country’s overall economic, social development and poverty alleviation. Moreover tourism is the third largest foreign exchange earner from gems and jewellery and readymade garments.
### TABLE 3.3

FOREIGN EXCHANGE EARNINGS (FEE) FROM TOURISM IN INDIA

<table>
<thead>
<tr>
<th>Year</th>
<th>FEE from Tourism in India (Rs. In Crore)</th>
<th>Percentage (%Change Over the Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>12150</td>
<td>-</td>
</tr>
<tr>
<td>1999</td>
<td>12951</td>
<td>6.6</td>
</tr>
<tr>
<td>2000</td>
<td>15626</td>
<td>20.7</td>
</tr>
<tr>
<td>2001</td>
<td>15083</td>
<td>-3.5</td>
</tr>
<tr>
<td>2002</td>
<td>15064</td>
<td>-0.1</td>
</tr>
<tr>
<td>2003</td>
<td>20729</td>
<td>37.6</td>
</tr>
<tr>
<td>2004</td>
<td>27944</td>
<td>34.8</td>
</tr>
<tr>
<td>2005</td>
<td>33123</td>
<td>18.5</td>
</tr>
<tr>
<td>2006</td>
<td>39025</td>
<td>17.8</td>
</tr>
<tr>
<td>2007</td>
<td>44360</td>
<td>13.7</td>
</tr>
<tr>
<td>2008</td>
<td>51294</td>
<td>15.6</td>
</tr>
<tr>
<td>2009</td>
<td>53700</td>
<td>4.7</td>
</tr>
<tr>
<td>2010</td>
<td>64889</td>
<td>20.8</td>
</tr>
<tr>
<td>2011</td>
<td>77591</td>
<td>19.6</td>
</tr>
<tr>
<td>2012</td>
<td>94487</td>
<td>21.8</td>
</tr>
<tr>
<td>2013#2</td>
<td>107671</td>
<td>14.0</td>
</tr>
<tr>
<td>2014#2</td>
<td>123320</td>
<td>14.5</td>
</tr>
<tr>
<td>2015#1 (Jan to June)</td>
<td>60302</td>
<td>2.0@</td>
</tr>
</tbody>
</table>

#1: Provisional Estimates based on Provisional FTAs @ Growth Rate over Jan-June, 2014

#2: Provisionally Revised based on final FTA received from BOI

Source:
(i) Reserve Bank of India, for 1998 to 2010
(ii) Ministry of Tourism, Govt.of India, for 2011 to 2015
Table 3.3 shows the foreign exchange earnings from tourism in India during the period 1998 to 2014. The lowest growth was 4.7 per cent in 2009 and the highest was 37.6 per cent in 2003. In many years foreign exchange earning was high because of various initiatives taken by Indian government to enhance tourism like introducing many new types of tours such as slum tourism, rural tourism, sports tourism and also at concessional rate tour package by tour operators and hotel industry. As a result of these measures, Indian tourism sector reached a new height. The government measures were in implemented right way that they increased the overall foreign earnings for the nation and improved the balance of payment positions of the country.

3.3.10.4 DETAILS OF DOMESTIC TOURISTS VISIT TO DIFFERENT STATES AND UNION TERRITORIES

India is a magical blend of timeless traditions, colorful festivals and cultural heritage. The festivals like summer festivals, silk festival, sculpture fair, pilgrim festival, dance festival, tea and tourism festival and music festival help tourism to grow trekking, aqua sport, hang-gliding, angling, and water surfing offer opportunities of adventure to the tourists Golf, snooker, and horse racing are some of the leisure lime activities that help develop leisure tourism. In this way, each and every state of India has a unique destination. The rapidly increasing purchasing power of the middle class, better road connectivity and evolving lifestyle are the reasons to increase the domestic tourist traffic of India.
### TABLE 3.4
DETAILS OF TOP 10 STATES/UTS OF INDIA IN DOMESTIC TOURIST VISITS

<table>
<thead>
<tr>
<th>Rank</th>
<th>State/UT</th>
<th>Domestic Tourists Visit in 2014</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Tamil Nadu</td>
<td>327555233</td>
<td>25.6</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Uttar Pradesh</td>
<td>182820108</td>
<td>14.3</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Karnataka</td>
<td>118283220</td>
<td>9.2</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Maharashtra</td>
<td>94127124</td>
<td>7.3</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Andhra Pradesh</td>
<td>93306974</td>
<td>7.3</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Telangana</td>
<td>72399113</td>
<td>5.6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Madhya Pradesh</td>
<td>63614525</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>West Bengal</td>
<td>49029590</td>
<td>3.8</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Jharkhand</td>
<td>33076491</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Rajasthan</td>
<td>33076491</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total of top 10 States</td>
<td>10676395222</td>
<td>83.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>214312733</td>
<td>16.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1281952255</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: State/UT Tourism Departments

The contribution of top 10 states to tourism was about 83.3 per cent in the total number of domestic tourist visits during 2014. The percentage details of top 5 states were Tamil Nadu 25.6 per cent, Uttar Pradesh 14.3 per cent, Andhra Pradesh 7.3, Karnataka 9.2 per cent, Maharashtra 7.3 per cent and the least was Rajasthan 2.6 per cent. Tamil Nadu stood first among top ten states in domestic tourists’ visit in 2014.
3.3.10.5 FOREIGN TOURISTS VISIT TO DIFFERENT STATES AND UNION TERRITORIES

India offers various tourism options for foreign tourist from all over the world with its vastness and diversity. They are adventure and rural tourism, sustainable tourism, eco tourism, cruise tourism, golf tourism, slum tourism and medical tourism to variety of travelers. Foreign direct investment in tourism industry, open skies policy of India, Incredible India campaign and other tourism promotion measures have increased the foreign tourist traffic to India.

TABLE 3.5
DETAILS OF TOP 10 STATES/UTS OF INDIA IN NUMBER OF FOREIGN TOURIST VISITS IN 2014

<table>
<thead>
<tr>
<th>Rank</th>
<th>State/UT</th>
<th>Foreign Tourist Visit in 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
</tr>
<tr>
<td>1</td>
<td>Tamil Nadu</td>
<td>4657630</td>
</tr>
<tr>
<td>2</td>
<td>Uttar Pradesh</td>
<td>4389098</td>
</tr>
<tr>
<td>3</td>
<td>Karnataka</td>
<td>2909735</td>
</tr>
<tr>
<td>4</td>
<td>Maharashtra</td>
<td>2319046</td>
</tr>
<tr>
<td>5</td>
<td>Andhra Pradesh</td>
<td>1525574</td>
</tr>
<tr>
<td>6</td>
<td>Telengana</td>
<td>1375740</td>
</tr>
<tr>
<td>7</td>
<td>Madhya Pradesh</td>
<td>923366</td>
</tr>
<tr>
<td>8</td>
<td>West Bengal</td>
<td>829508</td>
</tr>
<tr>
<td>9</td>
<td>Jharkhand</td>
<td>561870</td>
</tr>
<tr>
<td>10</td>
<td>Rajasthan</td>
<td>547367</td>
</tr>
<tr>
<td></td>
<td>Total of top 10 States</td>
<td>20038934</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>2528716</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>22567650</strong></td>
</tr>
</tbody>
</table>

Source: State/UT Tourism Departments
Table 3.5 states that Tamil Nadu is the highest among 10 top states. Among these states Tamil Nadu has is the largest (20.6 per cent) and the least is of Rajasthan (2.4 per cent) The total contribution of top 10 states was about 88.8 per cent in the total number of FTVs in the country during 2014. The percentages of top 5 states were 20.6 per cent occupied by Tamil Nadu, 19.4 per cent by Uttar Pradesh, 12.9 per cent by Karnataka, 10.3 per cent by Maharashtra and 6.8 per cent by Andhra Pradesh.

3.3.10.6 INTERNATIONAL TOURISM RECEIPTS FROM DIFFERENT COUNTRIES

In an effort to encourage tourism, India has introduced e-visa programme. Travellers can apply for an e-Tourist Visa, a process that is fully online and takes 5 to 6 working days for approval. In the past, obtaining an India visa has been a tedious and time consuming process. The new visa process is not only simpler but also faster, safer and less expensive than in the past. “The new visa scheme allows tourists to deal directly with the Indian Government thereby removing middlemen and red tape. This is a step taken in the right direction to captivate the tourists from all over the world to India.
### TABLE 3.6

**TOP 10 COUNTRIES IN THE WORLD AND INDIA IN INTERNATIONAL TOURISM RECEIPTS IN 2014**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>International Receipts (P) (In US$ billion)</th>
<th>Percentage (% Share)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>USA</td>
<td>177.0</td>
<td>14.22</td>
</tr>
<tr>
<td>2</td>
<td>Spain</td>
<td>65.2</td>
<td>5.24</td>
</tr>
<tr>
<td>3</td>
<td>China</td>
<td>56.9</td>
<td>4.57</td>
</tr>
<tr>
<td>4</td>
<td>France</td>
<td>55.4</td>
<td>4.45</td>
</tr>
<tr>
<td>5</td>
<td>Macao(China)</td>
<td>50.8</td>
<td>4.08</td>
</tr>
<tr>
<td>6</td>
<td>Italy</td>
<td>45.5</td>
<td>3.65</td>
</tr>
<tr>
<td>7</td>
<td>United Kingdom</td>
<td>45.3</td>
<td>3.64</td>
</tr>
<tr>
<td>8</td>
<td>Germany</td>
<td>43.3</td>
<td>3.48</td>
</tr>
<tr>
<td>9</td>
<td>Thailand</td>
<td>38.4</td>
<td>3.08</td>
</tr>
<tr>
<td>10</td>
<td>Hong Kong(China)</td>
<td>38.4</td>
<td>3.08</td>
</tr>
<tr>
<td></td>
<td><strong>Total of Top 10 countries</strong></td>
<td><strong>616.2</strong></td>
<td><strong>49.49</strong></td>
</tr>
<tr>
<td></td>
<td>India(PR)</td>
<td>20.2</td>
<td>1.62</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>608.6</td>
<td>48.89</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1245.0</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

PR; Provisionally revised, P: Provisional

Source: UNWTO Barometer April 2014 for countries other than India

Table 3.6 shows that USA has earned highest receipts from International tourism (14.22 per cent) among top ten countries in the world whereas India earned a very meager share of 1.62 per cent from international tourism. The total of top ten countries earnings from international tourism is 49.49 per cent, there is much scope for developing nations to learn from top ten countries about marketing of tourism at international level.
3.3.10.7 SERVICE PROVIDERS OF TRAVEL TRADE IN INDIA

India is in an advantageous position to tap the global opportunities in the tourism sector. The government’s role is crucial to the development of tourism travel services. The government should take up in the role of a regulator and a facilitator of private investment in travel trade. Tax incentives and tollgate fee concessions are examples of the initiatives to be taken to increase investments in this field. There is also a need to develop supporting infrastructure such as road, train, air and sea transport services to facilitate travel trade in India.

**TABLE 3.7**

**SERVICE PROVIDERS OF TRAVEL TRADE IN INDIA**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Category</th>
<th>Till 31 Dec, 2014</th>
<th>Percentage to Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Inbound Tour Operator</td>
<td>464</td>
<td>47.5</td>
</tr>
<tr>
<td>2</td>
<td>Domestic Tour Operator</td>
<td>87</td>
<td>8.9</td>
</tr>
<tr>
<td>3</td>
<td>Tourist Transport Operator</td>
<td>125</td>
<td>12.8</td>
</tr>
<tr>
<td>4</td>
<td>Travel Agents</td>
<td>270</td>
<td>27.6</td>
</tr>
<tr>
<td>5</td>
<td>Adventure Tour Operator</td>
<td>31</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>977</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Tourism Statistics at Glance, 2014
Incredible India and State / UT Tourism Departments

Table 3.7 shows the service providers of travel trade available in India. Inbound tour operators are more compared to other operators. Registered adventure tour operators are 31 and domestic tour operators are 87. Travel agents are 270 and tourist transport operators are 125. Tourism is an unorganized sector in India. The population of registered service providers of travel trade in India is very less and seems unrealistic.
3.3.10.8 APPROVED HOTEL OPERATORS IN INDIA

The Federation of Hotel and Restaurant Associations of India (FHRAI) is the apex body of the four regional associations representing the hospitality industry in India. The Department of Tourism grants star to hotels status based on how well the establishment scores in the Hotel and Restaurant Approval and Classification Committee (HRACC) report. The Department of Tourism is committed to promote and protecting the interests of FHRAI members, and provides an interface among the various industries, international associations and so on. The construction of hotels is a capital intensive activity. The Tourism Finance Corporation of India gives financial assistance to the private sector for the construction of hotels and other tourist facilities. The government also offers a number of incentives. Table 3.8 reveals the number of approved hotels and hotel rooms in India.
### TABLE 3.8

**NUMBER OF APPROVED HOTELS AND HOTEL ROOMS IN INDIA**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Category of Hotels</th>
<th>No. of Hotels(P)</th>
<th>No. of Rooms(P)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>One Star</td>
<td>41 (3.32)</td>
<td>1193(1.54)</td>
</tr>
<tr>
<td>2</td>
<td>Two Star</td>
<td>75(6.08)</td>
<td>1813(2.3)</td>
</tr>
<tr>
<td>3</td>
<td>Three Star</td>
<td>538(43.7)</td>
<td>22202(26.9)</td>
</tr>
<tr>
<td>4</td>
<td>Four Star</td>
<td>136(11)</td>
<td>8143(9.9)</td>
</tr>
<tr>
<td>5</td>
<td>Five Star</td>
<td>96(7.8)</td>
<td>12183(14.8)</td>
</tr>
<tr>
<td>6</td>
<td>Five Star Deluxe</td>
<td>122(9.9)</td>
<td>25891(31.4)</td>
</tr>
<tr>
<td>7</td>
<td>Apartment Hotels</td>
<td>3(0.20)</td>
<td>249(0.3)</td>
</tr>
<tr>
<td>8</td>
<td>Guest House</td>
<td>5(0.40)</td>
<td>77(0.1)</td>
</tr>
<tr>
<td>9</td>
<td>Heritage Hotels</td>
<td>44(3.6)</td>
<td>1266(1.54)</td>
</tr>
<tr>
<td>10</td>
<td>Silver Bed and Breakfast Establishment</td>
<td>53(4.3)</td>
<td>242(0.3)</td>
</tr>
<tr>
<td>11</td>
<td>Unclassified</td>
<td>119(9.7)</td>
<td>9045(10.9)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1232 (100)</strong></td>
<td><strong>82304(100)</strong></td>
</tr>
</tbody>
</table>

*P: Provisional, As on 31st December 2014*

Source: Tourism Statistics at Glance, 2014 Incredible India and State / UT Tourism Departments (Figures in bracket indicate percentage to total)

Table 3.8 shows the number of approved hotels and hotels rooms available in India. Three star hotel rooms are more when compared to other hotels. Registered apartment hotels and guest houses are only three and five respectively. Bed and Breakfast scheme hotels with rooms are just 242. The strength of approved hotels in India is very less. The government of India has take to necessary steps to boost the hospitality industry and attract more and more investors in the field.
3.3.11. TAMIL NADU TOURISM: AT A GLANCE

Tourism was declared an “Industry” in Tamil Nadu in 1986. A State Tourism Policy was announced for the first time by Hon’ble Chief Minister in 1992. The salient features of the policy are area development approach, keeping foreign tourists in mind encouraging private sector investments in tourism, promotion of local and domestic tourism, manpower development in the hotel and tourism policy, adequate publicity for tourism promotions in India and abroad, promotion of culture tourism fairs and festivals, developing countries for tented tourism, adventure tourism and beach tourism, using a growth centre approach and integrating tourism development with the overall development of the place and its people.

After declaring tourism an industry, the Government identified certain tourism projects for promotion. They are 1 to 3 star hotels with outlay of less than Rs.1 crore in centres other than Chennai, Coimbatore and Madurai. Amusement parks and air-conditioned coaches by approved tour operators, golf courses, all operated in government approved restaurants. The policy proposes that, all ancient towns are to be recognized as “Heritage Towns”.

Tamil Nadu’s tourism industry is the Second largest in India, with an annual growth rate of 16 percent. It has coastline of more than 1,000 km dotted with varied tourist attractions besides beaches. Tamil Nadu was ranked Second in India in the domestic tourist arrivals next to Andhra Pradesh and Second in foreign tourist arrivals next to Maharashtra in 2012-13. Tamil Nadu scored the first place both in the domestic and international tourist arrival. Tamil Nadu is broadly covered with variety of tourist destinations, pilgrimage destinations, heritage locations and historical monuments, places of scenic beauty, beautiful hill stations, beaches, forests, bird sanctuaries, adventure and leisure destinations. Tamil Nadu is also one of the leading
destinations for medical tourism and health resort tourism. The length of stay of an average tourist in Tamil Nadu is 5 days for a domestic tourist, and 7 days for a foreign tourist as per Federation of Indian Chambers of Commerce and Industry (FICCI) Report.

3.3.12 MULTIFARIOUS TOURIST ATTRACTIONS IN TAMIL NADU

Multifarious Tourist attractions are found in Tamil Nadu in the form of historical monuments, forts, wildlife and bird sanctuaries, temple towns, numerous places of worship, hill resorts, heritage, culture, music, dance waterfalls, beaches, scenic valley views, mangrove forests, backwaters and rich heritage.

1. **Beaches of Tamil Nadu**: Beautiful Beaches are the source of Tourist attracting destinations. The major beaches of Tamil Nadu are the Marina beach, the Elliot Beach, the Kovalam Beach, the Mamallapuram beach, the Kanyakumari Beach, and the Poompuhar Beach.

2. **Wildlife Tourism in Tamil Nadu**: The major destination for wildlife tourism are Kalakkad Mudanthurai Tiger Reserve, Mudumalai National Park (Elephant, Tiger, Gaur and Leopard), Point Calimere (Kodiakkarai) Wildlife and Bird Sanctuary, Pulicat lake Bird Sanctuary, Sathyamangalam Wildlife Sanctuary, Shenbagathoppu Grizzled Squirrel Wild Life Sanctuary, Vallanadu – Black Buck sanctuary, Vedantangal – Bird Sanctuary.

3. **Hill Stations of Tamilnadu**: The fascinating Hill Stations in Tamil Nadu are Ooty, Kodaikanal, Yercaud, Kolli Hills and Nnmalai Hills.

4. **Medical Tourism in Tamil Nadu**: Good medical services are available in the state along with good tourist attractions. This has recently spurred a new wave in medical tourism. Costs and waiting periods in developed countries are very high for some of the major
medical and dental procedures. As consumers are aware of the high quality of these procedures available in India, insurance companies have started covering them and hence the flow of these medical tourists has increased in Tamil Nadu. They are cardiac care, dental and cosmetic, eye care, fertility treatment, general surgery, neuro surgery, orthopedic treatment, and transplant surgery.

5. **MICE Tourism in Tamil Nadu:** Tamil Nadu will soon be on the global MICE (meetings, incentives, conference and exhibitions) map. The department has plans to tie up with various agencies to showcase the potential. As per industry estimates, about 25 per cent of the inbound tourism (to India) pertains to MICE and business tourism. Tamil Nadu has excellent convention centres with a capacity ranging from 1,000 to 4,000 persons.

6. **Festivals of Tamil Nadu:** Tamil Nadu is a land of many religious festivals. January marks the beginning of the festival season in the state. Pongal is the first festival and it is celebrated with much enthusiasm. It is the harvest festival of Tamil Nadu. “Pongal” is actually the name of rice and lentil dish cooked in Tamil Nadu, and on this festive day Pongal is cooked. It is celebrated on January 14, each year. In fact, four festivals are celebrated in Tamil Nadu for four consecutive days in that week. Bhogi is celebrated on January 13, Pongal on Jan 14, Maattu Pongal on Jan 15, and Kaanum Pongal and Thiruvalluvar Day on January 16.

7. **Cuisines of Tamil Nadu:** Tamil Nadu is famous for its rich cultural and historical background. It has various regional which are having unique cuisines, keeping in mind the geographical locations of these areas like coastal, plateau, terrains, hills and impact of foundering States. The cuisines of Tamil Nadu are unique in its own way.
3.3.13 VISION TAMIL NADU – 2023” TOURISM

The Government of Tamil Nadu has announced vision for tourism sector. They are

1. To make Tamil Nadu as number one state in Tourism sector
2. To attract 15 million foreign tourists by 2023
3. To invite Government and Private investments for Tourism infrastructure in the state to the value of Rs 10,000 crores
4. To promote Tamil Nadu as an attractive tourist destination in the International level
5. To preserve the rich cultural heritage and monuments of architectural splendor.

The “Vision Tamil Nadu - 2023” document targets fast growth in all the sectors including Tourism. It envisages an investment of Rs.10, 000 crore in Tourism and Hospitality sectors through Government and Private Investments by 2023. The foreign tourist arrivals targeted for 2023 is 15 million tourists from the present 3.60 million tourists. The infrastructure development schemes and marketing plans of this Department aims at achieving the long term goals set by the Vision Tamil Nadu - 2023. To achieve this, a new Tourism Policy is being formulated. It aims to attract more high spending tourists and also investments in tourism and hospitality.

The strength of the Tamil Nadu are political stability, good law and order situation, excellent transport network, improved communication network, locations are unlimited and largely educated and English speaking population. Hence, Tamil Nadu has highly urbanized state, that has a highly developed economy and scope for investment, potential to develop variety of tourist destinations. There is no doubt that Tamil Nadu is the right choice for those who want to invest their money.
3.4 CONCEPT CLARIFICATION OF TOURISM ENTREPRENEURSHIP

Tourism and hospitality, a key sector of the Indian economy, plays an important role in the growth of India and accounts for around 12.4 percent of total employment in India. Globally, tourism ranks fifth as an export category after fuels, chemicals, food and automotive products. This sector in India is highly optimistic with a large number of hotel chains having tied up their expansion plans. The renewed sense of optimism comes on the back of a volatile economic environment for most part of 2014 and the sector hopes that initiatives announced by the new government, including those related to e-visas and specific funds for developing tourist circuits, special tourism packages would lead to good and flourishing business in future25.

3.4.1 TOURISM ENTERPRISE, ENTREPRENEUR AND ENTREPRENEURSHIP

Tourism enterprises’ refer to the different forms of tourist related business ventures permitted within the National Constitution. Like any other enterprise, tourism enterprises are also business ventures having similar preparative principles, but working on a very wide scale.

Sinclair defined the tourism enterprise as “a composition of products involving transport, accommodation, catering, natural resources, entertainment and other facilities and services, such as shops and banks and other tour operators.”

Stabler defines a tourist entrepreneur as a person or a group of persons producing and managing tourism products. In this process the entrepreneur must have the commonly prescribed entrepreneurial traits along with service sector specialties.
In the words of Shaw and Williams, the service sector specialties involve two fundamental objects: “One concerns the commercial structure of the industry (especially the dominance of certain activity components and ownership groups), while the second relates to an understanding of the general organization of economic power structures.”

Accordingly, tourism entrepreneurship can be defined as the professional application of knowledge, skills and competencies and/or of monetizing a tourism related new idea, by an individual or a set of people by launching an enterprise devolving or diversifying from an existing one (distinct from seeking self-employment as in a profession or trade), thus, to pursue growth while generating wealth, employment and social good\textsuperscript{26}.

In other words, tourism entrepreneurship refers to the activities of the major group of stake-holders of this service sector primarily designed for the effective and profitable interaction of demand for and supply of tourism products; at the same time assuring competitive professionalism and gainful socio-economic status.

3.4.2 TOURISM AND HOSPITALITY SERVICES

This sector covers all tourism activities which include dissemination of tourism information, transportation, extending travel and tour assistance, providing accommodation and also amenities for tourists. The entrepreneurs in this sector are large in number and are engaged in different activities related to tourism and allied sectors\textsuperscript{27}.

The nature of a service enterprise is different from a product based company in that the services require exceptional human skills. Services can usually be initiated with low initial capital. Consequently, entrepreneurial success in services is highly correlated with human resource management. This begins in finding out good employees through effective methods of
recruitment. It also includes training employees, motivating them to perform well and rewarding them equitably for good work. The distinguish characteristics of the tourism and hospitality which are as follows:

1. **Intangibility**: Unlike physical products, services cannot be seen, tasted, felt, heard, or smelled before they are purchased. Prior to boarding an airplane, airline passengers have nothing but the airline ticket and the promise of safe delivery to their destination. Members of a hotel sales force cannot take a hotel room with them on a sales call. In fact they do not sell a room, instead they sell the right to use a room for a specific period of time. Entrepreneurs should realize they are dealing with a sensitive intangible product that only after consumption the result can be expressed in terms of satisfaction by the consumer.

2. **Inseparability**: In most tourism services, both the service provider and the customer must be present for the transaction to occur. Customer – employee contact or service provider contact is an essential component in the service industry. The food in a restaurant may be outstanding, but if the service person has a poor attitude or provides inferior service, customer will down rate the overall restaurant experience. Service inseparability also means that customers are part of the product. This concept makes the work of the entrepreneur more challenging and they train their staff more seriously and also see that their target customers’ needs are catered to properly at the right time.

3. **Variability**: Tourism services are highly variable. Their quality depends on who provides them and when and where they are provided. Entrepreneurs realize that there are several causes of service variability. Services are produced and consumed simultaneously which limit their quality. Due to seasonal nature of tourism business, the price and quality of
service may also vary. A guest can get excellent service from an airline or hotel on one occasion and get poor service from the same airline or hotel on the next day as some other staff may be on duty or the attitude of the same staff may change. Entrepreneurs with their personal involvement in the business manage the variable factor effectively to suit the occasion.

4. Perishability: Tourism services cannot be stored. They have to be consumed during the service delivery or they perish. The entrepreneur realizes that the revenue loss that comes from an unsold room is lost forever; and the revenue loss from an unsold seat in a particular flight is also lost forever. Entrepreneurs exhibit the dynamism to make sure that the total capacity is sold out, if necessary at discounted rate at the time of service delivery and not later. Unsold tourism services perish and cannot be resold or restored.

### 3.4.3 ENTREPRENEURSHIP DEVELOPMENT IN TOURISM

Entrepreneurship development depends upon the prevailing economic system. The existing socio-political set up and the prevailing economic policies of the Government determines the economic system. The entrepreneurship development is mainly due to the existence of such economic system. It is the entrepreneurship development that acts as a flip to new, structure of the economy and economic reforms too. The economic system differs from country to country and hence the process of entrepreneurship development too differs.

A mixed economic system has been found in existence in all developing countries including India. Under this system both the Government and individual entrepreneurs play equal role in the entrepreneurship development. The government undertakes those activities which are vital for further economic advancement.
In a mixed economy though there are ample opportunities for the entrepreneurship development with the help of the Government support, entrepreneurship development is hindered by the deep rooted evils like religious conflicts, political instability and unethical practices like smuggling, corruption and adulteration.

In any economic system, entrepreneurship development enhances the national income, production and standard of living. The Government helps the private entrepreneurship to bring their, imagination into reality and in turn the entrepreneurs also help the Government to implement all its economic programmes. Thus the Entrepreneurship development requires a concerted approach.

FIG. 3.2

FAVOURABLE CLIMATE FOR ENTREPRENEURSHIP DEVELOPMENT

(Source: Tourism Entrepreneurship, Alagappa University DDE Course Material by P. Natarajan)
Tourism business has been the panacea for many social and economical problems of India. India is blessed with rich cultural heritage, boundless natural beauty, unbelievable range of flora and fauna and an amalgamation of all major religions of the world. This is further supplemented by colourful festivals, unique regional costumes and exciting cuisines of almost all states of India. At the same time, India has to sustain teeming population of 1.17 billion people consisting of educated, less educated, skilled, unskilled people belonging to a wide range of demographic structure. Tourism proves to deliver the best solution of using the rich natural and heritage resources by employing all categories of citizens to earn substantial foreign currency and also to keep the domestic economy progressing. The major contributions of tourism to Indian economy are as follows:

1. Tourism is a smokeless industry as it consumes less energy and pollutes least compared to other industries. Indian natural and heritage resources offer abundant business scope.
2. Tourism business requires less capital investment and thus entrepreneurship activities are easily undertaken.
3. Tourism industry requires people of different educational backgrounds, gender, age group belonging to a wide range of social background thus providing huge scope of employment.
4. Tourism industry triggers multiplier effect in the economy. The money spent by tourists reach many gainers down the line as the service providing establishments, the vendors, the craftsmen who produce tourists’ souvenirs, the cab drivers, the snacks stall owners, the guides, the shopkeepers and others who provide goods and services to tourists.
5. Tourism uplifts an economically backward area. Eco tourism, Wild life tourism, rural tourism, sustainable tourism circuit – can be planned and provided in the backward areas to promote the financial status of that area.

It is thus quite natural for the Government of India and almost all the State Governments through their Industrial policies and Tourism policies to encourage private investment or public-private partnership to start and develop tourism related projects. This is where enormous scope for entrepreneurs to start their enterprises lies.

**3.4.4 ENTREPRENEURIAL OPPORTUNITIES IN TOURISM**

The role of entrepreneurial activity in tourism revolves around private and public sectors. In most of the countries, the travel and tourism sectors, investment depends on the same commercial principles as any other industry. Suppliers anticipate profitable returns from selling products either to tourists or to some supporting sector, and set their own decision rules and methods on evaluating projects. Tourism, however, has some other reasons for investment which are often linked with the general objectives of enterprises in this sector.

The ministry, in order to develop tourism in India in a systematic manner and to facilitate investment (both foreign and domestic) into the sector, has to make several tourism based service business. Functionally, the key sectors within tourism industry are as follows:

1. **Accommodation**: In accommodation sector the opportunities are inns, lodges, cabins, guest ranches, campgrounds hotels, motels, resorts, guest houses, camps, and home stays as entrepreneurship ventures.

2. **Transportation**: Providing rental services to tourists such as motor coach, rental cars, charter boats, ferries, water taxis, motor homes, rail, and air ways.
3. Attractions: Natural attractions draw in ventures engaged in sight-seeing tours, nature bound tours, heritage and historical tours; or they can be in the form of man–made attractions such as amusement parks, film cities, laser shows, art galleries and museums.
4. Tour operators: This sector presents wide entrepreneurial scope for travel agents to deal with air tickets, train tickets, cruise liner tickets, car rentals, and luxury coach bookings and so on.
5. Amenities: It can be in the form of guide services, running telephone booths, Internet browsing centers, providing adventure sports equipments, rendering instructors and life guards’ services.

These are the some of the business scope in this industry. Business opportunities are limitless in tourism industry. As an entrepreneur one has to identify their prospective business. The public sector or the Government’s often make investments in tourism projects for non-economical social benefits. Investment in transport infrastructure tourist information centres, national park amenities and training establishments and the like may be justifiable on the basis of cost benefit analysis rather than on pure commercial profitability. Government also promotes tourism indirectly through various fiscal and monetary incentives to the private entrepreneurs. The Government of India provides tax rebates upto 10 years if a private entrepreneur makes investment in hotel projects in the remote areas. Besides, this concession it also provides finance to the entrepreneurs at a low rate of interest. Further, the Government makes available land for the construction of hotels to the private sector entrepreneurs at cheap rates. Basic amenities like water, electricity, sewerage, telephone, post offices and so on are provided to these units.
The Private Sector activities are focused primarily on transport and accommodation sectors. The Private Sector entrepreneurs face two major problems, namely the paucity of funds which is specially true for the developing countries and the seasonality in tourism activities. For financial requirements, the entrepreneurs depend heavily on the Government agencies where the delaying tactics and red-tapism often discourage private initiatives in the developing countries. With the emergence of multinational and other international financial agencies this problem is resolved to some extent and their investment is confined to the star category hotels and air transport. However, the problem of the small and medium enterprises who invest in non-star category hotels and surface transporters continues to exist.

India is a country, with a large treasure of natural and scenic beauty, archaeological and architectural monuments. There are many hill resorts, beach resorts, mountains, rivers, monuments and so on., The Indians are well known for their hospitality. An African Scholar Writes “India is a country with too many people, too many animals, too many customs, too many gods and too much of anything”

The Northern part of India is famous for its hills, plains, rivers monuments and the like. The Himalayas, Kashmir valley, the Ganges, the Tajmahal, the Kutubminar and religious centres like Varanasi and Badrinath attract large number of tourists. Tourism infrastructure like attractions, accommodations, accessibility and other amenities are well developed in those regions. Further its attractions are well projected. In spite of all these regions have no natural beach which cannot be substituted by anything else.
The Western regions have Tourist centres like the gate way of India, Mumbai and famous beaches, the cave temples-Ajantha-Ellora, Khajjiar and so on. These centres are fairly well promoted and improved. The supporting facilities like accommodation, transport and so on are fairly developed. Mumbai is a main seat of commerce and it has the maximum number of international flights. Gao beach attracts foreign and Indian Tourists. But when compared to the Northern region, it receives a less number of tourists.

The southern regions have many temples, beaches, hill resorts cultural heritage and so on. Places like Madurai, Chennai, Tanjore, Bangalore, Trivandrum, Tirupathi and the like are internationally famous. The Eastern Region has tourist attractions like the Ghir forest, Pilgrim centre, like Konark and Industrial centre like Calcutta. Less number of tourists come to this region due to lack of information, promotion, and transport and other facilities. But the state Government takes better promotional measures, to boost the tourism industry.

The tourists’ flow to a particular centre is determined by factors like distance, time, cost of getting there and staying cultural ties, security and so on. Eastern region attracts lesser tourists because it is located away from the main centre like Delhi and Mumbai.

Tourism covers a large area in which the state government municipal and the local bodies play an essential role. Some states have set up tourism development corporations, but we cannot say that these corporations have been successful in their trial. The government agencies have very severe limitations. Private entrepreneurs have to come forward to take initiatives.

During the last 20 years, there has been a growing recognition of the importance of entrepreneurship within tourism industry. Earlier interest was focused on rather general perspectives on the role of transnational enterprises in developing economies.
The tourist product mainly attracts the tourists to a place. It includes the primary elements like historic buildings, urban landscape, museums, and art galleries, theatres, sports and events. There are other facilities which are important for the tourists are hotel, food beverage facilities, shops and other services which are generally placed in the category of secondary elements.

The planning and development of a tourist region involves physical resources or product components, analysis of potential visitors, cost of development, pricing policies, competitive destinations and other financial aspects to determine the feasibility of development, in environmental, cultural and social aspects. At the beginning of this century, tourism was turning into a business, although it slackened in the first half of the century, owing to the two world wars. After these difficulties, tourism came to signify a personal transfer from one place to another for income, for the purposes of consumerism as the result of economic well being and technological progress. Tourism has led to the creation of new habits and different behaviour and life models as well as a different concept of time. The tourism entrepreneurship is therefore very important for the well being of many countries. According to the World Tourism Organization, the growth sectors in the 21\textsuperscript{st} century are culture and heritage, eco-tourism, adventure travel, special interest travel, sport tourism, health and wellness and cruising.
3.4.5 ENTREPRENEURIAL CHALLENGES IN TOURISM

Indian Tourism Industry can be termed ‘successful’, but being ‘successful’ is very different from being ‘competitive’ and there are critical challenges which are negatively dictating and adversely affecting its competitiveness. These challenges can be classified into three broad categories:

1. Sector Specific Challenges: Being a part of the service sector, Tourism industry faces various challenges which are as follows:

   a. High Exit Barrier; Difficulty in Trial: One characteristic of services is that it is hard to escape from the consequences of a poor choice (of service and service provider). Tourists know this and they also understand that once they are at a destination, a U-turn is not easy. Hence, they are over cautious while deciding on the tourism services (choice of destination, transporter, hotels and so on). Another service characteristic that affects tourism industry is ‘reduced trialability’. Trialability is almost nil in (tourism) services. In case of tourism industry, it is a prerequisite to have a good ‘product’ and a sound reputation in place, only then sustainable sales can be expected.

   b. Word-Of-Mouth (WOM): WOM is crucial in selling (tourism) services because usually the choice of destination is affected by WOM publicity. Here, it is important to realize that tourists tend to believe more on information from independent sources and less on promotions, thus, a destination may be ‘pushed’ through heavy promotion, but the length of its Product Life Cycle is finally dictated by the WOM.

2. Industry Specific Challenges: certain challenges are related to the very nature of this particular industry and exist along with the industry around the globe. They are
a. **Highly infectious industry:** Tourism Industry is very sensitive to environmental changes and it gets affected by them and reacts very fast to them.

b. **High Social Cost:** Tourism takes a toll on the resources (especially natural resources), and a large part of the revenues brought in by tourism is required to sustain the resources, so the profitability of tourism industry is suspicious, especially in countries where proper ‘sustainability’ mechanisms are not in place.

c. **Intermediary Conflicts:** Components of the tourism industry have different commercial objectives, strategic interests and operational procedures, to enable the channel partners to protect and advance their own interests, often at the expense of their partner’s gains, several intra-channel conflicts emerge inevitably which are price and profit margin distribution, exceeding vertical integration generates oligopolistic behavior, operational issues - partners failing to fulfil their obligations or providing the service they have promised

d. **Tourists rate the overall experience:** visitors tend to rate their overall experience at the destination and in the process they credit tourism industry for the performance of industries and sectors, which are not directly related to tourism. If ‘anything’ is not according to tourists’ expectations, it might go against the tourism industry, because the negative WOM will be generated in the destination.

Tourism industry is affected not only by these problems, but there are other problems that affect tourism business such as global standardization has produced less unique locales. The globalized market place means that often the same products are available throughout the world. If part of the reason for travel is to learn about or have the opportunity to explore the unique and different, then the sameness factor is a major tourism challenge.
Tourism and travel are highly dependent on the cost of fuel. The recent rise in the price of fuel such as gasoline has a major impact on the entire industry. Summer is the high season for travel and with the cost of gasoline on the rise, many travelers may have to adjust their spending (or vacation length) in order to pay for additional fuel charges.

Another issue that can affect tourism is the spread of pandemics. Fall in water quality can (purity) become a major tourism issue, and the industry must face the reality of pandemics or pandemic scares. On the international front, tourism will have a complicated and confusing stand safety aspect.

3.5 Tourism Entrepreneurship in Madurai

Madurai, the capital city of Madurai district, is situated on the banks of the river Vaigai. It is an ancient city known for its age old legacy and agile contemporary modern lifestyle – unique place for workshop and the Modern-day living. Madurai is the third largest city and the second largest municipal corporation in Tamil Nadu. The city is closely associated with Tamil languages the Tamil Sangams were held in Madurai. Madurai is called by different names such as the "City of Jasmine" (Malligai maanagar), "Temple City" (Koil maanagar), "City that never sleeps" (Thoonga nagaram) and "City of four junctions" (Naanmada koodal). The history of Madurai goes back to the 3rd century BC and the city is referred by Megasthenes in his book 12. The temple and the old city adorn the southern bank while modern Madurai with its famous tourist places, excursion centres, variety of festivals, delicious foods and handicrafts products stands as testimony to the city’s glory. It had been the capital of ancient Pandiyan kings and is famous for Lord Sivas ‘Thiruvilayadal.
3.5.1 MAJOR TOURIST ATTRACTION PLACES IN MADURAI

Madurai has the potential to keep entertained from sun up to sun down with several places remaining open throughout the night. There are a number of places of interest in Madurai. Tourists from different parts of India visit Madurai throughout the year. Some of the well-known tourist attractions of Madurai are as follows:\footnote{28}

1. Sri Meenakshi Sundareswarar Temple

Synonymous with Madurai is the magnificent temple dedicated to Goddess Meenakshi. This is one of the famous Shakti shrines in India, drawing thousands of devotees every day. It has also been the center of Tamil culture, sponsoring literature, art, music and dance over the centuries. Legend has it that when the third and last Tamil Sangam (Academy of Tamil literature) met at Madurai, literary works were thrown into the temple tank, where a divine force caused works of merit to float and infamous literature to sink.

The original temple was probably a modest structure built to gamin guidelines, however, it has grown with the grateful additions of pursuant dynasties and victorious monarchs into an enormous complex extending over an area of 65,000 sq. meters. Rectangular, in shape, the temple buildings are of lofty dimensions 847 feet in length and 793 feet in breadth. The central shrines are those of Meenakshi and her spouse Lord Sundareswara. On the massive outer walls stand four majestic towers. These rise up gracefully, dominating the skyline and are visible from quite a long distance. The tower to the south is the tallest soaring to a height of 160 feet and was built in the 16\textsuperscript{th} century. From the top of this tower one can get a panoramic view of Madurai and 11 other gopurams of the temple as well. The southern tower is beautified by over 1500 multi color figures and variety of images common to the South Indian temple towers. The oldest tower is the 13\textsuperscript{th} century Eastern gopuram opposite to the Sundareswarar shrine, built by
Jadavaran Sundara Pandiyar. Entry to the main temple is through a small door, while the Golden Lotus Tank is to its left. Further northwards, an exquisite brass-faced door gifted by Sivaganga Zaminder, forms the entrance to Sundareswara’s shrine, surrounded by a large corridor lined with carved pillars-characteristic features of Madurai style.

A striking feature of the temple is the astonishing structure known as Ayiramkal Madapam (Hall of Thousand Pillars) in the Outermost Corridor. The mandampam flaunts 985 pillars, and each is an elaborate work of art. Each pillar features high-ornate bold sculptures that come vibrantly alive. Viewed from an angle these 985 pillars appear in a straight line—an architectural masterpiece indeed. In the outer most corridor (Prakaram) are situated the matchless musical pillars carved of stone. When tapped, each pillar produces a different musical note.

2. Thirumalai Nayak Mahal

Another place of interest in Madurai is Thirumala Nayak Mahal, a graceful place built in Indo Saracenic style. The imposing edifice is famous for the stucco work on its domes and impressive arches. The Sorga Vilasam (Celestial pavilion) constructed entirely of brick and mortar without the support of a single rafter or girder is a marvel of architectural engineering. Among other striking features of the palace are the massive white pillars, several of which line the corridor that runs along the courtyard. Connected by high decorate arches, these pillars measure 20m in height and have a circumference of 4m. Elsewhere in the place, there polished black stone pillars varying in heights. This palace was built in 1636.

3. Gandhi Museum

The museum contains a picture gallery of gandhian movement, a gallery of relics, khadi and village industries section and South Indian Handicrafts section.
4. **Mariamman Teppakulam**

Mariamman Teppakkulam is a beautiful square tank of huge size, 5km east of Madurai. This tank is the scene of a colorful float festival held in January/February to celebrate the birth anniversary of king, Thirumalai Nayak, who built this tank. The deities of Meenakshi and Sundareshwara are placed in a gaily decorated float. Illuminated with hundreds of lights, this fascinating float is taken round the tank to the sound of traditional music. On the northern side of the tank is a temple dedicated to Mariamman (God of Rain), a famous village Deity of Tamilnadu.

5. **Koodal Azhagar Temple**

To the west of the city is this ancient Vaishnavite temple with beautiful sculptures situated half a Km from the Railway Junction. The main God’s worshipped at this temple are Koodal Azhagar (Vishnu) and Goddesses Sridevi and Boomadevi. These deities are shown in three postures – sitting, standing and reclining – each is depicted one above the others.

6. **Arulmigu Athi Chokkanathar Temple**

Arulmigu Athi Chokkanathar Temple is located at the place called simmakkal 1 km from the Railway Junction and Periyar Bus Stand and it is near Meenakshi Amman Temple. This temple is dedicated to Chokkanathar(Shiva) and Angayarkanni(Meenakshi).

7. **Thirupparankundram**

This temple is eight Kilometers away in south of Madurai junction, and is dedicated to God Subramanya and the Goddess Deivanai in wedding posture and is one of the Six abodes of
the Lord Subramanya and the first abode also (padi veedu). The main sanctum sanctorum is carved out of a solid rock.

8. Alagarkoil

About 21 kms north east of Madurai stands the celebrated Vishnu temple dedicated to Kallalagar (brother of Goddess Meenakshi) with his consorts with Sridevi and Boomadevi. The temple is situated on a hill amidst panoramic surroundings. It’s a small excursion centre also.

The Solaimalai (Pazhamudhirsolai) Murugan Temple is also situated here and it is one of the six abodes of Lord Subramaniya in the same hill top at about 4 Kms. In this temple the main God is Murugan (subramaniyan) with his consort Goddesses Valli and Deivanai. These temples contain some beautiful carvings, making a visit rewarding. It is also famous for the Lady poet who gave ‘Nellikani’ (fruit) to the God Subramania.

9. Thirumarainathaswamy Temple

This temple is located 16 kms from Madurai city and Madurai Railway Junction and 10 kms from Melur in Madurai Tiruchirappalli Road. In this temple the main God is Vathapureeshwarar or Thirumarainathar and Goddess Vedanayagi or Aaranavalli Thayar. Famous Saivait Poet Manickavasagar wrote Thiruvasagam in this Temple.

10. Yoga Narasingaperumal Temple – Othakadai

Yoga Narasingaperumal temple is situated about 12 kms from Periyar Bus stand and 5 kms from the Central Integrated Mattuthavani Bus stand. The main God is Yoga Narasimhar and the Goddess Narasinga Valli. The main sanctum sanctorum is carved out of a rock Yanai malai (Elephant Hills).
11. Kochadai Ayyanar Temple and Muthiah Temple

It is located 5kms away from Periyar Bus Stand. This temple’s village deity “Ayyanar” attracts thousands of devotees from all over Madurai District. It is believed that those who pray to this deity receive blessings of health and wealth.

12. Keelakuilkudi -Jain Tourist Spot

The name of the hill itself explains its association with Jainism. This hill lies in the village Kilakuyilkudi, 15km west of Madurai near Nagamalai Pudukottai village. In this village three important Jain vestiges are found that speak about the existence and flourishing nature of Jainism during 9-10 BC. It is a picturesque place with a lotus pond at the foot of the hill Samanamalai.

13. Arittpatti - Jain Tourist Spot

This small village lies at a 25km distance from Madurai on Madurai - Melur Main Road. The name itself reveals its association with Jain religion. There is a natural cavern in which numbers of rock beds were chiseled out for the convenient stay of Jain mendicants. On the forehead of this rock cave two early Tamil Brahmi inscriptions are engraved. On the other side of the hill Kalinja malai, an early Pandyan cave temple dedicated to Siva is found. The Shrine Sivalinga located in the central shrine is scooped from the natural rock itself.
14. Kongar Puliangulam - Jain Tourist Spot

This village lies at Madurai – Theni main road at a 20 km distance. Here on the western end of the Nagamalai range one natural cavern is found in which more than sixty rock beds are carved for the stay of Jain ascetics. Three early Tamil Brahmi inscriptions are also engraved on the base of the rock.

15. Kutladampatti Water Falls - Vadipatti

It is located 36 kms away from Periyar bus stand on the way to Kodaikanal. An amusement park is found in a hill called “Sirumalai” with nature and its splendour which lies 7 kms. away from Kutladampati near Vadipatti Village. The height of the falls is 87feets. During holidays and festive days thousands of domestic tourists take bath and enjoy the natural beauty. Near this falls a 500 years old temple dedicated to Goddess Thadagai Nachiamman is there.

16. Edaganathaswamy Temple -Tiruvedagam

This temple is a Shiva Temple about 25 kms away from Madurai near Solavandan at the bank of river Vaigai. This temple is dedicated to God Edaganathaswamy and Goddess Elavar Kulali Amman.

17. Chithira Radha Vallaba Perumal Temple – Solavandan

This temple is a Vishnu Temple about 38 Kms away from Maduruai near Solavandan. The Main God here is Chithira RadhaVallalbha Perumal and Goddess Sridevi, Boothevi and Shenbagavalli Thayar. Another famous Guru Bhagavan Temple Kuruvithurai is also located here. This temple belongs to the 12th Century AD during Pandiya King Vallabha Pandiya.
18. Sathaiyar Dam

Sathaiyar Dam is located 27 Kms, from Madurai with natural beauty. It is located near to Alanganallur (8 Kms) where the world famous Jallikattu event takes place.

19. Sathuragiri Sundaramahalingam Temple -Periyur

This temple is located around 80 kms, from Madurai city situated in Western Ghats. It is located in the Reserve Forest area. The Main God in this temple is Sundara Mahalingam (Shiva) and many tourists come here on full moon day and weekends and lakhs of people make pilgrimage on “Aadi Amavasai.” It is believed that 18 siddhars are living in this hill.

20. Tidiyan-Village Tourist Spot

Tidiyan is a village Tourist spot located about 35 Kms from Madurai in the Western side at Madurai to Theni Highways. It is famous for its natural beauty with a hill, Pond and the Kailasanathar Temple. During Full moon day the local people used to go for Girivalam around the Tidiyan Hill.

21. Perungamanallur

Perungamanallur is a place where 16 persons were shot dead during the year 1920 by the Britishers (under Criminal Tribes act 1911). This incident has been considered equal to Jalian Valabagh firing which occurred at Amrithsar in Punjab. So a memorial hall was constructed in the remembrance of the 16 martyrs at Perungamanallur in Madurai District under freedom fighters circuit.
3.5.2 EXCURSION CENTRES AROUND MADURAI

Apart from visiting the city to witness the sheer splendor of the temples' architecture there are a tourist extensive excursions around the city. There are a host of places of interest to make the tour to Madurai all the more fulfilling. There are a number of tourist places around the temple city, to make the trip memorable. Away from the hustle and bustle of the city, these excursions not only provide relief but also rejuvenate our senses completely.

1. Kodaikkanal

A popular hill station, ‘Kodai’ is located at an altitude of over 2,133 mts. (7,000 ft) in the Western Ghats. It is 120 kms. from Madurai and 80 kms from Kodai Road Railway Station.

2. Vaigai Dam

This impressive dam is 69 kms from Madurai on the way to the Periyar Wildlife Sanctuary. It is a picnic spot.

3. Suruli Waterfalls

Suruli Waterfalls is 128 kms. from Madurai on the way to Thekkadi ( Periyar Wildlife Sanctuary ) This is also a good picnic spot.

4. Megamalai

Located about 130 kms from Madurai, it lies 150 meters above sea level. Megamalai is home to cardamom estates and tea plantations. It is also a natural home to several animal species such as sambhar, elephant, tiger, cheetah gaur and spotted deer.
5. Kumbakkarai Falls

Kumbakkarai falls is located 105 kms. away from Madurai and 6 kms from periyakulum. This is also a refreshing picnic spot.

6. Periyar Wild Life Sanctuary - Thekkady

Located in Kerala State, on the border of Tamil Nadu, it offers game-watchers an exciting prospect of viewing elephant, bison, sambar, barking deer, wild boar and so on in their natural habitat. It is 155 kms from Madurai.

7. Srivilliputhur

The Vatapatrasayi temple at Srivalliputhur was constructed by the Nayak kings but its story goes a long way back to the Pandyan times when, moved by her devotion Lord Krishna married the poetess devotee, Andal. There are shrines dedicated to Vatapatrasayi (Krishna) and Sri Andal in this temple which has one of the most impressive gopurams in the South. Also noteworthy is the temple chariot which is decorated with carvings from the scriptures. The chariot festival attracts a great crowd of devotees.

8. Palani

The temple at Palani in one of the six abodes of Lord Subramanya. The deity is called to Sri Dandayuthapani and the temple is built atop a 140m high hill and can be reached by either using the steps or the electrically operated winch. During the festivals of Panguni Uthiram (March – April) and Adi Krithikkai (July-August) Kavadi artists dance and walk their way from far and near to flock at the temple in hundreds and thousands often in a state of trance. Winch is also available to go to the top of the hillock.
3.5.3 FESTIVALS IN MADURAI

Madurai is famous for its spirit of festivity. There are a number of festivals celebrated in the city, forming an important part of its cultural heritage. People from all over the globe gather here to be a part of these festivals. All the major festivals in the Madurai city of Tamil Nadu are celebrated with great pomp and show. The city is swept away by the tides of spirituality. In order to be blessed and to satisfy their desires, people celebrate the festivals with great enthusiasm and religious fervor. These festivals are an ideal time to remember the Lord and to seek his mercy. All the festivals celebrated in the city have a reason and story behind them.

1. **Pongal festival**

Pongal festival is popularly known as the Harvest Festival. The three-day festival is celebrated to thank the Sun God, Nature and the cattle for giving the farmers a good harvest. Pongal is one of the major festivals of Madurai and is celebrated with grand pomp and show. On the first day, known as Bogi, the houses are freshly painted and clutter is removed. The second day is the main day on which large-scale celebrations take place. Mango leaves are used for decoration. Sugarcanes and pongal (sweet rice) are the main culinary items. The third day is called Mattu Pongal and on this day, cattle are worshipped for bringing prosperity.

2. **Jallikattu**

Jallikattu is more of a sport than a festival and is held mostly in villages. It is a part of the Pongal celebrations. People in huge numbers throng the open grounds to witness the game of strength. The sport is basically a show of courage and valor expressed by the means of taming wild bulls.
3. Chithirai Festival

Chithirai Festival is celebrated on the Full Moon Day of the Tamil month of Chithirai that is in the month of April. The festival marks the wedding of Goddess Meenakshi with Lord Sundareswarer. A procession of a gold idol of Lord Azaghar, seated on a horse, is carried by the devotees from Azaghar Koil to Madurai. This is done to make the Lord to come Madurai for giving his sister Meenakshi in marriage to Lord Shiva and attending the wedding rituals. The festival extends on for about 10 days and the participation of the devotees is unmatched.

4. Festival of the cradle (Navarathri)

During this festival, Goddess Meenakshi and Lord Sundarewarer are taken in a procession to a mirror chamber. Here, they are placed on a swing which rocks slowly for nine days.

5. Float Festival

Float Festival is one of the main festivals celebrated in Madurai. It takes place on the full moon night of the Tamil month, Thai, which falls between mid January and mid February. The concept of the festival dates back to the 17th century, when it was celebrated for the first time by King Thirumalai Nayak.

6. Avanimoolam

The festival takes place in August/September. It is basically organized to celebrate the coronation of Lord Sundareswarer. Priests narrate mythological stories of Siva through a play called 'Lila'. It includes the recitation of 64 miracles of Siva, which saved the city from adversity. The venue of the celebration is the Sundareswarer temple.
3.5.4 ENTREPRENEURIAL OPPORTUNITIES AND CHALLENGES IN MADURAI TOURISM INDUSTRY

Madurai is an industrially developing city, amidst the bustling trade and commercial centres of Madurai to the pleasant-sounding hills of the western ghats and the awesome ocean in the East and South, the Southern Districts of Tamil Nadu, presents large and diverse opportunities for the development of the industrial and services sectors. With the right focus, the development process can be spread evenly across the region. Madurai has the potential to become a manufacturing hub and can be promoted as a gateway to knowledge and tourism corridors of southern Tamil Nadu. The temple town of Madurai is observed as the gateway to southern districts. The industry base is very diverse and there are several industrial clusters in the study area. However, Madurai offers ample scope for the field of textiles, readymade garments, bakery units, floriculture, dairy and cold storage units, agro and herbal products, granite stones, blue metal jelly, chamber bricks, rubber and plastic based industries and a very good scope for starting food processing and agro based industries.

1. BUSINESS OPPORTUNITIES IN MADURAI

Madurai provides the high class infrastructure facilities for those who want to start business in Madurai. It is one of the most important factors, that to makes it the land of huge business opportunities. The city is blessed with a plenty of natural resources. It has attained worldwide approval for its natural resources and rich cultural heritage particularly in tourism sectors. There are great business opportunities available both in the manufacturing and service industry.
It is gifted with natural resources, plenty of temples, cultural and heritage places and is supported by a flourishing dispora. The business has a wide scope for development in Madurai due to the following reasons.

a. It has a definite and safe location on the international trade and well connected road transport and rail.

b. The Government of India has taken efforts to modernize the Madurai Airport and have plans to make it on par with the International Standards in order to promote tourism and has international seaport with container cargo handling facility at Tuticorin.

c. It has superb communication network facilities such as telecom, broadband.

d. There is a pool of science and technology personnel.

e. Madurai has optimal level of literate capability.

f. It has abundance of natural resources such as minerals, sand, lime, blue metal, granite quarts and agricultural products

g. The accelerated industrial growth in the district is increasing rapidly.

h. A good management culture and a warm industrial labour relation are maintained.

i. Department of industries and commerce of Madurai provides better infrastructure facilities for setting enterprise and marketing of small and medium scale industries goods.

j. There is an agricultural Research Institute situated near Othakadai that offers ample opportunities for the young researchers to conduct studies in the agricultural field to flourish and proper in farm activities.
2. BUSINESS SCOPE OF TOURISM ASSOCIATED INDUSTRY IN MADURAI

Modernization of traditional sector will enable to tap National/ International market to create more employment to local people, especially semi skilled and unskilled workers. The following are the important traditional industries together with measures taken by the government in the policy to promote them.

a. Handloom products such as Madurai sugudi sarees, home usage textiles products.

b. Handicrafts, heritage products and souvenir industry like wooden toys, Brassware and so on.

c. Khadi and village industry products such as handmade footwear, bags, garland and so on are popular in Madurai.

3. GOVERNMENT INITIATIVES

Tamil Nadu is being promoted as an “enchanted” destination for holidaying in Southern India through massive publicity and marketing and provision of infrastructural facilities and basic amenities at potential tourist spots. Private sector participation is being encouraged in development of tourism and pronged approach is being adopted to promote tourism in Tamilnadu. The major tourism development initiatives are as given below:

a. Tourism has been declared as an Industry in Tami Nadu. Ten percent capital subsidies up to Rs.10 lakhs are given to tourism projects in Tamil Nadu with a capital investment not exceeding one crore rupees. Besides 15 percent of capital cost up to Rs.5 lakhs as subsidy for the purchase of Generators.

b. To encourage private investment in tourism projects, the department of tourism co-ordinates with different departments for early clearance of the projects.
c. Preparing plans to improve infrastructure facilities in Tourist centres obtaining central assistance through the State Government, and securing the active participation of the local public by providing better economic avenues are the priorities of this department.
d. The Tamil Nadu Tourism Development Corporation is operating 36 hotels and is providing maximum comforts to the tourists at low tariff.
e. The Tamil Nadu Tourism Development Corporation is providing well-planned travel circuit plan with care and comfort to the tourists coming from other States and abroad.
f. The corporation is maintaining youth hostels, children parks, boathouses, and telescope houses for the entertainments of the tourists.
g. Every year, industrial fairs are conducted at Island grounds at Chennai for information dissemination on the achievements of the government and to promote tourism.
h. Approvals of shops and classification of hotels for awarding Star Category are being certified by the department.
i. Sound and light programme is conducted at Thirumalai Naickar Mahal. Efforts are being taken to establish similar Programmes at Thanjavar Big Temple and at Fort Saint George, Chennai.

To sum up, Madurai is a veritable goldmine with a long cultural history which neither Chennai nor Coimbatore enjoys. Its potential to contribute to the economy through tourism is far greater compared to these cities. Lack of local initiative to realize the inherent strengths has kept this potential untapped and much less understood by the people of Madurai.
3.6 CONCLUSION

Tourism is a unique activity. It involves an industry without smoke, education without classroom, integration without legislation and diplomacy without formality. The government of India is becoming increasingly aware of the importance of inbound and outbound tourism and likely to be giving subsidies and incentives to create new investors in this field. Tourism industry is the right place for people who are willing to start an incredible business.
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