7.1 INTRODUCTION

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

7.2 FINDINGS OF THE STUDY

In keeping with the first objective, an elaborate study was undertaken in Chapter III about the major tourist centres in Kanyakumari district. No pain was spared in giving a vivid portrayal of the environmental significance of tourist attractions such as forests, waterfalls, landscapes, monuments of ancient civilization like Kumari Amman Temple, Bhagavathi Amman Temple, Vivekananda Memorial, Gandhi Memorial, Suchindram Temple, Udayagiri Fort, Padmanabhapuram Palace, Mathoor Thotti Palam, and the like in Chapter III. This chapter shows how the natural, cultural and social environments of regions are a major lure for both national and international tourists.
The second objective was examined in Chapter IV. A steady increase was observed in the arrivals of domestic as well as foreign tourists in Tamil Nadu and Kanyakumari during the period of study.

The tourist arrival in Tamil Nadu from the year 1999-2000 to 2008-2009 was examined and it was found that majority i.e., 20.50 percent of the tourists arrived during the year 2008-09 and 4.83 percent of tourists arrived during 2006-07. This reveals a steady increase in the tourist arrival. In India, Tamil Nadu state ranks first in domestic and foreign tourist arrival. Among domestic and foreign tourists in Kanyakumari, majority i.e., 13.76 percent have arrived during the year 2008-09. The lowest percent of 5.94 tourist have arrived during the year 2004-05. The tourist arrival in Kanyakumari shows a relatively stable trend of growth during the period of study.

The average tourist arrival during the period from 1999-2000 to 2008-2009 was found to be 39274230 in Tamil Nadu and 1688363 in Kanyakumari. The co-efficient of variation of foreign tourists in Kanyakumari was found to be higher. The fluctuations in domestic and total tourist arrivals in Tamil Nadu were found to be high compared to Kanyakumari.

It could be seen that the highest percent of 13.80 domestic and foreign tourists arrived in Kanyakumari in the month of January and
12.15 percent tourists in the month of May. The lowest 4.82 percent of tourists arrived in the month of July.

In the present study, seasonal variations in the tourist arrival for 10 years have been found applying the moving average method. For domestic tourists the highest percent of 166.16 is found during the month of January and the lowest percent of 57.60 during the month of July. Regarding foreign tourists, the highest percent of 132.50 is found during the month of January and the lowest percent of 75.15 during the month of July.

Regarding the irregular indices of tourist arrival in Kanyakumari from 2000 to 2009, for domestic tourists the highest percent of 113.31 was found for the month of May, followed by 112.32 percent for the month of December and the lowest percent of 95.14 for the month of March. Regarding foreign tourists, the highest percent of 113.26 was seen during the month of December followed by 112.24 percent for the month of April and the lowest percent of 98.61 for the month of February.

It could be seen that the trend co-efficient of domestic and foreign tourist arrival is positive and statistically significant at 5 percent level. It indicates that the arrival of domestic and foreign tourists have gone up at the rate 2.3679 percent and 2.0016 percent
per annum. The growth rates for domestic and foreign tourist arrival are 4.091 percent and 6.07 percent respectively.

Regarding the third objective, namely demand and supply of hotel accommodation, the analysis revealed that there are three different classifications namely first class, second class, third class and low class of rooms based on the tariff charged by hotels.

The trend in the growth of different types of hotels in the study area was analysed and it was found that the value of trend co-efficient is higher for first class hotels (0.08), second (0.09), third (0.03) and low class (0.04) hotels. Regarding the growth rate of boarding and lodging units in Kanyakumari during the period from 2003 to 2009, the growth rate is higher among the second class hotels, followed by first class, low class and third class hotels.

Regarding the total bed capacity available per day in all the four classes of hotels, out of 1870 rooms, the highest number of 1344 rooms are (71.87 percent) double bedded and the remaining 526 (28.13 percent) rooms are three, four and five bedded.

It is inferred that the highest bed capacity of 4812 beds was found in the year 2009. 4605 beds in the year 2008 and the lowest bed capacity of 3393 beds was found in the year 2003. The beds available in Kanyakumari are found to have been steadily increasing year by year.
While studying the demand and supply of beds for both domestic and foreign tourists, it was found that the demand for beds is less than the supply of beds during the period of study in Kanyakumari. It indicates that there the demand for beds is more than of the supply and the excess demand varies from 679 in 2003 to 1203 in 2009.

It could be understood that the trend co-efficient of demand and supply of beds is statistically significant at 5 percent level and are positive. It indicates that the demand and supply of beds has steadily increased at the rate of 0.114 percent and 0.118 percent respectively per annum. The growth rates of demand and supply of beds are 12.09 percent and 12.63 percent respectively.

The fourth objective of the study was to bring out in detail the expenditure portfolio and its basic determinants with respect to the sample tourists in Kanyakumari.

Out of 500 tourists, 348 (69.60 percent) are Indians and 152 (30.40 percent) are foreign tourists. Among the foreign tourists, tourists from Sri Lanka and Malaysia stayed for an average duration of 12 and 11 days respectively and tourists from France stayed for the least average duration of 4 days.
The age group of 25-35 years composed nearly 50 percent of the total tourists and those above 40 years composed nearly 8 percent of the total tourists in Kanyakumari. Sex-wise classification showed that male tourists constituted 70 to 73 percent, while female tourists only 27 to 30 percent. Majority of the domestic tourists are married constituting 75.29 percent and 24.71 percent tourists are unmarried. Among foreign tourists 64.47 percent are married and 35.53 percent are unmarried.

Among domestic tourists 193 (55.46 percent) are graduates and 75 (21.55 percent) are post graduates. The lowest number of 20 (5.74 percent) have completed only school level. In the case of foreign 68 (44.74 percent) tourists are post graduates, 52 (34.20 percent) are professional degree holders and only 2 (1.32 percent) belong to the category of school level. It may be inferred that domestic as well as foreign tourists are well educated.

Among the domestic tourists, 92 (26.44 percent) have private employment followed by 82 (23.56 percent) who are business men and 24 (6.90 percent) who are agriculturalists. In the case of foreign tourists, 58 (38.15 percent) have private employment, 45 (29.61 percent) tourists are professionals and the least number of 10 (6.58 percent) tourists are students. Out of 348 domestic tourists, 166 (47.70 percent) tourists earn Rs.10,000 to Rs.25,000 and 95 (27.30 percent) tourists earn Rs.25,000 to Rs.50,000 and the lowest number
of 42 (12.07 percent) tourists are earn below Rs.10,000. Among foreign tourists, 75 (49.34 percent) tourists earn Rs.75,000 to Rs.1,00,000. 33 (21.71 percent) tourists earn above Rs.1,00,000 and the lowest number of tourists 16 (10.53 percent) earn below Rs.50,000.

While analysing the factors that influence the domestic tourists to visit Kanyakumari, it was found that 112 domestic tourists are influenced by relatives and 22 tourists are influenced by tour guide books. In the case of foreign tourists, 68 tourists are influenced by tour guide books, 30 tourists by non-Indian tour operators and the least number of 6 tourists are influenced by Indian tour operators.

While studying the position of Kanyakumari in the travel itinerary, it was found that among domestic tourists for 280 (80.46 percent) tourists it is their first destination and only 68 (19.54 percent) it is an extension tour from other parts of India. In the case of foreign tourists, for 120 (78.96 percent) tourists it is an extension tour from other parts of India and for 16 (10.52 percent) tourists it is their first destination.

Out of 348 domestic tourists, 268 (77.01 percent) tourists are using their own car / tourist car. Among the foreign tourists 80 (52.63 percent) tourists are using government tourist vehicles. Regarding the opinion of domestic and foreign tourists about the mode of transport
availed, ‘flight’ ranked first with the weighted average score of 4.33 and rated to be highly expensive, ‘ship’ ranked second with the weighted average score of 2.76 and rated to be expensive. Bus is ranked last with the weighted average score of 1.25 and rated to be cheap.

The most delightful tourism activity in Kanyakumari for domestic tourists is visiting the ‘religious places’ and is ranked first with the highest mean score of 56.47 and ‘traditional and cultural values’ ranked last with the mean score of 44.29. In the case of foreign tourists the most delightful activity is ‘boating’ and is ranked first with the highest mean score of 57.47 and ‘religious places’ ranked last with the mean score of 46.95.

It is inferred from the analysis, that 161 respondents (46.26 percent) arrange the tour themselves and only 22 (6.32 percent) tourists arrange the tour through travel agents. In the case of foreign tourists, majority of 90 (59.21 percent) tourists arrange the tour by travel agents and the lowest number of 4 (2.63 percent) tourists through friends/relatives.

Among the total respondents, for 254 (72.99 percent) domestic tourists and 130 (85.53 percent) foreign tourists annual programmes of leisure (sight seeing) is the major purpose for the tours. The lowest
numbers of 4 (1.15 percent) domestic tourists and 4 (2.63 percent) foreign tourists have visited Kanyakumari for health purpose.

It is inferred from the analysis that out of 500 tourists, majority i.e., 210 (42 percent) tourists have their source of information about hotels of stay from travel agents and the least number of 40 (8 percent) tourists from tourist guides.

An analysis of the modes of transport used by the tourists to reach the hotels of their stay revealed that 186 (37.20 percent) tourists use car and the least number of 30 (6 percent) tourists use company coaches.

Regarding the average number of days of stay of foreign tourists in India, it was found that out of the 152 foreign tourists, the highest number of 59 (38.82 percent) tourists stayed for 20-30 days and the lowest 14 (9.21 percent) tourists stayed in India for 1-10 days and 40-50 days. As for the actual stay as against the original plan of foreign tourists, 86 (56.58 percent) have stayed in India less than the proposed number of days and the least number of 22 (14.47 percent) foreign tourists have stayed in India for more than the proposed number of days.

Regarding the domestic tourists’ preference to the category of hotels, 174 (50 percent) tourists preferred non-star hotels and the lowest number of 26 (7.47 percent) tourists’ preferred three star
hotels. In the case of foreign tourists, majority, i.e., 82 (53.95 percent) tourists’ preferred three star hotels and the lowest number of 10 (6.58 percent) tourists preferred non-star hotels.

While analysing the reasons for selection of one to three star hotels by foreign tourists, it was found that 82 (57.75 percent) tourists feel that the cost is not commensurating with the benefit and the least number of 8 (5.63 percent) tourists gave the reason of facing difficulties in advance booking. As for the tourists’ preference to the plan types, out of 500 tourists 340 tourists prefer European plan and only 34 tourists prefer other plans like package plan and off seasonal concession plan.

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

In selection of rooms, quality of food, hotel image, hospitality of workers, room service quality and room tariff are the most important factors whereas health club, swimming pool facilities, etc., are the least significant factors.

Regarding the tourists preference to the types of rooms major number of 258 (51.60 percent) tourists preferred to stay in single bedded room and the least number of 40 (8 percent) tourists preferred suites.
Among the factors influencing hotel choice among domestic tourists 'hotel image' is ranked first with the highest weighted average score of 4.09. 'Workers hospitality' is ranked second with the weighted average score of 4.02. ‘Games court’ is ranked the last with the weighted average of 1.91. Among foreign tourists, the factors, 'hotel image' is ranked first with the highest weighted average score of 4.01, 'food quality' is ranked second with the weighted average score of 3.95 and 'games court' is ranked last with the weighted average score of 1.99.

It is observed that out of 500 tourists, 264 (52.80 percent) tourists are booking rooms through direct sport booking and 60 (12 percent) tourists through company, travel departments, travel club, friend, etc.

Regarding the location of hotels, among the domestic tourists, 'down town area' gets the first rank with 1202 scores and 'located near railway station' gets the last rank with 1162 scores. Among the foreign tourists ‘near seashore’ gets the first rank with 610 scores and ‘near railway station’ gets the last rank with 474 scores.

Regarding the opinion about the area of hotels in the case of domestic tourists, ‘room area’ gets the first position with 1142 scores and ‘games court’ gets the last position with 526 scores. In the case of
foreign tourists, ‘restaurant’ gets the first position with 492 scores and ‘halls’ gets the last position with 367 scores.

Majority of the respondents, i.e., 400 (80 percent) are non-vegetarians and 100 (20 percent) are vegetarians. The opinion of the domestic tourists about the prices charged is that the overall room tariff is high which has 1298 scores, followed by food tariff with 1232 scores and beverage tariff with 952 scores.

Among the foreign tourists the factor room rent is high ranks first, with 508 scores followed by food tariff with 434 scores and beverage tariff with 370 scores.

It could be observed from the analysis that Indian food is ranked first, by the domestic tourists, with 1182 scores and continental food is ranked last with 842 scores. Indian food is ranked first, by the foreign tourists with 468 scores and beverage is ranked last with 418 scores.

Regarding the opinion about decor, furnishing and furniture in star category hotels 42 domestic tourists (29.58 percent) felt it was ‘average’ followed by the least number of 10 (7.04) of tourists whose opinion was ‘excellent’. In the non-star category hotels 66 (32.04 percent) of the tourists opinion was ‘good’ and the least number of 6 (2.91 percent) of the tourists’ opinion was ‘no comment’.
It could be seen that the highest 36.67 percent of the foreign tourists’ opinion about décor, furnishing and furniture in star category was ‘good’ and that the lowest 6.67 percent was ‘excellent’ and another 6.67 percent was ‘poor’. Regarding the furnishing in the non-star category hotels the highest 32.04 percent of tourists had the opinion ‘good’ and the lowest 6.52 percent tourists had the opinion ‘poor’.

It is evident from the study that in the case of domestic tourists regarding the various services and facilities in star category hotels, ‘room’ is ranked first with the highest weighted average score of 3.83, ‘telephone/telex’ is ranked second with the weighted average score of 3.82 and ‘other facilities’ is ranked last with the weighted average score of 3.42. Among foreign tourists, ‘conference hall’ is ranked first with the highest weighted average score of 3.99 and ‘staff’ is ranked last with the weighted average score of 3.40.

Regarding the average amount spent per day by the domestic tourists, it was found that 90 (26.86 percent) tourists spend between Rs.1,000 to Rs.1,250 and the least number of 20 (5.75 percent) tourists spend between Rs.1,500 to Rs.2,000. The average hotel expenses of 165 (47.41 percent) domestic tourists is below Rs.1,000, that of 95 (27.30 percent) tourists is Rs.1,000 to Rs.2,000 and of 20 (5.75 percent) tourists between Rs.2,000 to Rs.3,000. In the case of
foreign tourists, 118 (77.63 percent) tourists spend Rs.3,000 and above and 6 (3.95 percent) tourists spend below Rs.1,000.

The results of multiple log linear regression model showed that income, age and duration of stay have much influence on the expenditure of both domestic and foreign tourists.

Out of 50 hotels, 31 (62 percent) hotels are independent hotels, 14 (28 percent) hotels are chain hotels and 5 (10 percent) hotels are affiliated hotels.

Out of the hotels in Kanyakumari, majority i.e., 30 (60 percent) are non-star hotels, 8 (16 percent) are three star hotels, 7 (14 percent) are two star hotels and only 5 (100 percent) hotels are one star hotels respectively.

The total number of rooms in all categories of hotels in Kanyakumari is 1930 in all categories of hotels. Out of this 859 (44.5 percent) rooms are in non-star hotels, 586 (30.36 percent) are in three star hotels and the least number of 129 (6.68 percent) rooms are in one star hotels.

It was found that among the different categories of rooms in both star and non-star hotels in Kanyakumari, 1344 (69.64 percent) rooms are double bedded and only 4 (0.21 percent) rooms are twelve bedded.
Regarding room pattern for star hotels the highest mean of 19.67 is seen for two bedded standard A/C rooms and the lowest mean average of 1.5 is for five bedded deluxe sea-facing non A/C rooms. It is revealed in the room pattern of non-star hotels in Kanyakumari, the highest mean average of 5.42 is found for two bedded ordinary non A/C followed by the mean average of 4.86 for two bedded deluxe suite A/C and the lowest mean average of 1.22 for four bedded ordinary non A/C rooms. Regarding the tariff for star hotels during peak seasons, the highest tariff mean average of Rs.4,900 for two bedded luxury A/C rooms followed by the mean average of Rs.4,182 for two bedded executive suite A/C. The lowest tariff mean average of Rs.900 is found for three bedded deluxe non A/C rooms. Regarding the tariff for star hotels during off seasons, the highest mean average of Rs.3,650 is found for two bedded luxury A/C rooms. The lowest tariff mean average of Rs.550 is found for three bedded deluxe non A/C rooms.

It could be observed from the analysis of the tariff for non-star hotels during peak seasons, the highest mean average of Rs.2,600 is found for four bedded deluxe A/C rooms. The lowest mean average tariff of Rs.452.90 is found for two bedded ordinary non A/C rooms. Regarding the tariff for non-star hotels during off seasons, the highest mean average of Rs.1,712.50 is found for four bedded deluxe A/C rooms.
rooms. The lowest mean average tariff of Rs.261.80 is found for two bedded ordinary non A/C rooms.

As for the total number of beds in the hotels of Kanyakumari, more number i.e., 2,220 (43.73 percent) beds are in non-star hotels and only 708 (13.94 percent) beds are in one star hotels.

Regarding the analysis of the nature of season for the star and non-star hotels in Kanyakumari, the majority of 31 (62 percent) hotels enjoy the combination season of peak and normal, 15 (30 percent) enjoy normal season throughout the year and only 4 (8 percent) hotels have peak season throughout the year.

It is inferred from the analysis on the lean season for star category hotels, that 11 (55 percent) hotels have the lean season from May to July and only 1 (5 percent) hotel has no lean season at all. As for the lean season for non-star category of hotels 15 (50 percent) hotels have the lean season from May to July and only 2 (6.67 percent) have the lean season from August to September.

It is observed from the analysis on the average room occupancy during lean season in star category hotels in Kanyakumari, that out of 20 star hotels 11 (55 percent) hotels show 59-60 percent room occupancy and only one (5 percent) hotel shows 53-54 percent room occupancy. In the case of non-star categories of hotels, out of 30 hotels, the highest number of 11 (36.67 percent) hotels have 69-70
percent room occupancy and the least number of 2 (6.67 percent) hotels have 61-62 percent of room occupancy.

It was found from the analysis on the normal season for star categories of hotels in Kanyakumari, that majority of 11 (55 percent) star hotels have the normal demand during December to March and only one (5 percent) hotel has no normal season in a year. In non-star categories of hotels in Kanyakumari, majority of 13 (43.33 percent) non-star hotels have the normal demand during January to March and only 2 (6.67 percent) hotels have no normal season in a year.

It is evident from the analysis on the average room occupancy of star categories of hotels during normal season that 10 (50 percent) hotels have 79-80 percent room occupancy and only one (5 percent) hotel has 75-76 percent room occupancy. Among non-star hotels, 9 (30 percent) hotels have the room occupancy of 76-77 percent and only 3 (10 percent) hotels have the room occupancy of 84-85 percent.

It is observed from the analysis on the peak season for star category of hotels in Kanyakumari, that out of 20 star categories of hotels, 7 (35 percent) hotels have peak season for 3 months in year i.e., from October to December, 2 (10 percent) hotels have 4 months from December to March and another 2 (10 percent) hotels for 3 months of peak season from March to May. Among the non-star hotels, 10 (33.33 percent) hotels have peak season for 3 months in a
year, from November to January and only 2 (6.67 percent) hotels have peak season for 3 months i.e., from March to May.

The analysis on the average room occupancy during peak season for star categories of hotels in Kanyakumari reveals that all 20 star categories of hotels have achieved more than 90 percent occupancy during peak season. 15 out of 20 star hotels are able to attain occupancy ranging between 95-100 percent. The average room occupancy of non-star categories of hotels, during, peak season is more than 90 percent. 25 out of 30 such hotels are able to attain average room occupancy ranging between 95-100 percent.

Regarding the annual average occupancy of hotel rooms in Kanyakumari during 2008-09, it is seen that in 13 (26 percent) hotels the number of rooms occupied is below 10,000 rooms per annum followed by 11 (22 percent) hotels, where the number of rooms occupied was between 20,000 to 30,000 rooms per annum and only one (2 percent) hotel had the number of rooms occupied, between 70,000 to 80,000.

It was found from the analysis on the annual room occupancy during the period from 2003 - 04 to 2008-09, that the star hotels with less than 75 percent occupancy ratio, accounted for 26 percent. Only 2 percent of the hotels had the occupancy ratio of less than 75 percent during 2008-09.
Regarding the modes of booking rooms in star hotels, 64 percent of the tourists book on the spot, 12 percent booking is done in advance by the tourist themselves and only 6 percent book through e-mail. In the case of non-star hotels, 72 percent of the tourists book rooms on the spot and only 3 percent book through e-mail.

It is evident from the study that among the modes of booking rooms in star and non-star hotels by domestic tourists, ‘spot booking’ is ranked first with the highest mean score of 54.66, ‘advance booking by the tourist themselves’ is ranked second with the mean score of 50.22 and ‘booking through e-mail’ is ranked last with the mean score of 47.89. In the case of foreign tourists ‘spot booking’ ranks first with the mean score of 55.43, ‘advance booking by the tourist themselves’ ranks second with the mean score of 53.45 and ‘booking through friends / relatives’ ranks last with the mean score of 45.99.

It is inferred that among the foreign tourist occupants in star categories of hotels, majority i.e., 8 (40 percent) hotels have occupancy of 45-50 percent and that least number of 2 (10 percent) hotels the occupancy is 35-40 percent. Regarding the non-star categories of hotels, majority i.e., 11 (36.67 percent) hotels have occupancy is 1-10 percent, and the least number of 5 (16.66 percent) hotels the occupancy is 20-30 percent.
The analysis for the cuisine offered by star hotels at the national level, revealed that Indian cuisine was offered by 89 percent of the star hotels, continental food by 87 percent, Chinese by 70 percent and vegetarian food by the least 14 percent hotels. In the star hotels of Kanyakumari, Indian food is offered in 82 percent hotels, continental food in 72 percent hotels, Chinese food in 64 percent hotels and the other food items in the least 10 percent hotels.

The study reveals the promotional methods adopted by star hotels. Out of 20 star hotels 8 (40 percent) hotels use press advertisements, sign boards, posters, instant reservation facilities, network, sales calls and sales conferences and only 3 (15 percent) hotels use press advertisements, sign boards, posters and instant reservation facilities. Out of the 30 non-star hotels, 13 (43.33 percent) use press advertisements, sign boards, posters, instant reservation, network and sales calls and only 2 (6.67 percent) hotels adopt public relation along with other measures like press advertisements, network and sales conferences.

It is inferred from the analysis on the credit cards accepted by star hotels at the national level, that 63 percent of the 413 star hotels accept Diner’s Club card, 50 percent accept Visa Card, 44 percent Central Credit Card and that least 20 percent of the hotels accept Mercard. In Kanyakumari among both star and non-star hotels 80 percent of the 50 hotels accept credit cards. Majority i.e., 51 percent
hotels accept Diner's club Card, 41 percent accept Visa Card and the least 22 percent hotels accept Mercard.

7.3 SUGGESTIONS AND POLICY RECOMMENDATIONS

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

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

1. Hotel and tourism industries should, first of all, be treated as infant industries and provided with all due protection, particularly, in connection with concessions, incentives, in terms of guarantees, grants tax exemptions and subsidy on
loans for construction of hotels even though it would certainly entail costs to the governments and other financial institutions. But it should be kept in mind that, in due course, as the industries develop and grow satisfactorily, the costs will be offset by the gains accruing to it. Thus, the economic impact of hotel industry is the balance between the associated costs and their benefits and hence it becomes necessary for the accommodation industry to form appropriate judgements very carefully. Since hotel and tourism industries are still in their infant stages, expenditure tax on hotels should be reduced either considerably or abolished completely, at least for a specific period of time, depending upon their growth and development. In this respect, it is encouraging to note that the expenditure tax on hotels has been reduced from 20 per cent to 10 per cent as per the 1994-95 budget. However, such considerations or concessions to the resorts and other tourists destinations which are seasonal in character must prove to be still more favourable.

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

3. The rate of luxury tax varies in accordance with the volume of room sale. It also varies from state to state in India. It should be rationalized by designing an uniform structure of luxury tax throughout the nation for hotel industry. The uniform luxury tax would not create any confusion in the minds of customers. The rate of luxury tax should be at a minimum rate as against the present rate.

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

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

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

7. In South Indian hotels, the demand for rooms is higher than the supply of rooms. This situation leads to sellers’ (hoteliers’) market in the hotel industry. Hence, to some extent, the hoteliers are not concerned about customer satisfaction and quality of facilities and services. The Hotel Association should, therefore, form a committee which consists of hoteliers and government representatives to watch the standard of services and facilities offered by the hotels. Those hotels which are not showing co-operation in this regard, should not be given any concession or incentive and should be disapproved.

8. The boarding problems can be solved by the Tamil Nadu State Government, by framing rules and regulations for construction of more number of spacious hotels in tourist centers and taking steps for providing hygienic food and healthy environments in
restaurants through government agencies like Health Department. They should also ensure that fixed prices for food items in common for all restaurants in the tourist centres, are charged.

9. The state government may also encourage the private lodge owners by relaxing the rules and regulations, for the construction of more number of hotels. The government should also fix the tariff for the various lodges taking into consideration the facilities and amenities provided.

10. It is felt that the Tamil Nadu government should take necessary steps to operate inland water transport services for passengers thorough ferry services between Chennai and Kanyakumari connecting various tourist centers like Mamallapuram, Puduchery, Nagapattinam, Rameswaram, Thoothukudi and Tiruchendur. It will satisfy the tourists who wish to travel by sea.

11. The Tamil Nadu state government should operate more number of buses, with higher frequency to ensure “more comforts and less problems” for tourists to enable them to visit more number of tourist centers. The government of Tamil Nadu should frame rules and regulations to regulate private transport operators on
war footing to protect the name and fame and increase the revenue.

12. The tourist guide problems can be solved by the Tamil Nadu State Government, by appointing sufficient number of educated, trained and approved tourist guides and purohits (Sanskrit Scholars) for the smooth understanding of the art, culture and heritage of the people of Tamil Nadu. This will help foreign tourists and tourists from other states of India to know more about the traditional beauty of Tamil Nadu. The state government should also fix the charges for the guides in various tourist centers. Employment opportunities for the educated, unemployed youth can also be increased by this.

13. The people of Kanyakumari, especially those who are directly connected to tourism, like shop-keepers, guides, and local transport operators should be educated through “workshops” on topics like “value of tourism”, “Importance of foreign exchange”, “Necessity of creating name and fame of India in the foreign countries”, etc. These workshops will improve not only the quality of tourism but also increase its quantity. The Central and the State governments should come forward to solve the problems involved in tourism and hotel industry. There is a need of public-private participation in solving these problems.
7.4 CONCLUSION

The study reveals that there is a steady increase in the arrivals of domestic as well as foreign tourists both in Tamil Nadu and Kanyakumari during the study period. Regarding the demand and supply of hotel accommodation, the highest growth rate is found among second class hotels, followed by first class and third class hotels. The selection of rooms, quality of food image of the hotel, hospitality of workers, quality of room service are found to be good. The opinion of both domestic and foreign tourists about room area and restaurant is ‘good’. During peak seasons, the supply for beds is less than the demand of beds. The some important factors of hotels like health club, swimming pool facilities etc., are ‘not good’. The transport facilities available also not sufficient to the tourists. The study finally concludes that Kanyakumari is a unique location and a good tourist spot in India. Therefore, the hotel owners, government, private agencies and local authorities should take necessary steps to develop Kanyakumari for promoting hotel as well as tourism industry.

7.5 SCOPE FOR FUTURE RESEARCH

1. A study on problems and prospects of hotel industry in Kanyakumari.
2. Customer Relationship Management in Hotel Industry with special reference to Kanyakumari District.
3. The Impact of Tourism on the socio-economic development of Kanyakumari District.