CHAPTER –I

INTRODUCTION

1.1 Introduction

Tourism is a most desirable human activity; which is capable of changing the socio-cultural, economic and environmental face of the World. Tourism is one of the largest and fastest growing industries in the world; it has the potential to influence the living pattern of communities. It is one of the most important channels of cultural exchange which breaks down the barriers between people of different parts of the world. It is the collection of activities, services and industries that deliver a travel experience including transportation, accommodation, eating and drinking, establishments of retail shops, entertainment, business and other hospitality services provided for individuals or group of individuals travelling away from home.

India is a diverse Country, with over 1.3 billion people following various cultures, traditions, languages, festivals, religions. Equally diverse are the category of tourism activity that India offers to her people as well as to the people across the world. Such diversity owe largely to the geographic, climatic and traditional multiplicity seen in India’s twenty-nine states and seven union territories.

Tourism has emerged as a key sector of the world economy and has become a major workforce in global trade. It has been making a revolutionary and significant impact on the world economic scenario. Tourism has been identified as the major export industry in the world. The multifaceted nature of this industry makes it a catalyst to economic development and helps balanced regional development. It is a low capital, labour intensive industry with economic and regional development, multiplier effect and offer opportunities to earn foreign exchange at low social cost.

Tourism industry acts as a powerful agent of both economic and social changes. It stimulates employment and investment, alters structure of the economy, makes a significant contribution towards foreign exchange earnings and maintains favorable balance of payment. The money spent by the tourist in a country is turned over several times in the process; the total income earned from tourism is a number of times more
than actual spending. The multiplier effect of tourism receipts is completely recognized as spreading to secondary and tertiary sectors of an economy. Tourism has to its credit economic, social, cultural, educational and political significance. Marketing and promotion are of vital importance in tourism sector due to the competitiveness of tourism industry both within and between tourism generating nations. Tourism industry creates direct, indirect and induced employment. It produces a vast spectrum of employment from highly qualified and trained managers of star hotels to room boys, sales girls and artisans. With its faster growth new horizons of employment open up for youth of the developing countries.

In developing countries like India tourism has become one of the major sectors of the economy, contributing to 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.

**Conceptual understanding of Tourism**

The word “Tour” is derived from the Latin word “Tornaro” and Greek word “Tornos”, which means a “Lathe” or “Circle”. Therefore, Tourism means that the movement around a central point or axis.

The Macmillan Dictionary defines tourism as “the business of providing services for people who are travelling for their holiday”.

The World Tourism Organization defines tourist as “people travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purpose”. Tourism is a travel for recreational, leisure, business and education purposes.

The British Tourist Authority defines Tourism as “a stay of one or more nights away from home for holidays, visits to friends or relatives, business conferences or any other purpose, except such things as boarding , education or semi, permanent employment

According to Macintosh and Goldner (1986), “Tourism is the sum of the phenomena and relationships arising from the interaction of tourists, business suppliers,
host government and host communities in the process of attracting and hosting these
tourists and other visitors”. The word ‘tourism’ consists of all those trades which
together satisfy the varied needs of the travelers.

Travel may be considered tourism, if it satisfies the following conditions:

I. Travel must be temporary,

II. Travel must be voluntary,

III. Travel should not have remunerative employment as it aims.

According to Webster dictionary ‘Tour’ means “a journey at which one returned
to the starting point, a circular trip usually for business, pleasure or education during
which various places are visited and for which usually planned”. In the Sanskrit
literature there are three terms for tourism derived from the root ‘atna’, which means
going or leaving home for some other place. The three terms are:

i. Paryatna: It means going out for pleasure and knowledge.

ii. Desatna: It means going out of the country primarily for economic gains.

iii. Tirthatna: It means going out to places of religious merits.

According to Swiss Professor Hunziker and Krapf “Tourism is the sum of the
phenomenon and relationship arising from travel and stay of non-residents, in so far as
they do not lead to permanent residence and are not connected with any earning
activity”.

Dr.Zivadin says, “It is a social movement with a view to rest, diversion and
satisfaction of cultural needs”. According to Lickorish, “Tourism embraces all
movements of people outside their community for all purposes except migration or
regular daily work. The most frequent reasons for this movement are for holidays but
it will also include, for example attendance at conferences and movement on sporadic
or infrequent business purpose.

European Commission widens the scope of tourism by defining it as “the set of
activities performed by people who travel and stay in places outside their usual
environment for not more than one consecutive year, for leisure, business and other
purposes”.

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Conceptually, tourism therefore, distinguishes in particular from the related concept of leisure and recreation on the one hand and from the travel and migration on the other. Tourism in the pure sense is essentially a pleasure activity in which money earned in one’s normal domicile is spent in the places visited. It involves a discretionary use of time and money.

The concept of tourism may be described as internal tourism, national tourism and international tourism. Internal tourism comprises of domestic and inbound tourism, National tourism comprises of domestic and outbound tourism and International tourism comprises of inbound tourism and outbound tourism. Domestic tourism refers to residents of the given country travelling only within the country. Inbound tourism refers to non residents travelling in the given country and outbound tourism involves residents travelling in other country.

Totally Tourism comprises “the activities of person travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. Tourism is a business which provides services such as attracting, transporting, accommodating or catering to the needs or wants of persons travelling to or staying in places outside their home community.

Tourist

Tourist is the principal character in the phenomenon called tourism. The UN World Tourism Organization (WTO) and the World Travel and Tourism Council (WTTC) defines tourists as “people who travel to and stay in places outside their usual environment for more than twenty four hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited”.

19th Century Dictionary defines “Tourist as a person who travel for pleasure of travelling, out of curiosity and because he has nothing better to do”.

According to the Dictionary Universal, the tourist is a person who makes a journey for the sake of curiosity, for the fun of travelling; or just to tell others that he has travelled.
According to Lickorish “all persons staying for more than 12 months and less than 24 hours should be excluded from the category of tourist”.

The new Webster Encyclopedic Dictionary of English Language (1972) defines tourist as “one who makes a tour, one who travels for pleasure”.

According to Norval Tourist is “a person who comes to establish permanent residence or to work there regularly and who spends, in the country of his temporary stay, the money he has earned elsewhere”

Hence tourist means one who makes a tour especially for recreation or who travels for pleasure, object of interest, scenery, sports, conference, meeting, educational purpose etc. Tourists are people who “travel to and stay in places outside their usual environment for more than twenty-four hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited”.

1.2. Forms of Tourism

Tourism is an industry which exist in various forms, such as

1. Cruise Tourism: Cruise tourism is one of the most dynamic and fastest growing components of the leisure industry across the world. India with its long and beautiful coastline, virgin forests and undisturbed idyllic island, rich historical and cultural heritage can emerge as an attractive tourist destination for cruise tourists.

2. Adventure Tourism: Adventure tourism involves travel to remote, exotic areas for exploration as for undertaking activities which test the endurance of both a person and his equipment.

3. Medical Tourism: Medical Tourism is a term used to describe the rapidly growing practice of travelling across international borders to obtain health care. Services typically sought by travelers include elective procedures such as ear tubes, tonsillectomies and scoliosis surgery as well as complex specialized surgeries such as joint replacement, cardiac surgery, dental surgery and cosmetic surgeries. A journey that patients take from one country to another country to get cost effective and efficient medical treatment, followed by a great vacation at some of the most beautiful location
is called Medical Tourism. Medical tourism refers to “visit by a patient for medical
treatment and relaxation”. Soaring medical costs, high insure premium, increasing
number of uninsured people in developed nation, availability of high quality health
care service at affordable rate in developing countries, cheaper air fare and tourism
aspect are the driving forces of the outbound medical tourism.

India is an important player of medical tourism as it has many advantages. Medical
treatment cost is the lowest in the world. It has many internationally accredited
hospitals, world class doctors and medical staff, rich culture heritage and innumerable
tourist attraction.

4. Wellness Tourism: Wellness tourism is about travelling for the primary purpose of
achieving, promoting or maintaining maximum health and a sense of well being. Health
tourism holds immense potential for India. The Indian systems of medicine that is
Ayurveda, Yoga, Panchakarma and Rejuvenation Therapy are most ancient system of
medical treatment in the world. India can provide medical and health care of
international standard at comparatively low cost.

5. Golf Tourism: Golf Tourism in India is gaining interest. One of the latest trends in
golf tourism is the fact that there has been a recent surge in the interest levels amongst
youth. India has several golf courses of international standards. Golf events held in
India also attract domestic and international tourists.

6. Polo Tourism: India has rich historical ties with many of the sporting traditions
including polo. The game of polo originated in India and India is one of the few
countries in the world where this is still preserved and practiced. Polo can rightly be
termed as “heritage sports” of India.

7. Eco-Tourism: Eco-tourism means making as little environmental impact as possible
and helping to sustain the indigenous populace, thereby encouraging the preservation
of wildlife and habitats when visiting a place.

8. Food tourism: In recent years food tourism has grown considerably and has become
one of the most dynamic and creative segment of tourism. Both destination and tourism
companies are aware of the importance of gastronomy in order to diversify tourism and
stimulate local regional and national economic development. Food tourism includes in
its discourse ethical and sustainable values based on the territory, the landscape, sea, local cultural, local product, authenticity etc.

Gastronomic tourism is an emerging phenomenon that is being developed as a new tourism product. Gastronomic tourism used in the literature is that proposed by Hall and Sharples (2003), according to which “food tourism is an experiential trip to a gastronomic region, for recreational or entertainment purposes which includes visits to primary and secondary producers of food, gastronomic festivals, food fairs, events, farmer’s markets, cooking shows and demonstration, tasting of quality food products or any tourism activity related to food.”

Gastronomic tourism applies to tourists and visitors who plan their trips partially or totally in order to taste the cuisine of the place or to carry out activities related to gastronomy.

9. Film Tourism: In the recent year film tourism is growing very rapidly all over the world due to the development of film industry. People travel to a country for film shooting, get leisure, entertainment, watching films and searching for beautiful spots.

10. Pilgrimage Tourism: Tourism helps to spread light on unexplored spots across the world. India has a very strong mythological background and is also known as the Land of Gods and Goddess. India being the most culturally developed country and the birth place of many saints, poets and philosophers has marked growth in pilgrimage tourism. Kedarnath, Badrinath, Amaranath, Golden temple at Amritsar, Dwarka, churches and temples are the common tourist’s attractions pertaining to pilgrimage tourism.

11. Historical Tourism: People travel to a country to analyze and study the history of a nation. India is a land which gave birth to many legendary rulers and warriors creating a glorious historical background. Every city or place in India has a story to tell about its history. Some of the examples include Taj Mahal at Agra, Ajanta-Ellore and Khajuraho caves, Chithradurga fort, Palaces at Vijayanagara and Mysore, Monuments at Beluru, Halebidu and Somanathapura and Statue at Shravanabelagola.

12. Ayurveda and Yoga Tourism: Ayurveda may be regarded as the Science of life, which was developed long ago in 600 BC. India has witnessed an overall growth in tourist arrivals due to the upcoming, Ayurveda tourism. The state of Kerala in South
India is the popular destination of Ayurveda tourism. The main focus of Indian yoga is yogasanas and meditation which rejuvenates one’s mind, body and soul. There are many ashrams in India encouraging yoga tourism. The mountain ranges of Himalayas, Rishikesh, Kedarnath, Gangotri of Northern India are some of the places where one can get eternal peace and satisfy their spiritual quest and are the perfect destinations for yoga tourism.

13. Rural Tourism: Rural tourism is essentially an activity which takes place in the countryside. The scheme of rural tourism was started by the Ministry of Tourism in 2002-03 with the objectives of highlighting rural life, art, culture and heritage at rural locations and in villages which have core competence in art, craft, handloom, textiles and natural environment.

14. Agri-Tourism: Agri tourism is considered as the fastest growing sector in the tourism industry. Agri tourism is defined as travel, which combines agricultural or rural setting with products of agricultural operations all within a tourism experience. Agri tourism can be defined as “a range of activities, services and amenities provided by farmers and rural people to attract tourists to their area in order to generate extra income for their business”

15. Business Tourism: Business tourism is considered as the oldest form in the tourism industry. In the ancient times, man started travelling to different parts of the world for trade and commerce. When people travelled from one nation to another for trade and commerce, they also visited historical places, pilgrimage places and natural destinations. This trend has continued even today. With globalization, the world has become small. Multi-national companies have become a common feature in the modern business. People working in them visit some nearby tourism destinations in their leisure time. Thus, business tourism has become an important form of tourism.

16. Educational Tourism: Educational tourism has historical background. Many people travel to different places to get themselves educated. India had two international universities Nalanda and Takshashila in ancient periods. Ten thousand students from different countries of the world were getting education in these two universities. The term educational tourism refers to any program in which participants travel to a location
either individually or as a group with the primary purpose of engaging in a learning experience directly related to the location.

17. **Nature Tourism:** Nature tourism is related to beautiful wild life, nature conservation and pristine natural lands in the world. Nature is the most precious gift of God to humanity. It makes a vital contribution to the protection and conservation of nature reserves. Promoting awareness among the nature lovers and creating political pressure to conserve natural resources are to be undertaken by nature tourism.

18. **Meetings, Incentives Conventions and Exhibition (MICE) Tourism:** MICE tourism is latest type of business tourism and fastest growing segment in the world tourism industry. It caters to variety of forms of trade meetings, international conferences, conventions, exhibitions etc. India has the potential to be one of the top 20 destinations in the world for hosting international conferences, exhibitions and events.

19. **Sports Tourism:** Sports play a vital role in tourism development in national as well as international level. Olympics, Commonwealth games, Asian games etc attracts people from various regions resulting in rapid tourism growth. Even in Kodagu hockey tournament (Which has entered the Gunnies record) and cricket tournament between various communities invites a large number of tourists across the nation.

20. **Peg Tourism:** The pleasant weather conditions in Places like Kodagu, Goa, Pudacheri etc has resulted in peg tourism growth. It mainly involves entertainment and stress removals. Certain places are spotted for peg tourism and most of the people love to spend their weekend here which helps them to get rid of their stress and provides relaxation.

21. **Ghost Tourism:** Various measures have been taken to develop tourism growth. One of the major steps in this regard is the new concept called ghost tourism. The Calcutta Research Centre (Para Normal Centre) has come forward to attract tourists through scary house effects. The major targets are the railway stations with no passengers. In order to increase the rate of arrival of tourists in such empty railway station, the concepts of ghost tourism have emerged. Passenger’s curiosity of the concept of the ghost, the adventurous mind of young tourists is the main component of this tourism.
22. **Ethno Tourism**: Ethno tourism refers to visiting a foreign location for the sake of observing the indigenous member of its society for the sake of non-scientific gain.

23. **Disaster Tourism**: Disaster tourism is the act of traveling to a disaster area as a matter of curiosity. The behavior can be nuisance if it hinders rescue, relief and recovery options.

### 1.3. Composition of Tourism Industry

Tourism industry is a small part of the total leisure industry, which includes many attractive activities. Tourism is a complex industry. For the success of modern tourism and the comfortable journey of tourists, there is a need for co-ordination between the primary and secondary trades of tourist industry. Composition of tourism industry can be classified as primary travel trades and secondary travel trades. Primary Travel trades include hotel industry, food and beverage industry, Transport industry and Travel agency. Secondary Travel Trades include retail shops, banking and financial institution, laundries and suppliers of goods and services.

#### 1. Primary Travel Trades

**Accommodation**: It is one of the most important segments of the tourist services needed at the destinations. Various types of accommodation facilities used by the tourists are hotels, resorts, home stays, estate stays, youth hostels etc., It is the key element in the tourism product and an essential component of tourism. Hotels provide accommodation, meals and refreshment for tourists. Hotel is an establishment which supplies boarding and lodging. Hotels can be classified as five star deluxe, five star, four star, three star, two star, one star, and heritage hotels.

**Transport Industry**: Tourists require transport in order to visit the different tourism spots throughout the country. Hence, the air, rail, sea and road transportation facilities should be expanded. It is the primary tourist service needed by the tourist in order to reach the destination.

**Travel agent and tour operators**: Travel agents and tour operator fulfill an intermediary front between the tourists and the providers of transport and accommodation in particular destination.
2. Secondary travel trades

Secondary travel trade comprises retail shops, bank and financial institutions, laundries, supplier of goods and services for hoteliers, caterers and transport undertaking. Retail shops are very important in tourism industry which includes souvenirs, antiques and gifts. Suppliers of goods and services include entertainment, public utility, building firms, insurance company etc., Entertainment include theaters, cinema, festivals, sports, adventures etc.,

Tourist attractions: Holiday resorts, scenic beauty, mountains, beach, sports, recreation, leisure and relaxation should provide to meet the demands of the tourists.

Entertainment: Development of various entertainment forms such as provision of restaurants, music and dance, theaters and shopping are an integral part of tourism industry. In addition to monuments and memorial, arts and crafts, festivals and religious activities, the tourists are also interested in a variety of entertainment.

An understanding of different types of tourism as well as the structure and composition, has enabled the researcher to understand the potential of tourism industry to create employment opportunities at various phases of tourism industry.

1.4. Tourism Development, Economic and Employment Growth

Tourism has been major social phenomenon of the society. It is motivated by the natural urge of every human being for new experience, adventure, education and entertainment. The motivations for tourism also include social, religious and business interests. The increase of education has fostered a desire to know more about different parts of globe. The basic human thirst for new experience and knowledge has become stronger, as communication barriers are getting overcome by technological advances. Progress in air transport and development of tourist facilities has encouraged people to venture out to the foreign lands.

Tourism is an important instrument for economic development and employment generation, particularly when a remote and backward area, has been well recognized world over. It is the largest service industry globally in terms of gross revenue as well as foreign exchange earnings. Tourism can play an important and effective role in
achieving the growth with equity objectives which India has set for itself. Tourism is one economic sector in India that has the potential to grow at a high rate and can make sure consequential development of the infrastructure of the destinations. It has the capacity to capitalize on the country’s success in the services sector and provide sustainable models of growth.

Tourism has the potential to stimulate other economic sectors through its backward and forward linkages and cross-sectoral synergies with sectors like agriculture, horticulture, poultry, handicrafts, transport, construction etc. Expenditure on tourism induces a chain of transactions requiring supply of goods and services from these related sectors. The consumption demand, tourist expenditure also induces more employment and generates a multiplier effect on the economy. As a result, additional income and employment opportunities are generated through such linkages. Thus, the growth of the tourism sector can lead to large scale employment generation and poverty alleviation.

The economic benefits that flow into the economy through growth of tourism in shape of increased national and state revenues, business receipts, employment, wages and salary income, tax receipts of central, state and local collected from tourism contribute to overall socio-economic improvement and accelerated growth in the economy. Tourism is an industry of private sector service providers, although the public sector has a significant role to play in infrastructure development, directly or through public-private partnership approach. It is a multi-sectoral activity characterized by multiple services provider. Tourism sector is closely related to airline, surface transport, hotels, basic infrastructure etc.

The growth of the tourism sector has contributed quite a lot for employment generation in various tourism related activities such as agriculture, horticulture, poultry, handicrafts, construction, sports, petty shops and retail trade, hotels and home stays etc., In fact, investment in tourism has the potential to create more jobs compared to other sectors.

Another important feature of the tourism industry, which is of particular significance to India, is its contribution to national integration and preservation of natural as well as cultural environment and enrichment of the social and cultural lives.
of people. Tourism sector encourages preservation of monuments and heritage properties and helps the survival of arts, crafts and culture.

Tourism industry has become an important instrument for sustainable, inclusive and faster development. It helps in alleviation of poverty, protection of environment, generation of employment opportunities, empowerment of women and neglected section in the society, invention of new opportunities, improvement of standard of living of the people, exploration of new tourism spots and products, preservation of culture and heritage of a nation.

1.5. Statement of the problem

History reveals the harsh realities of travel in ancient times and civilization in search of basic necessities of life such as water, food, shelter and safety. In the absence of organized roads, people travelled by foot or on animal backs over open fields, forest etc., Civilization, Modernization, Industrialization have promoted tour and travel across the world and today tour is the order of the day and also fashion of human life. The development of tourism in India is fascinating subject. India’s glorious tradition and rich culture heritage are closely linked with the development of tourism. India in recent years has gained good exponential growth in the tourism industry. Today India is the preferred destination for both overseas and domestic travelers. Tremendous growth in the Indian economy exclusively service sector is the main reason for the growth in tourism in India.

Karnataka is the 9th largest state in India in terms of population as per 2011 census and unemployment rate is also very high. Tourism industry is the one which gives large scale employment opportunities. Karnataka is a State of fast growing economy. Tourism industry provides employment opportunities not only for educated but also uneducated and unskilled workers. Poverty is due to lack of opportunities to earn income. However, development experiences of the growth of service sector across the countries have shown that its contribution to employment growth is quite significant.

Karnataka has very good tourist spots. It has number of natural and man made tourism sites or locations. It attracts large number of people from across the world.
There are several unexplored tourist destinations in Karnataka. It is the goal of the government to give support and incentives for the development of social and economic infrastructure facilities. Tourism industry has chain linkage, with all other sectors like bank and insurances, trade, transportation, communication, education etc., which facilitates the overall economic development of the state along with expansion of employment opportunities. Karnataka has good coastal, airline as well as international airport and sea port which attract large number of foreign tourists, resulting in foreign exchange, cultural exchange, income and employment generation. Recently Karnataka state government invited foreign investors, MNCs to invest in the tourism sector. As a result of foreign investment, tourists get good and qualitative services which helps in stimulating employment opportunities both through direct and indirect linkages. Regional multiplier effect further gives a boost to job creation.

1.6. Research Gap

The literature review reveals that there is scope for examining the relationship between tourism development and employment growth at the micro level. Further, GATS agreement in 2005 has led to trade in services which in turn has caused tremendous increase in employment opportunities. This trend has called for an empirical investigation into the employment potential of tourism industry. However the nature and quality of employment in Tourism Sector differs significantly from that of organized sector. In India, both national and regional level studies on employment potential of tourism are very few, particularly since GATS agreement. The impact of tourism industry on employment linkage, employment quality or natures of jobs, particularly home stays are less explored. In the background of declining employment elasticity in the organized sector, any study that is related to employment potential in various economic activities, deserve lot of empirical value addition. Moreover, in Karnataka, tourism industry is flourishing especially in Kodagu district. The expansion of tourism activities is very significant due to various reasons already mentioned. Further there are 404 registered home stays and several unregistered home stays in Kodagu district. Similarly tremendous expansion of hotel industry, retail trade, entertainment, transportation etc., relating to tourism, have created plenty of scope for the exploration of employment creation in Tourism Sector in Kodagu district. Hence the present study proposes to capture the employment potential along with different
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dimensions of growth in tourism industry particularly in the home stays of Kodagu district, which is more directly linked with the expansion of tourism industry in the district. Further, employment dimensions of tourism industry in case study area has remained unexplored.

1.7. Objectives of the Study

The main objectives of the study are as follows:-

1) To discuss the tourism development policy of India as well as Karnataka.

2) To discuss the causality between tourism development and economic growth in Karnataka.

3) To analyze the relationship between tourism development and employment growth in Karnataka and Kodagu district.

4) To study the factors determining the growth of tourism in Kodagu district.

5) To examine the quality of employment in tourism industry in Kodagu District.

1.8. Hypotheses of the study

1. Tourism development contributes to economic growth.

2. Tourism development facilitates the growth of employment opportunities.

3. Tourism development in Kodagu district is high due to supply side factors.

4. Quality of employment in tourism industry in Kodagu district is satisfactory.

1.9. Rationale for selecting Kodagu District for Case Study

Kodagu is one of the most beautiful hill stations of Karnataka. The picturesque coffee and spices plantation of Kodagu are the most noticeable hallmarks of the district. The district is blessed with rich flora and fauna. The tourist destinations, pleasant weather condition and scenic beauty bring a large number of domestic as well foreign tourists towards Kodagu. The adventure activities, eco-tourism, spots, festivals, sports events, rich heritage, calm atmosphere, hospitality etc., of Kodagu makes the district a perfect place for tourism activity.
Due to the growth of tourism, the growth rate of hotels, lodges, home stays, shops, resorts, restaurants, tour operators and vehicles have evidenced a tremendous increase. The increase in these tourism related activities have created a large number of employment opportunities to several people. Since Kodagu is a small district with only three taluks, a compact analysis of tourism and employment growth would be possible. Hence, Kodagu district has been selected for the research work to analyze the role of tourism development and employment growth.

1.10 Scope and importance of the Study

India has gained good exponential growth in the tourism industry in recent years. Today India is the most preferred destination for both overseas and domestic travelers. Tremendous growth of the Indian economy is the main reason for the growth of tourism in India. Tourism industry in India is substantial and vibrant and is the most profitable sector in India. In 2015, 7.68 million foreign tourists visited India. The latest Travel and Tourism Competitiveness Report (2015) reveals the increasing status of Indian Tourism in the Global market. India has 52nd Rank out of 141 countries with regard to increasing Tourism trends in Global market. In terms of price competitiveness India ranks 8th and in air transport infrastructure it has moved to 35th ranking from 37th in 2009. India is ranking good in cultural resources (10th) and business travel and also in natural and cultural resource (12th). However in ICT readiness, India is in 114th position and in human resource and labour market is in 111th position. Health and hygiene is another issue in which India is in 106th position.

Karnataka which is the south west of India is a prominent tourism hub, attracting tourists from across the world. Karnataka tourism has a seen a boost owing to the capital city, Bengalure emerging as the IT centre of the country. The flourishing tourism has triggered the mushrooming of the resorts and home stays across the state facilitating better travel experience. Karnataka has good number of Pilgrimage places, Temples, Beaches, Adventures, Hill stations, Wildlife and National Parks, Waterfalls, Heritages etc. In Karnataka tourism has very wide scope which in turn provides for very large employment generation.

Kodagu is one of the most beautiful hill stations proudly nicknamed as ‘Kashmir of south’. It is blessed with beauty of forest and mountains. Approximate tourist inflow
to Kodagu per annum is 500000 people. One of the recent developments in tourism of Kodagu is mushrooming up of home stays, which provides royal treatment to the tourists. Growth of tourism industry in Kodagu has good linkages with other sectors and provides employment directly as well as indirectly and improves income and standard of living of the people.

The dynamics of employment growth since 1990s have clearly revealed that the organized sector has little scope for increasing employment elasticity and has substantially contributed to “jobless growth”. Therefore, state has to look towards other economic activities which are more labour intensive in nature. In this context, tourism development has been identified as one of the most significant activities which can stimulate the diversified growth of employment through various supply chain activities. The GATS agreement in 2005 has created tremendous opportunities for trade in services, particularly in tourism sector. Besides the state intervention under neo-liberal system has been exploring new avenues for employment generation. Kodagu district in Karnataka, being the most favored destination of tourism, is attracting the attention of both tourists as well as the state. An up surge in medical tourism has a significant impact on tourism employment. In this background the present study intends to explore the new dimension of employment policy with the expansion of tourism activities.

1.11 Limitations of the study

Tourism industry is a very vast subject. Thus it is quite difficult to analyze all tourism related activities in Kodagu. This research work takes into account ten tourism related activities. But several other tourism related activities such as floriculture, handicrafts, street vendors, transportation, beauty parlors, tailoring shops also do exist.

The research work has considered only registered tourism related units. But there are several unregistered tourism related units in Kodagu which could not be considered, but still have a significant impact on employment generation. The owners and employers of the Tourism related activities could not provide accurate information about the exact amount of investment, wages and monetary benefits, concerning tourism activities.
The employees of tourism related activities are not ready to share information about their quality of jobs due to the fear of losing their job. The employment data obtained from various tourism related department have succeeded only in providing only data relating direct employment but various indirect and induced employment data are not explored in this research work.

The arrival of tourists in Kodagu purely depends on season and occasions. The Department of Tourism considered only few tour destinations in order to calculate the tourist arrivals. Hence the total domestic and foreign tourist arrivals could not be accurately estimated in this research work. The income generated in Kodagu due to tourism sector is very high when compared to other sectors. But none of the tourism related sectors provide accurate and comprehensive information of income generated in Tourism activities.

1.12. Chapter Design

The study is presented in the below mentioned eight chapters.

Chapter I: The first chapter presents introduction, conceptual understanding of tourism, various forms of tourism, composition of tourism, concept of tourist, tourism development, economic and employment growth, statement of the problem, research gap, objectives and hypotheses of the study, research, scope, importance and limitations of the study, and rationale for selecting Kodagu district for case study.

Chapter II: The second chapter consist literature review on tourism and economic growth, Tourism and Employment, Theories of tourism development, employment theories, development theories, data base and methodology.

Chapter III: The third chapter consist Global Tourism Policies and National Tourism Policies, tourism development and economic growth at global and national level. Contributions of travel and tourism sector to GDP of global, national level. Contributions of tourism sector to employment generation, employment elasticity of tourism sector, details of tourist arrival at international and national level.

Chapter IV: The fourth chapter presents State tourism policies, tourism development, economic and employment growth in Karnataka. Tourist arrivals in Karnataka,
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employment and income generation from tourism sector, employment elasticity of tourism sector, GSDP at factor cost from tourism sector, revenue earnings from tourism sector, tourist infrastructure and investment on tourism in Karnataka.

Chapter V: The chapter fifth deals with the supply side and demand side determinants of tourism in Kodagu district, profile, history, physiographic division, culture, traditional costume, agriculture, flora and fauna, tourist destinations, home stays, adventure tourism, eco-tourism, spices, sports, festivals of Kodagu district.

Chapter VI: The sixth chapter consists of tourism development and employment growth in Kodagu, tourist arrivals to Kodagu, employment generation through tourism related sectors such as home stays, hotel/restaurant/canteen and lodges, resorts, adventure activity, spices and honey shops, tour operators and travel agencies, provision stores, retail shops and general stores, fast food centers, bar, wine shop/brandy shops, petty shops. Employment in various sectors in Kodagu district, employment elasticity of tourism sector, sectoral contributions to district gross domestic product including service sector and percentage share of hotel and trade to service sector in Kodagu district and quality of employment in tourism related activities in Kodagu district.

Chapter VII: The seventh chapter presents Major findings relating to global scenario, Major findings relating to India, major findings relating tourism growth and employment growth in Karnataka, Findings based on case study area Kodagu district, findings of primary data, results of hypotheses testing and Policy imperatives.