In the modern day Indian, tourism is considered as a field, more or less which needs attention to be paid off. With concept of the modern life, the society has started devoting its attention towards the field of tourism. Be it, the government plans for the development of the area or a holiday plan at the time of vacation by the people or it may be a Honeymoon trip for a newly wedded couple, people have started travelling for the purpose of leisure. Travel from the hometown to a place of tourist interest has come a common phenomenon for the masses of Indian society nowadays, which once upon a time was a leisure activity, not only for the people of common classes, but we can call them people of affluent classes.

Tourism, not as a phenomenon but as an industry, is generating a number of social and economic benefits. It creates employment opportunities, augments foreign exchange earnings, promotes national integration and international understanding. It also promises mandatory increments to the persons of vision in enthusiasm. The government is also actively participating in the development of the tourism. The development
is not only on the base level to improve the already established infrastructure of this industry, but is also actively participating in the promotional activities. Also various plan at central and state level are the examples of the development of the hard core-infrastructure of tourism in India. In various facilities and subsidies provided to the employees of the public sector organization are the examples of role of government in the promotion of tourism. Leave travel allowances, yearly leave and concessions and subsidies provided to the employees of government organization and public sector organization are some of the virtual role of tourism promotion in India. All these factors are weaving a network in India.¹

Tourism Concept in India

However, in India, the conditions were different from the western world. When the people of the west were establishing and practising the concept of tourism in their real lives, the Indians were struggling for their identities. It took approximately four decades in India, that the importance of tourism got recognition. Previously this land witnessed several visitors during the whole of its history, but hardly few for the purpose of entertainment, leisure or recreation. The visitors who visited this land were either in search of wealth or knowledge or some other reason even some considered this land to be final destination of the journey of the life and those nomads finally discovered India as their home. The Mughals, Arabs
are the prominent names who explored this country as their home to settle here. They found this land more humbly and conformable in comparison to their own soils, which they left for one reason or another.\textsuperscript{2}

As it is evident from the chronicles that after the death of Aurangzeb the last powerful Mughal emperor in 1707, the reins of this country were in the hands of weak rulers until the Britishers took over the control in 1857. Since then a common Indian was either struggling in the earning of bread and butter or was trying to get his country free from the alien British. For him the concept of leisure and entertainment remained restricted to his cultural preservations, their own domestic games such as kite flying, chess, cockfights etc. So, a common Indian was engaged within himself and neither the ruler nor the people had urge of visiting some other land. Another important factor for not developing this concept was the hurdles and constraints, which led to the insecurities and these insecurities, remained in the minds of the people. So these hesitations and insecurities, which remained in the mind of the people still exists as a non motivating concept for tourism until the least decade where a common Indian has become aware with tourism and has developed an urge for this phenomenon. One more important reason for the non-development of tourism was the lack of funds among the average Indian citizens.\textsuperscript{3}

It was only after independence and planning under the five year Plans that Tourism was given an importance and was considered a significant area of attention towards its development. In the Indian context, the Seventh Plan
was watershed in the development of tourism in the country. For the first time, the vast potential of tourism as a foreign exchange earner and as a generator of employment opportunities was recognized. Several new policy initiatives were taken to develop the tourism sector. Tourism was accorded the status of an industry. Consequently, a number of incentives have been made available to private entrepreneurs for investment in Tourism activities.

**Tourism Marketing in Indian Environment:**

It was in the early 1950s that the Government of India decided to promote tourism but it had no clear objects in terms of marketing. However, the development took place since in most of the European countries, the tourist dollar earned from the Americans helped in re-building their war torn economies. At the early stage, the image problem was at peak which obstructed the normal flow of development. It is important to quote that the entire western world, India has the image of an exotic country. The English projected this image just for their own benefits, conveniences and comforts. The projection of a new image could be possible after the end of the decade 1950s. For the projection of a new image, a good number of overseas offices were opened in some selected countries like, USA, UK, West Germany, France and Australia. Essentially, the overseas offices were meant just for transmitting information. But the poor quality of publicity materials was an important reasons for their failures or luke warm response. This was due to the fact that marketing principles were not practiced in the travelling business. The
government further activated efforts and new offices were opened in Japan in 1964. In the late 1960s, the government realized that due to poor and insensitive promotional efforts, the response was poor.4

Thus, the first task in this context was to project a new image and the overseas tourist offices with the co-operation of local experts acted in the direction of innovating the promotional strategies. The image of India was projected as a land of Himalayas, the Ajanta-Ellora, the Taj Mahal, the Mahabalipuram etc. Here, it is important to mention that during this period, the cultural tourism relating to monuments and Indian civilization attracted the world tourists, specially from the western world. But again the promotional efforts were of poor quality which could not influence the travelling decisions of potential tourists. Here, it was realized that to bring things on the rail, the tour operators and travel agents should play a vital role so that they persuade the potential tourists and send them to India. Thus, it was just a beginning of marketing activities in the tourism industry.

The beginning of the decade 1970s, opened new avenues for the development of marketing concept in the tourism industry. But by that time, the magnitude of competition was found at peak. Moreover the tourist organisations could not project image of India as a holiday country. The Pacific Visitor Survey conducted by PATA in 1967 revealed that it was only due to image problem that Indian tourism industry has not been successful in raising their contribution to the world tourism. No doubt, the domestic tourism gained a momentum but no qualitative improvements were found in world
tourism due to multi-faceted constraints like inadequacy of transportation, accommodation and communication. It was in 1970 that the capacity of Indian Airlines was increased since Boeing 737s were included in the Indian Airlines and some world class hotels were opened. The sophistication in the communication facilities could also be found by mid of the decade 1970s. Thus it is right to mention that during 1970s, a number of steps were taken to project a new image of India but so far as the intra-regional movements of tourists is concerned, there could not be some impressive developments. In addition, the aggressive selling was not found in the advertisement campaigns. Despite all odds, it is right that some positive developments were visible in the Indian travelling business. Thus, the decade 1970s was a beginning of tourism marketing in India but keeping in view the qualitative improvements around the world, the developments inside India were not up to mark.

The beginning of the decade 1980s paved ways for the development of tourism industry. The management experts realized that if the contribution to the world tourism is to be increased, the solution is to streamline the marketing strategies. This necessitated launching of a National Image Building and Marketing Plan in key markets by pooling resources of the various public and private agencies instead of independent and disjoined efforts presently undertaken by these organisations to project a better image of the country which would yield abundant fall out for tourism growth and also be of advantage to trade and commerce. The product development required
development of non-traditional areas such as trekking, winter sports, wildlife tourism and beach resort tourism to exploit the tourism resources of the Himalayas, the vast coastline with sandy beaches and abundant sunshine and wildlife to attract more tourists and to lengthen their period of stay in the country. The exploration of new tourist generating markets particularly in the Middle-East, South-East and East Asian countries having a broad spectrum of cultural affinity with India and encouragement of ethnic tourism by launching a programme of Discover Your Roots and vigorous marketing of conference and convention traffic could be possible during 1980s. Sustained efforts were needed to promote Buddhist pilgrimage tourism for which there is a great potential. Aggressive marketing was required to be taken up in the existing tourist generating markets abroad as well as to explore new markets. It was necessary to re-orient the marketing projects and rationalize the locations of the tourist offices abroad keeping in view the market conditions and potential.

In order to cater to the need of the professionally trained manpower for tourist marketing, Indian Institute of Tourism and Travel Management was to be developed as a model institute. In view of the above, it is right to say that diversification of tourism to India from the traditional sight-seeing to the more rapidly growing holiday tourism market within the framework of the country's milieu is need of the hour. This requires concerted efforts to make possible a basic change in the product development strategy vis-à-vis the innovative promotional efforts instrumental in projecting the image of India as a holiday country. It is believed that such efforts would raise the attraction of potential
tourist which would simplify the process of transforming the potential tourists into actual tourists. In view of the available potential, the marketing principles are required to be practiced in a sophisticated fashion.

The beginning of the decade 1990s opened new areas for the development of tourism industry and the marketers are now expected to play a vital role. It was felt that in this context, the aggressive marketing should be preferred to raise the tourist arrivals. Here, it was significant that world tourism gets an intensive care so that the foreign exchange requirements of the country are fulfilled to a substantial extent. This necessitated development of infrastructure facilities like transportation, accommodation and communication. Thus, the need of the hour is to develop world class hotels so that the accommodation addition to the planning and development of tourist products, the promotional strategies are also required to be innovated. This requires new developments in there as like advertisement, publicity, public relations and sales promotion. In the decade 1980s sophistication could be possible in the publication areas and so the publicity materials are required to be innovated. The creativity which so the publicity materials are required to be innovated, the creativity which unfortunately could not get a due place during 1980s requires due weightage. Thus, the modern marketing practices necessitate two-tier arrangements; first, the development of new products in line with changing users' demand and second, the strengthening of promotional efforts. While planning and developing new tourist products, it is essential to assign due weightage to the users discriminating using habits so
that the emerging changes are managed properly. In the product mix, the marketers are required to make any decision against the background of behavioural changes, currently, we have been successful in innovating the printing technologies. The advertisement and publicity materials should be made attractive so that the potential tourists are motivated and the travelling decisions are made positive.\textsuperscript{5}

No plans, policies, strategies and decisions are expected to be positive unless the user' behavioural profile gets an intensive care. This is due to the fact that users are of discriminating nature and behaviour. Hence, it is natural that their needs for goods or services are constantly changing. This makes it constantly changing. This makes it essential that the marketers assess both behaviour patterns and users' characteristics. Leisure habits, health factors and life style have a far reaching impact on user' behaviour. It is important for an organisation to analyze what motivates users by assessing their image, identifying how they become aware of products and how their attitudes are changed by advertising and communications. Marketing is concerned with change, adapting to change and creating change and so, we find it a business tool to manage change. Hence, the need of the hour is to study and analyze behaviour of users. To be more specific in the Indian environment, this aspect has remained neglected. Now, it needs an in-depth study of users' behavioural profile.

In view of the aforesaid facts, it is right to observe that tourism industry of India has not been successful in analyzing the behavioral profile and
aligning the services with modern marketing principles. It can’t be refuted that
till present, the tourist organisations have adopted the sales-driven strategies
which are not bringing the desired results. Moreover, when the magnitude of
competition is moving upward, this strategy can’t serve our purpose. Keeping
in view the emerging trends, it is pertinent that the strategies are market-
driven. This would, of course, be a time honoured strategy to raise to
contribution of India to the world tourism. It is very natural that the market-
driven strategy would require innovative efforts.

Thus, the thrust areas in the Indian environment are:

• Making tourism industry a unifying force nationally and internationally
  fostering better understanding through travel.

• Helping to preserve, retain and enrich our cultural heritage, lifestyle and
  world view.

• Bringing socio-economic benefits to the community and the state,
  especially in terms of expanding the employment opportunities,
  generation of income, tax generation, foreign exchange earning and so
  on.

• Giving a direction and opportunity to the youths of the country both
  through domestic and world tourism to conceive hopes and aspirations
  of others in a right way.

• Offering opportunities to the youths for taking up activities helpful in
  national building.
- Strengthening the promotional measures in the face of technological advances.
- Development of manpower by advancing education and training facilities.
- Motivating private sector to develop superstructure.
- An overriding priority to the beach and heritage tourism.

**Tourist Organisations in India:**

In the Indian context, the first step towards the development of tourism was initiated way back in 1945. On the recommendations of Sargent Committee, the organisational activities were found restructured. The main recommendation of the Sargent Committee was regarding the establishment of a separate tourist organisation with the regional offices in metropolitan cities of Bombay, Delhi, Calcutta and Madras. In 1948, after the attainment of independence, the first step was constitution of an ad-hoc tourist Traffic Committee. In 1949, a separate Tourist Traffic Branch was set up in the Ministry of Transport. The opening of a chain of tourist offices both in India and abroad is an important development of post-independence period.⁶

In March 1958, a separate Tourism Department was created in the Ministry of Transport to deal with all matters concerning tourism. By the Presidential order dated March 14, 1967 the Department of Aviation and Tourism which was under the Ministry of Transport and Civil Aviation was...
formed into a separate ministry designated as the Ministry to Tourism and Civil Aviation.

**Indian Tourism Development Corporation (ITDC)**

This corporation was set up in 1966. It is a Government of India owned undertaking where funds are provided by the government in the shape of equity and loan capital. The corporation was aimed at setting up a sound base for the development of tourist infrastructure particularly to develop the industry in the neglected areas, specially with the support of public sector. In a true sense, the ITDC is the implementation wing of the Department of Tourism. It is run by Board of Directors with a Managing Director as its executive head. It is one of the few public sector undertakings generating profits since its inception.

The ITDC is aimed at setting up a sound base for the development of tourism infrastructure. Of course, it is the only undertaking of its kind in the world offering almost a complete package of tourist services; accommodation, transport, shopping, entertainment and publicity. It offers all this in a spirit of healthy competition with the private sector. In a short span of time, it has emerged as a pioneer opinion new tourist destinations, popularizing Indian cuisine and entertainment. Its Ashok Group of Hotels is India's largest accommodation chain and the only one to provide tourist services throughout the country. The corporation runs duty free shops at different international airports. It also runs sound and light shows at different places like Red Fort-Delhi, Shalimar-Srinagar, Sabarmati-Ahmedabad etc. From its inception, the
ITDC broke new ground and extended the frontiers of Indian tourism. It is now assuming new responsibilities and extending its role in tourism promotion and development of tourist infrastructure. It has joined hands with the State Tourism Corporations to build hotels in State capitals. It has also started a constancy service wing to share their expertise with State governments and others working towards the improvements to tourism environment.

The corporation has 31 hotels/traveler lodges with 3762 rooms. The financial performance of the corporation has been satisfactory. The turnover increased from Rs. 72.11 crores in 1985-86 to Rs. 121.92 crores in 1990-91 crores in 1990-91. The main emphasis in Eight Plan (1992-97) for the ITDC would be on consolidation rather than expansion of accommodation. Sustained efforts are required to be made to improve the profitability of its existing hotels through different measures including collaboration with well-known international hotel chains.

In addition, the promotional strategies of ITDC need a creative approach. Surprisingly, this organisation has not tapped optimally the latest inventions and innovations in the field of advertisement and publicity. To make the organisation professionally sound, socially biased and commercially viable; the sales promotion tools are required to be made attractive. A magnetic attraction to destination is possible through promotion. We have been successful in activating developments in the field of printing technologies. This may revolutionize our promotional efforts. Innovation in
promotion is our prime need. If we do such, our efforts are sure to be productive.

Department of Tourism (DOT)

With the formation of the new Ministry of Tourism and Civil Aviation, tourism got the due priority and thus achieved all-round expansion in its activities. The Department of Tourism is now attached with the Ministry of Tourism and Civil Aviation which is headed by the Director General of Tourism. The Director General of Tourism carries an ex-officio status. This department is both a policy maker and an executive organisation which corresponds directly with the other ministries. The Director General is assisted by one Additional Director General, one Joint Director General, a Deputy, Secretary and four Deputy Director Generals.

The Functions of the Department of Tourism are both promotional and organisational for that we find different Divisions, viz attractions, accommodation, supplementary accommodation, publicity and conference, travel trade and hospitality and administration. The activities of the departments have increased manifold like the following:

- Collection, compilation and dissemination of information pertaining to tourism in India and abroad and attending to Enquirer from international tourist, tour operators, and travel industry, such as airlines, steamship companies and hotel.
• Co-operation with international travel and tourist organisation at government and non-government levels.

• Development of tourist facilities of interest to international tourists.

• Publicity at home and abroad with the object of creating an overall awareness of the importance of tourism.

• Simplification of frontier formalities in respect of international tourists.

• Regulation of activities of the various segments of the travel trade such as hotels, youth hostels, travel agents, wildlife outfitters, guides, tourist car operators and shopkeepers catering to tourist need.

• Compilation of statistics and market research on international tourist traffic of India.

The Department of Tourism represents on the following committees and advisory bodies:

• Civil Aviation Development Fund Committee.

• Advisory Committee, Indian Airlines.

• Advisory Committee, export-import.

• Central Advisory Board of Archaeology.

• Hotel Industry Study Groups.

• Hotel Industry Study Groups.

• Governing Body of Institute of Hotel Management etc.

Of late, the Department of Tourism carries out effective publicity promotion and provide infrastructure facilities and support for the new forms of
tourist like holiday and leisure tourism, wildlife tourism etc. Currently, the Department of Tourism plays promotional role in the development of tourism. The VIII\textsuperscript{th} Plan visualize identification and development of Special tourism Areas with high tourism potential. The ongoing projects of Buddhist place of interest in Bihar and development of Ajanta, Ellora in Maharashtra have been taken up with external financial assistance.\footnote{8}

The organisational structure, if sound, raises the efficiency of an organisation. In Indian context the organisational structure makes it clear that the professionals have not been given due weightage. No doubt, the recent trends indicate good auguries but to make to organisation internationally competitive; the tourist and hotel personnel are required to be given due weightage. This would make possible perfection vis-à-vis the professionalism.

The Government set up the Tourism/Financial Corporation (TFC) in 1989 to provide financial assistance for setting up or for development of tourist related activities and services which include inter alia hotels, restaurants, amusement parks, resorts and complexes entertainment, education and sports. The marketing activities of private entrepreneurs and other agencies were given additional support through the scheme of Assistance for the Development of International Tourism, (ADIT).

In the development of tourism, the public sector has made significant contribution during the last three decades. The industry is toady equipped with a reasonable infrastructural base and is poised for a self-sustained growth.
The future growth of tourism should, therefore, be achieved mainly through private initiative. The strategy for the development of tourism sector should be based on the principle of low-cost economy, higher levels of productivity, efficiency in use of infrastructure and provision of clean and economic tourist facilities, specially for the middle class tourists, both domestic and foreign. India, being a multi destination country of continental dimensions has induced tourism promoters to adopt a Spread Approach. It is necessary in view of the inadequacy of capital that a selective approach is adopted for the development of tourism.\textsuperscript{9}

In the Eighth Plan (1992-97), the "Special Tourism Areas" are being selected when a few tourist areas with high tourism potential will be identified and provided with full-fledged infrastructural facilities. A package of financial and monetary assistance has been conceived to provide impetus to tourism investment. These include Tourism Development Fund (TDF) to provide financial assistance for tourism activities in Special Tourism Areas and the Equity Schemes under which the Central Department of Tourism and the State Governments would contribute to the equity capital of tourism ventures. This in a natural way would require tourism marketing activities to be promoted in a sophisticated fashion. For this, the marketing strategies are required to be made more dynamic, specially in terms of spread, innovation, imagination, new techniques and co-ordination, a well coordinated publicity drive of all the organisations concerned with tourism would be successful in yielding greater
profits industry like tourism. The quality of training programmes and that of teaching faculty should be improved with focus on history and culture. The absence of an up-to-date information system with quick retrieval facilities leads to poor tourist facilitation. The technological developments in the field of communication and computers are required to be profitably utilized for establishing a tourist information network.

Pandit Jawaharlal Nehru's oft-quoted remark "Welcome a tourism and send back a friend" has been the essence of India's tourism approach in the post independence era. Tourism is seen as an important instrument for national integration and international understanding. The five stars Hotel Ashoka, the pride of the Government in those days came up in the 50s. The India Tourism Development Corporation (ITDC) was set up as an umbrella organisation to develop tourism infrastructure at a time when private initiative in these areas was not so abundant.¹⁰

The progress of international tourist arrivals in India has been impressive compared to the beginning in 1950. But the present figures still are far below the tremendous potentials of the country. The following Table No.3.1 will illustrate the growth pattern of international tourist arrivals in India both for arrivals and receipts. From Table No.3.1 it is evident that the international tourist arrivals has made both positive and negative progress during the decade of the 'Eightees'. During the year 1984 there was a steep fall whereas during the rest of the years the tourist arrivals were positive.
Again during the years 1990, 1991 and 1993 there was a negative progress which may be accounted for many reasons. Graphically it gives a ZigZag form.

**Table 3.1** Summary of International Tourist Traffic to Trade

During the Years 1981-1997 (Including nationals of Pakistan and Bangladesh)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>1279210</td>
<td>----</td>
</tr>
<tr>
<td>1982</td>
<td>1288162</td>
<td>0.7</td>
</tr>
<tr>
<td>1983</td>
<td>1304976</td>
<td>1.3</td>
</tr>
<tr>
<td>1984</td>
<td>1193752</td>
<td>-8.5</td>
</tr>
<tr>
<td>1985</td>
<td>1259384</td>
<td>5.5</td>
</tr>
<tr>
<td>1986</td>
<td>1451076</td>
<td>15.2</td>
</tr>
<tr>
<td>1987</td>
<td>1484290</td>
<td>2.3</td>
</tr>
<tr>
<td>1988</td>
<td>1590661</td>
<td>7.2</td>
</tr>
<tr>
<td>1989</td>
<td>1736093</td>
<td>9.1</td>
</tr>
<tr>
<td>1990</td>
<td>1707158</td>
<td>-1.7</td>
</tr>
<tr>
<td>1991</td>
<td>1677508</td>
<td>-1.7</td>
</tr>
<tr>
<td>1992</td>
<td>1867651</td>
<td>11.3</td>
</tr>
<tr>
<td>1993</td>
<td>1764830</td>
<td>-5.5</td>
</tr>
<tr>
<td>1994</td>
<td>1886433</td>
<td>6.9</td>
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<tr>
<td>1995</td>
<td>2123683</td>
<td>12.6</td>
</tr>
<tr>
<td>1996</td>
<td>2287860</td>
<td>7.7</td>
</tr>
<tr>
<td>1997</td>
<td>2374094</td>
<td>3.8</td>
</tr>
</tbody>
</table>

*Source Yojana Aug 1999*
Table 3.1 clearly shows that there is uncertainty among the minds of people in choosing India as their destination for holidaying or pleasure activities. It is also very clear that this country has got a tremendous potential of tourism development as shown by the increased number of tourist arrivals in 1997 in comparison of 1981. Therefore it can be very well concluded that resources are not being properly utilized to invite more and more tourists across the boundaries of India.

The domestic tourism promotion, however, has been the foundation of India's Tourism Policy right from the beginning. This sector has shown a phenomenal growth reaching a figure of about 150 million in 1998. Added to this figure will be more than 100 million religious tourists who do not avail of normal mode of accommodation and perhaps, therefore, do not come under the purview of normal statistical parameters of counting.

**Tourism Planning in India**

The Five-Year Plan is like a mirror of the country's perception about the directions of socio-economic progress. The Five-Year Plans given below give an account of the development of tourism down the years.\textsuperscript{11}
In the First Plan, there was no allocation for tourism nor is there any mention in the document about tourism.

The Second Plan referred to tourism but only in relation to a few schemes. The schemes are of two categories, namely:

(a) schemes for the development of facilities at a limited number of places visited largely by foreign tourists; and

(b) schemes intended primarily to provide facilities for home tourists of low and middle-income groups at a number of places of regional and local importance.

There is no specific and separate allocation for tourism in the Second Plan.

The Third Plan mentioned that “tourism has assumed increasing importance during recent years”. The Third Plan programmes concentrate largely on the provision of facilities for accommodation and transport. The Plan document also makes an important distinction between Central and State schemes. While schemes in the Central sector provide for facilities which are important from the point of view of foreign tourism, those in the State Plans are intended mainly for home tourism.

The Fourth Plan looks at foreign exchange earnings as the prime objective of tourism development while employment generation is also
considered as an additional benefit. It states "Tourism is an important means of earning foreign exchange. It also provides employment and promotes international contacts and understanding".

Tourism seems to have suffered a setback in emphasis, both in respect of resources allocations as well as in terms of broad objectives in the Fifth Plan. The write-up on tourism in this Plan is confined to a few programmes and financial allocations.

**New thinking**

However, this setback is more than compensated by the Sixth Plan, which perhaps marks the beginning of a new thinking on tourism in India. The emphasis also shifts from schemes to strategies and from foreign exchange earnings to wider issues of economic development. The plan document refers to:

- (a) social and economic benefits like promotion of national integration and international understanding;
- (b) creation of employment;
- (c) removal of regional imbalances;
- (d) opening up of new growth centres in the interiors of the counter;
- (e) augmentation of foreign exchange earnings;
(f) support to local handicrafts and cultural activities;

(g) source of tax revenues for Government- both Central and State.

The Seventh Plan includes a refreshingly clear enunciation of the role of tourism and a review of the development of tourism in India. It also sets the objectives for tourism sector as follows-

(i) Faster development of tourism;

(ii) According the status of an industry to tourism;

(iii) Re-defining to the role of public and private sectors to ensure that the private sector investment is encouraged in developing tourism and the public sector investment is focussed mainly on development of support infrastructure; and

(iv) Exploiting tourism potential to support local handicrafts and to promote national integration.

Within these broad objectives, the Seventh Plan has also identified some thrust areas for action. Some such identified areas are:

(a) Development of tourist circuits.

(b) Diversification of tourism products and expending the base from cultural tourism to other forms of holiday tourism.
(c) Development of non-traditional areas such as trekking, winter sports, wild life tourism, beach resort, etc.

(d) Restoration and balanced development of national heritage products.

(e) Exploration of new tourism related markets.

(f) Launching of a National Image Building and Marketing Plan in key markets jointly with the private sector.

The Eighth Plan refers to the Seventh plan as a "watershed in the development of tourism in the country". The Eighth Plan document, however, makes a few very significant and valid observations about the future strategies. The issues identified can be summed up as follows:

(a) The future growth of tourism should be achieved mainly through private initiative.

(b) The State should confine its role to planning broad strategies of development, providing fiscal and monetary incentives to create a dynamic private sector and devising regulatory and supervisory mechanism.

(c) The strategy for development must be based on cost efficiency, higher productivity, efficiency and quality in provision of infrastructure.
(d) In view of the fact that capital is scarce, a selective approach, as was identified in the earlier Plans, should be adopted for the development of tourism. The Eighth Plan introduces the concept of 'Special tourism Areas' – areas, which will be, provided full fledged infrastructural facilities.

(e) Tourism marketing and publicity should be properly focussed, strengthened and should be "dynamic in terms of spread, innovation, imagination, new techniques and co-ordination".

(f) Access to information and proper use of information technologies should be the basis for future development.

(g) Tourism development programmes for backward areas should be integrated with area development programmes.

(h) To achieve a balanced infrastructural development, all the States should be encouraged to formulate Master Plans.

(i) Human resource development should be of vital importance for the development of tourism.

The Nineth Plan policy framework on tourism, however, introduces a few new elements of policy. First, it emphasises the importance of looking at infrastructure development for domestic tourism and, therefore, the role played by the respective states. It also elaborates on the need for effective
co-ordination of all the relevant agencies involved in the development of proper infrastructure and in the development of the tourism products. The Ninth Plan also brings out the importance of people’s participation at the grassroots level for development of tourist facilities, and for creating a tourist friendly atmosphere. Keeping in tune with the overall government policy of balanced development the plan for tourism also makes a special reference to regional development and in particular, to the special measures to be undertaken for development of the North-East region of India.

Long after Pandit Jawaharlal Nehru had spoken about the role of tourism in the initial years of Indian economic planning, in 1982. India formulated its only and only National Tourism Policy. The objective of this Policy is to so develop tourism that it-

(j) becomes a unifying force nationally and internationally fostering better understanding;

(ii) helps preserving Indian heritage and culture and projecting the same the world;

(iii) brings socio-economic benefits in terms of employment, income generation, revenue generation, foreign exchange generation etc.

(iv) gives direction and opportunity to the youth of the country to understand the aspirations and viewpoint of others and help in greater national integration.
(v) offers opportunities to the youth of country, not only for employment but also for taking up activities for nation-building and character building like sports, adventure, etc.

The country is now in its Ninth Five-Year Plan. In the beginning of this decade, India also embarked on a major policy of economic reforms and liberalization and moved away from the rigours of quantitative controls of the planned economic regime. In the changed scenario, the Government is having a new look at the Tourism Policy. The published draft of the new policy has:

(a) placed tourism as a central input in the economic development process because of its role in resource generation and employment creation;

(b) focussed on the role of tourism in socio-economic development of the backward areas, weaker sections, women and artisans;

(c) allowed these goals to be pursued in tune with the goal of the enrichment of the environment and the ecosystem; and

(d) recognised the role of tourism as a potent global force for national and international understanding and for creating awareness for sustainable development.
Any policy for sustainable development will naturally revolve around the following cardinal principles:-

(a) that there is need for striking a balance between development and conservation;

(b) that there is need for commitment of the nation as a whole to the goals of sustainable tourism development.

(c) That adequate, effective and pragmatic control systems are devised and are efficiently put into place; and

(d) That the policy incorporates and motivates co-operation of the local community who must perceive the benefit of such participation and should be able to partake the same.

The overall impact of tourism on India's economy has also been significant. In 1995, apart from 9.1 million direct employment and estimated 12.3 million indirect employment, tourism receipts were 0.9 per cent of Gross National Product (GNP), 9.0 per cent of merchandise export and 56 per cent of commercial services exports.\textsuperscript{13}
Today, tourism is the second largest net foreign exchange earner in the country. Some other benefits of tourism apart from employment generation can easily be counted -

(a) Tourism is a multi-dimensional activity and it covers a large number of economic activities. The spread effect of tourism, therefore, is much wider than any other economic activity.

(b) The return on investment in tourism from the point of view of employment generation is much higher compared to agriculture and manufacturing sector. A sample survey has shown the following comparative figures of employment generation in table below. For every million rupees invested at 1985-86 prices, employment created in some sectors were estimated to be as shown in the following Table No.3.2.
<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>44.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.6</td>
</tr>
<tr>
<td>Mining</td>
<td>2.6</td>
</tr>
<tr>
<td>Railways</td>
<td>0.9</td>
</tr>
<tr>
<td>Other transport</td>
<td>13.8</td>
</tr>
<tr>
<td>Tourism (Hotels &amp; Restaurant)</td>
<td>89.0</td>
</tr>
</tbody>
</table>

Table No. 3.2 Source: Central Statistical Organisation (C.S.O.)
Enterprise Survey 1993-84 Ministry of Tourism, Govt. of India.

Table 3.2 clearly shows that the return from investment in the field of Tourism is much more than any other sector like Agriculture, Railways etc.

(c) Tourism helps development of backward regions because they are not area specific but can be promoted.

(d) Tourism also help promotion of handicrafts and handlooms as well as revival of traditional culture and preservation of heritage if properly managed and controlled.
The list of benefits from tourism development is long and is not attempted to be recounted

**Prospects and Challenges**

"As tourism enters a new millennium and the prospect of continued expansion and greater importance in the world economy, it faces numerous challenges. Policy makers will increasingly have to address fundamental issues related to the industry's growth, directions and affects" -WTO.

Mr. Geoffrey Lipman, the President of the World Tourism & Travel Council in his Oberoi Foundation lecture estimated that by 2010 tourism can provide Indian economy substantial resources even by very marginal progress-

- will contribute another Rs. 5000.00 crore to the GDP.
- 8 million new jobs.
- Rs. 130,000 crore in capital investment
- Rs. 160000 crore in export earnings.

To achieve this; the country has to take pragmatic steps, most of which are well known. He lists five of them:

First, tourism as a national priority action; second, liberalized economy-open and competitive markets; third, pursuing a policy of sustainable
development; fourth, removal of fundamental barriers to growth- incentives for infrastructure growth, rationalize taxes, remove disincentives and fifth professionalise human resource development.

The National Action Plan in 1995 had projected the desirability of achieving 1 percent share of total international arrivals. At present, India's share is only 0.04 per cent in total international arrivals and 0.07% of the total receipts. To achieve that figure of 1 percent, we will have to reach that target of about 6 million tourist arrivals. With our present growth pattern, this does not seem possible. In 1996, tourist arrivals increased by 8 per cent. If this growth rate can be maintained the realistic estimate of international arrivals would be about 3.37 million by 2001. But, again a growth rate of 8 per cent depends on a large number of imponderables. Already in 1997, the rate of growth declined to 5 per cent. The Ninth Plan Working Group Report of the Planning Commission was on the other hand, more optimistic in estimating 5.95 million arrivals by 2001. Similarly, foreign exchange earning was projected as US $ 8.1 billion by 2001. Both these projections were based on the strategy and targets outlined in the National Action Plan 1992. Recently, we had achieved a growth rate of about 8 per cent and, therefore, a growth of about 10 per cent is required within the possibilities.
India Action Plan

A pragmatic future plan of action should normally be based on two key parameters, viz.

(a) Assessment of the ground realities.

(b) Based on such an assessment, making effective plans which, in management terms will imply;

(1) setting down the objectives;

(2) taking stock of the organisational capabilities to achieve those objectives; and

(3) assessing the physical, financial and human resources available to implement the objectives;

The following ground realities will also have to be kept in view-

- inadequate and poor quality of infrastructure;
- carrying capacity by air roads and railways;
- clean and comfortable lodging facilities at reasonable prices;
- trained guides and tourist amenities of international standard;
- adequate entry points;
- positive image building abroad;
• publicity; and

• the need to preserve the heritage and natural attractions for posterity.

The future action programmes will revolve around creating adequate infrastructure of international standard to make arrivals easy and a pleasurable experience. Some of the areas where action can be taken are briefly noted below:

1. **Eco-friendly sustainable development:** The future policy must be to enhance the quality of the inheritance the quality and to leave to the future generations a better and richer heritage. Such an objective can be achieved only by a mixture of various measures like pragmatic regulations, their effective enforcement, extensive public awareness programmes and constructive and continuos mechanism for public participation.

2. **Importance of creating awareness and people’s participation:** Awareness and emergence of a tourism friendly culture, in tune with our old philosophy of, *Vasudhaiva Kutumbakam* can be possible only if people actively participate and share the vision about the multi dimensional role of tourism. Some states have derived good results of public participation by involving the local community in the decision making process through ‘advisory councils’.
3. **Improving the quality of services** Tourism, is a service industry and the quality of service makes all the difference between completing destinations. A comprehensive human resource development programme should therefore be a key element of future policy. Such a programme of human resource development should also cover orientation of the staff at airports, customs facilitation, guides, etc., on a continuous basis.

4. **Need for a new thrust in image building:** In future tourist' choice will be guided by various factors that create an image about a country. Issues of environment and ecological preservation, human rights violation, child sex abuses, etc., will be important factors in such decision process. The focus of the media has already been quite sharp on such issues and this interest is likely to grow in future. The search for safety and security is likely to extend beyond air travels. Health and hygiene will also be high on the scrutiny of tourists. Already. Most countries have tightened up regulations for controlling the spread of AIDS. We will need to reorient our image building approach.

5. **Making travels a pleasure:** In order to develop a truly tourist friendly culture, a stricter enforcement of the rules is required. Some states have introduced the concept of ‘tourist police’ or tourist assistance force. Imaginative organization of such types can to a long way in reassuring the tourists and in spreading the correct messmate to the people.
6. **Basic facilities:** The basic minimum facilities like clean toilet, drinking water, a place of shelter from sun and rain, if required, and a decent place to by souvenir items with out having to worry about the quality or about the price, need to be provided in all tourist attractions.

7. **Beautification and Preservation of Heritage:**

- Phased programme of improvement of thousands of invaluable heritage sites including restoration and preservation must be taken up.

- Improving public conveniences and other facilities.

- Exclusive ‘souvenir shop’ at the exit points.

- Product should be specially manufactured and designed to make these shops exclusive.

- Introduction of audio guides in important places of tourist attraction monuments, historical sites, etc.

**Beautification of Heritage places:** Most tourists to India even those who otherwise feel ecstatic about the great country, would politely talk about the necessity of a cleaner ambience around the grand heritage products that we have. Public private partnership being the essence of the future planning to tourism, private sector’s professionalism can perhaps be utilized for this purpose.
8. **Clearer Sings:** Clear international signage’s can be put up to guide the tourists to places of tourist interest and clear incorruptions explaining the tourism products could be put be to help the tourists understand and enjoy the significance of such attractions.

9. **Information:**

   - Adequate information to be available on web site.
   - Information on where to go, how to go, where to stay, etc.
   - Ensuring prompt and accurate response to tourist’s Enquirer through trained and professional staff in Government of India tourist offices.
   - Visa procedure to be amplified and computerized.

10. **Ease of access**

    - There should be free flow of character and more stations be opened for charter flights. The state of the art interactive booking facilities.

11. **Infrastructure within the country:**

    - Each state must prepare a master plan for the development of budget accommodation.
    - Each metropoliton city must develop modern shopping complex of international standard – a place where tourists get all variety of India.
• At least one international standard convention centre to be established in each metropolis.

Naturally, the potentials are very great, the challenges daunting. The responses have to be adequate and therefore, the list of action agenda will tend to get longer and longer, the count down to the new century has already begun – it is only a question of days. Albert Camus advice in different context is relevant for all of us in tourism in India. “I shall tell you a great secret, my friend. Don’t wait for the last judgement; it takes place everyday”.

**TOURISM : AN INSTRUMENT FOR DEVELOPMENT**

“Tourism will be by far the largest industry that the world has ever seen. The projections suggest great opportunities ahead which India has to catch up after being left behind in five decades and more”.

Estimates reckon that tourism, domestic and international, pumps into the national economy Rs. 37,000 crore. Inbound visitors totalled 2.36 million in 1998, earning for the country Rs. 12,000 crore in foreign exchange. Domestic tourism too has phenomenally expanded over the recent years. The tourism Ministry of the Government of India believes that nearly 150 million Indians travelled from their place of residence to outside their village, district, state of region on business, leisure of pilgrimage conforming to the definition of tourists. The goods and services they used and the purchases they made during their trips are stated to be of the value of Rs. 25000 crore thus bringing
the total to Rs. 37000 crore. Consider the number of people employed in providing services like accommodation, food supply, transport and entertainment. This multiplier effect aside, the governments at the Centre and the states earn substantial revenues through imposts on the tourist service.\textsuperscript{15}

It must be noted that in respect of international arrivals 1997 and 1998 were lean years. The figure for 1997 was 2.37 million, marginally higher than that in 1998. Tourism authorities cite the South-East Asian economic crises, the political uncertainties within the country and the World Cup soccer tournament in France as all having had an effect on arrival numbers in 1998. The projected growth for 1999 is however eight per over the 1998 figure. The overseas tourism promotion budget has also been increased in the last two years.

Justifying such an increase, the pre budget economic survey 1998-99 points out that “tourism in the past had been a major source of buoyancy in invisible earnings. However, more recently, the growth in tourist arrivals and earnings have not been so healthy. This has occurred despite efforts at the Centre and state levels to accelerate the growth of tourism in India. These efforts need to be sustained and intensified”. For five years until 1997-98 tourism receipts in US Dollar terms had risen at a respectable rage of about 6.8 per cent per annum on the average, but the growth faltered in 1998-99.
Still there are positive factors in favour of being upbeat on tourism in the coming years, these are signs of world-wide economic recovery, particularly in the source markets, growing interest among people abroad in the cultures of South Asian countries, ethnic ties among peoples, greater trade among countries of the region and liberalization of foreign currency regulation in several countries. The negative factors are the currency meltdown in East Asia, limited number if direct air schedules and inadequate infrastructure. Meeting this inadequacy in terms of accommodation and other facilities will involve massive investment which has a spin off effect in helping the growth of other industries too. Development of airports, railway stations, transport depots, tourist information complexes and communication centres are necessary components of the infrastructure which will be built up in the coming years. There have been discussions among the government agencies concerned and the apex business organisations like ASSOCHAM, CII, FICCI and PHDCCI for new concepts in infrastructure development. Tourism and ecology are inter-twined calling for studies on the carrying capacity of destinations and prevention of any threat to fragile eco-system. This has helped in fostering the growth of new technologies.

In the circumstances, it was appropriate to secure broad endorsement of state governments, trade representatives and the departments concerned of the Government of India for the action programme that will have to be
implemented by the turn of the millennium to have healthy economic implications. The programme envisages: facelift to airports, railways junctions, road, transport, taxis, coaches tourist information centres and other customer service points; training of staff in improve customer services; an awareness campaign through electronic and print media to influence decision makers and opinion makers at all levels in India and abroad; protection and promotion of heritage including refurbishment of monuments; partnership of the government with NGOs and private sector for info tech on tourism; promoting private investment in the tourism infrastructure *inter alia* through holding conferences on development of infrastructure in collaboration with apex business organisations, holding shopping and food festivals, improvement of facilitation for tourists like easing of visa regulations and of immigration norms, harnessing information technology and inviting people's participation through awareness generation regarding the economic importance of tourism in promoting incomes, employment and revenues to the state. In fact, formulation of the national dra't tourism policy reflects recognition of this sector as an instrument and not as a catalyst, for development.
Tourism has been recognized as an industry in several states in the last decade and more entitling it to several incentives including subsides and prioritization in the grant of loans. At the very start of economic reforms in 1991 tourism was declared a priority sector for foreign investment. To ensure a broad spread of the gains from tourism several tourist circuits and destinations have been identified for development. The state governments of Kerala, Tamil Nadu, Orissa, Maharashtra and the union territory administration of Daman and Diu have identified destination to be developed under the Especial Tourism Area Authority. Here, investors on a wide range of facilities will get special incentives on the lines of what are available of the expert processing zones. The places are Bekal beach in Kerala, Puri-Konark in Orissa, Sindhudurg in Maharashtra, Muttakadu Mamallapuram in Tamil Nadu and Diu beach.

The Eighth Plan has as its thrust acceleration on the overall growth of tourism. During the five-year period the Centre spent Rs 425.87 crore on a diversified spectrum of services including adventure tourism, wildlife and beach resort development, marketing in Key markets and provision of inexpensive accommodation in different tourist centres. The basic strategy during the Ninth Plan is to establish effective co-ordination with all relevant agencies so as to achieve synergised development. The specific components have been identified as infrastructure development, product improvement and diversification, growth of mega tourism resorts,
entrepreneurship development and promotion of self-employment opportunities, enhanced tourist facilitation, human resource development, research and computerisation, promotion and marketing, environmental protection and cultural preservation, provision of incentives and monitoring and evaluation. The Plan approach would be to concentrate on a few selected centres and circuits to achieve a balanced development of infrastructure in an integrated manner. As a result, the Central assistance for infrastructural growth will be confined to identified centres and circuits each year till they are saturated. The Planning Commission has approved an outlay of Rs. 511.32 crore as budgetary supports during the five-year period ending 31\textsuperscript{st} March 2002.

Project which are commercially viable will be funded under the equity scheme except in the North-eastern states, Sikkim and the hill districts of West Bengal and Uttar Pradesh. In general, the Emphasis is on integrated development and mega resorts rather than spreading the resources too thinly over several small projects in a multitude of locations. In the case of the North Eastern state and the hill districts the present pattern as assistance will continue. Of course, these relate to Central assisted projects and the state governments can decide their own strategies and priorities.
Better linkages  Tourism-related services cover an extensive range from airports to public conveniences all designed to provide the visitor with a pleasant and delectable experience. There are various agencies in charge of these services, which need to be co-ordinated. It means there should be perfect linkages in the availability and performance of all components of the tourism infrastructure. Tourism development is not limited to hotels and restaurants. It will be meaningful only if the area has good roads, water and power supply, and modern telecom facilities. There has been a pattern a Centre State co-ordination since the Second Plan. Broadly, it implies that the state governments meet the land cost and the Central government finances the construction bill.

Organized tourism in India is as old as the country's independence. Time was then 95 per cent of the visitors journeyed by sea for nearly three weeks from England to reach this country. England then as now has been the principal source market. Now the same 95 percent of visitors, if not more, arrive by air from different countries. Through India's share of global tourism is still a minuscule 0.4 per cent, the richness and variety of the tourism product is universally acknowledged. The country should record a far better tourism growth through infrastructure reinforcement, product improvement, better accessibility a more air services and innovative marketing. Over the years the travel trade has grown developing considerable expires. Hotels, a major component of the sector, have achieved such high leaves of managerial
efficiency that international chains have found franchise lines with most major groups. This means that these hotels conform to global standards in their services. Hotels and tourism related industries are eligible for automatic approval of foreign technology agreements and for 51 per cent foreign equity. The linkages also reflect the faith of international chains in the future of Indian tourism and its receipts potential.

Changing Profile

Linked to tourism receipts which have a bearing on the economy is the changing profile of the visitor from abroad. The average tourist stay for 29 days in India. This high average, (Compared to three or four nights in more favoured destinations of South east Asia), is on account of the low budget young tourists and ethnic travellers visiting the country of their origin. The older and more upmarket tourists whose individual annual income is in the high bracket (depending on their national levels) see India on tours veering from three to ten days., They constitute roughly 20 per cent of the arrivals. Since the start of the economic reforms there has been an increase in the number of the business traveller (22 per cent of the total now) and an increase in the number of women travellers (36 per cent of the total). People coming on pleasure have increased to 58 per cent of the total. There is an equal emphasis on culture and on outdoor attractions. More people come single (41 per cent of the total) . The dominant age group is 25 to 44. Personal security and safety is the main concern of tourist.
Domestic tourism has grown substantially in recent years because of
the rise in the income levels of a sizable section of people. For long there
have been no statistical data on how many people travel within the country.
Vague estimates have been based on the assumption that a giant middle class
of 250 million has emerged ready to spend more and with disposable incomes.
The Ministry of Tourism has persuaded the state governments and statistical
calls for the collection of domestic tourism data. As per figures reported by the
state governments, the domestic tourist visit in the accommodation units
during 1997 were estimated around 156.2 million. As much as 56.8 per cent
of the domestic tourists travel for pleasure underlining the vast scope for the
leisure industry, 21.3 per cent on business and 8.4 per cent for miscellaneous
reasons such as education and health.

The most significant feature of the tourism industry is its contribution to
sustainable human development through poverty alleviation, employment
generation and environmental regeneration in remote and backward areas.
Direct employment in the sector is about 9.3 million persons and it has a
multiplier effect of 2.23. The labour capital ratio per million rupees of
investment at the 1995-86 prices in the hotel and restaurant sector is 89 jobs
as against 44.7 jobs in agriculture and 12.6 in the case of the manufacturing
industries. Taking all segments together, in the tourism sector the percent is
47.5 jobs which is still higher than other industries. Besides, the time lag
between investments in this sector and the actual generation of jobs is minimal.

International, tourism accounts for 30 per cent of the global trade and comprises 12 per cent of the world’s GDP. Even the Indian experience (with very low share of world traffic) is suggestive of the employment opportunities with forward and backward linkages generated through tourism related activities. Globally the employees earn 17 trillion US dollars in wages and salaries and pay 230 billion US dollars as tax. Tourism also generates jobs in ancillary industries such as agriculture, handicrafts, dairy, poultry farming, food processing, construction, manufacturing, architecture, interior designing and floriculture. The jobs range from trained managers and executives to unskilled labours. Besides, the sector creates a large number of jobs for young people at the entry level, first time employees and women. In addition, as Khajuraho has shown development of a destination in a rural setting retread the exodus of the village work force to urban areas. The local rural population, as well as people from the neighborhood find jobs manufacturing of products and services required by tourists. Another contribution to tourists is airport development and opening of new airline services with their spin-off effect. Imagine what could be Dubai, Singapore or Hong Kong without their airport acting as gateways to millions of visitors.

World Tourism Organisation predicts in its Vision 2020 that 1.6 billion tourists will be visiting foreign countries every year by 2020, spending more
than two trillion US dollars – or five billion dollars every day. Tourist arrivals are predicated to grow by an average of 4.3 per cent every year over the next two decades, while receipts from international tourism will climb by 6.7 per cent a year. Tourism will be by far the largest industry that the world has ever seen. These projections suggest great opportunities ahead which India has to catch up after being left behind in five decades and more. There is no reason why in the next 20 years this country of great diversity distinct cultural ethos and life styles and values should not secure a far greater share of the global traffic than at present.
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