CHAPTER I
INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

Right from the beginning of human history, the urge to move has been an important human activity. From the earliest historic times, man has the desire to discover the unknown, to explore new and strange places, to seek for changes of environment and to undergo new experiences. There was a time when men and women along with their families wandered about in search of food and shelter. In this process, they discovered new areas to settle down. The search for food and shelter led to new adventures.

1.1.1 Meaning of Tourism

Theobald (1994) stated that, the word ‘Tour’ is derived from the Latin word 'tornare' and the Greek word 'tornos,' meaning 'a lathe or circle; the movement around a central point or axis.' This meaning changed in modern English to represent 'one's turn.' The suffix -ism is defined as 'an action or process; typical behavior or quality' whereas the suffix -ist denotes one that performs a given action. When the word tour and the suffixes -ism and -ist are combined, they suggest the action of movement around a circle.¹ Therefore, like a circle, a tour represents a journey or a round trip, that is the act of leaving and then returning to the original starting point. One who takes such a journey can be called a tourist.
1.1.2 Definition

Tourism is travel for recreational, leisure, business, religious, health and other purposes. The World Tourism Organization 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".  

1.1.3 Concept of Tourism

Tourism is composed of three basic elements,

1) A dynamic element which involves travel to a selected destination or destinations.
2) A static element which involved a stay in the destination.
3) A consequential element, resulting from the two preceding elements, which are related to its effects on economic, physical and socio-cultural aspects.

All these fundamental factors, when combined together, create favorable environment for tourism. Thus, they help make the policy of tourism successful. In order to facilitate this, the government also generates a fine and favorable tourist climate by way of simplifying entry and exit formalities, by providing better and more convenient airport facilities and by educating the opinion of people in favour of tourism.

1.1.4 United Nations’ Classifications

The United Nations classified three forms of tourism in 1994 in its Recommendations on Tourism Statistics which are as follows:
1. Domestic tourism, involving residents of the given country traveling only within their own countries.

2. Inbound tourism, involving non-residents traveling in the given country.

3. Outbound tourism, involving residents traveling in other country.

The United Nations has also given,

1. Internal tourism, which comprises domestic tourism and inbound tourism;

2. National tourism, which comprises domestic tourism and outbound tourism;

3. International tourism, which consists of inbound tourism and outbound tourism.

The present study includes all the three types of tourism including excursion.

1.2 STATEMENT OF THE PROBLEM

Employment generation, foreign exchange earnings, income generation and output growth are the important aspects of assessing the economic impact of every country. Tourism promotes all these aspects. Tourism industry has tremendous capacity to create both direct and indirect employment. Tourism creates employment opportunities directly in hotels, motels and bungalows. It also promotes employment opportunities for transport operators, tourist operators, tourist offices, tourist guides and many other various categories of people. The indirect employment generation through tourism is for people who supply vegetables, meat, fish, poultry, cereals and others to hotels. It creates employment opportunities for electricians, plumbers, furnishers, taxi drivers, and others.

Another important dimension of tourism related employment is generated in shops and emporiums which sell handicrafts, handlooms and providing marketing
outlets to thousands of craftsmen, artisans, weavers, retailers and street vendors. The employment and income effects of tourism are very closely inter-related. Tourism gives rise to numerous demands for goods and services. Tourists’ expenditure provides direct income to all these different services and generates employment. Tourism also generates an immense volume of indirect employment and income with a multiple effect.

As Kanyakumari is an international tourist place, retailers and street vendors are the major beneficiaries of tourism. Tourism is the main key to develop the socio-economic status of these people. Hence, the researcher has chosen this title for the research and the study may be more helpful for the development of tourism and the development of economy of the retailers and street vendors in Kanyakumari.

1.3 REVIEW OF LITERATURE

The review of previous literature discusses the views and findings of different researchers with regard to tourism and socio-economic impact of tourism. Many studies were conducted in the area pertaining to tourism development, tourism in Kanyakumari, social impact of tourism, economic impact of tourism and socio-economic impact of tourism. The review of the literature gives an idea to form the analysis in such a manner that the person who does the research may not repeat what has been done in the past. The following studies were reviewed to explore the aspects that are not investigated.
1.3.1. Tourism Development

**Joseph K.V.,** (1990) in his work, “Tourism and Development – A Case Study of Kerala”, has stated in his report the potentiality of the tourist market and the pattern of tourist arrivals in Kerala. He has pointed out the benefits which Kerala can hope to secure through the development of tourism.  

**Thirumalai Kumarasami E.,** (1993) in his work, “Role of Boarding and Lodging Sector of Tirunelveli Kattabomman District in Tourism” has studied the importance of tourism and the boarding and lodging sector with reference to Tirunelveli Kattabomman District. He has brought out the features, standards and role of the boarding and lodging sector to estimate the possible growth of a few key variables of the boarding and lodging sector in AD 2000. He has provided some useful suggestions for the improvement of functioning of the boarding and lodging sector of this district with respect to tourism.  

**Bijender K. Punia** (1994) in his book, “Tourism Management problems and Prospects” has done good work with details of tourism patterns, arrivals, plant facilities, natural and man-made tourist resources in the Haryana state; and has reviewed the plans and policies of state government in the context of present and future development of tourism. He has brought out the existing problems in the way to tourism development in the state particularly in terms of tourist resources, human resources, tourist information and publicity, tourism awareness and allied aspects. He has suggested practical measures towards accelerated development of tourism in the state.

Batra G.S., (1995) in his book, “Tourism in the 21st century” has studied the performance and development of state tourism corporation in Punjab. He has analyzed the financial performance of tourism industry in India and has reviewed the business strategy of tourism industry. He has pointed out the extent to which the tourism potential could be managed. He has provided a strategy for overcoming the problems and promotions of tourism industry.

Tisdale Shelby J., (1996) in his study, “Railroads, Tourism and Native Americans in the Greater Southwest”, provides a detailed history of tourism development in the southwestern United States from the perspective of Native Americans. Particular attention is devoted to the role of railroads in influencing the lives and traditions of native populations in the region.

Rakesh Kapoor, (1996) in his book, “Tourism Policy, Organization and Management” has analyzed the organization and the functioning of Himachal Pradesh Tourism Development Corporation Ltd. and the role and performance of this Corporation in terms of its goals and objectives and its impact on environment. He has elaborated the ecological constraints on the performance of H.P.T.D.C. Limited.
He has provided some valuable suggestions for improving the performance of H.P.T.D.C. Limited, keeping in view its internal functions and external environment.11

Rajavel, N., (1998) in his book, “Tourism in Andaman and Nicobar Islands” has studied the natural and manmade tourist resources and facilities in Andaman Nicobar Islands. He has brought out the growth of tourism in the islands by taking into account both foreign and domestic tourism during plan periods and total amounts of money invested on tourism industry by the Andaman and Nicobar administration and problems faced by tourism industry. He has provided some suitable suggestions for the planning and development of tourism in Andaman and Nicobar Islands.12

Satish Babu, A., (1998) in his book, “Tourism Development in India” has studied about Tourism development in Andhra Pradesh and also the structure and working of The Department of Tourism and Travel and Tourism Development Corporation Limited in general and with particular reference to organization, operation, marketing, finance and human resource, to review the important policy decisions such as Government control, implementation of projects and co-ordination with other tourism promoting agencies.13

Krishna R.R and Govindasamy M., (1998) in their article, “Marketing of Tourism” have given a clear-cut definition of marketing of tourism. Marketing of tourism means systematic and coordinated execution of business policy by tourist undertakings whether private or state owned, at local, regional, national or international levels to achieve the optimal satisfaction of the needs of identifiable
consumer groups and in doing so as to achieve an appropriate return. Tourism marketing in general emphasizes both consumer orientation and satisfaction. The tourist product can be analyzed in terms of its facilities, accessibility and attractions.\textsuperscript{14}

\textbf{Vijaya Kumar, A.,} (1998) has carried out a study about the “New Strategy for Indian Tourism Industry”. According to him; there is a need to evolve an integrated strategy for the promotion of tourism in a big way. This need assumes considerable importance with proper emphasis on a comprehensive long-term approach to achieve sustainable development in harmony with the country’s overall development objectives.\textsuperscript{15}

\textbf{Bhardwaj, D.S., and Manjula Chaudhary,.} (1999) in their book, “Contemporary Issues in Tourism” have observed the performance and development of State Tourism Corporation in Punjab. They have stated the prospects and potential of tourism at State level. The study reveals the problems of tourism management and provides useful suggestions regarding the functioning of State Tourism Development Corporations. (STDC).\textsuperscript{16}

\textbf{Rabindra Seth} (1999) in his article, “Tourism: Problems and Prospects” observes the seven major hurdles in the way of faster tourism growth. They are land and land laws, roads, power, telecoms, airports, road transport and aviation policy. The author says that these are the important hurdles facing our tourism industry.\textsuperscript{17}

\textbf{Dharmarajan S.,} (1999) in his article, “Tourism – An Instrument for Development” has stressed on the most significant feature of tourism industry and its contribution to sustainable human development through poverty alleviation,
employment generation and environmental regeneration in remote as well as backward areas.\textsuperscript{18}

\textbf{Gautam Murthy} (2001) makes a study about India’s tourism potential leveraging for the Millennium. Tourism creates a right image abroad, by stressing on India’s uniqueness, as a visitors’ destination, covering every taste and preferences. It should be a dynamic publicity program to create awareness of the nation’s diverse tourist attractions by promotional brochures and innovative advertisements. The proof of the most effective tourism’ promotion is this; after their tour in India the tourists must carry back happy memories.\textsuperscript{19}

\textbf{Shankar, T.S.}, (2002) points out that Indian Tourism Development Corporation has to focus on profit making. It was engaged in upgrading its duty-free shops to provide them not only a new look but also to make them reflect traditional culture. Tamil Nadu Tourism Development Corporation for synergizing mutually-beneficial programmes aimed at attracting overseas tourists.\textsuperscript{20}

\textbf{The National Productivity Council (NPC),} (2003) conducted a survey on foreign tourists’ expenses on handicrafts to find out the spending habit of foreign tourists during their stay in India. The amount spent on handicrafts by the foreign tourists can be considered as deemed export of craft items. Indian handicrafts are major export destinations; majority of the purchases was made in Indian rupee. Female visitors spent more than male counterparts and professionwise business spent more on handicraft items.\textsuperscript{21}
Stephen J. Page., (2003) in his book, “Tourism Management” has explained the importance of the resort life cycle model in tourism. Some researchers have attempted to explain the growth, stagnation and decline of the tourist resorts such as spas in terms of resort life cycle. Butler (1980) suggests that resorts follow a specific cycle of growth following the initial exploration by tourists. This is followed by a period of involvement, often with patronage or popularization, which sets the stage and creates tourism tastes and fashions emulated by the visitors. This contributes to development, followed by consolidation and then stagnation. At this point the resort can either decline or action might be taken by agents of development (such as an entrepreneur, the public sector or a combination of both) to rejuvenate the resort, this being the last stage of the model.

One of the enduring themes in the history of travel is the search and pursuit by individuals, the ruling elite and latterly, the increasing numbers of leisure travelers, for unique, special and inspirits locations to visit. The problem, however, has been the reluctance of such places to control tourism to retain these vital unique elements. The result can be described by means of the resort life cycle concept. The resort life cycle was used to explain the linear growth of tourism through a series of stages of development, ending in either stagnation or rejuvenation to stimulate the development process once again.  

O’Neil Malcolm, (2003) in his work, “Tourism Maturity and Demand: Jamaica” estimates a demand function for Jamaica’s tourist product. He also assesses the stage in the product cycle of the industry. An error correction model (ECM), structural time model (STM) and an autoregressive moving average (ARIMA) model
were employed. The ECM was more robust than the ARIMA and STM models in predicting tourism demand. The ECM and ARIMA models captured the major turning points in the series well and provided reasonably good forecasts. In contrast to the findings of Henry and Longmore (2002), the results indicate that source country income is significant. The explanatory power of the ECM improved with the inclusion of the tourism density ratio, implying that researchers should include interaction factors in tourism demand models. The empirical analysis indicates that Jamaica has a mature tourism product. This implies that policy needs to focus on diversifying the product, promoting such diversity and targeting new markets.23

Raina A.K. and Lodha R.C., (2004) in their book, “Fundamentals of Tourism System” presents a comprehensive view of Tourism Industry and its relationship that exists between tourism, culture, tourist attractions and the host communities. The book examines the meaning of tourism and hotel industry and gives a financial, managerial and historical overview of its growth potential. It discusses how the tourism industry markets: physical and cultural environments, to sell into the consumer market. The authors cover all aspects from organizational, planning, promotional and marketing point of view and describe how the industry can be utilized for a particular business. The several kinds of tourist products are described and guidelines for their development are also highlighted. Special emphasis has been laid on various segments and operations in the hospitality industry and its changing dimensions at the national and global level.24

Selvam V., (2006) in his article, “Medical Tourism – The Next Big Opportunity to Prosperity” points out that the biggest challenge is to position India as
a favorable health care destination by setting high standards for ourselves and work in association with the government and the medical council to see it that all hospitals keep up to those standards. To promote health-care tourism, we should have more frequent direct flights in and out of India particularly connecting potential destinations. Medical tourism has to offer a business and a value proposition. The author feels that, the Indian health-care industry should work more closely with the industry chambers and various government departments to spread the awareness and remove hurdles particularly those pertaining to travel and furthermore.25

Mohammad Reza Salimi Sobhan and Chandrashekar B., (2009) in their study, “Climate Comfort for Tourism: A Case Study of Anzali Township in Gilan Province, Iran”, the climate conditions of Anzali township were evaluated in terms of tourism activities. When the results of the study were evaluated on the basis of seasons, spring was to offer the best condition for tourism activities and then summer season has a good condition for tourism activities.26

Jayalatha J., (2009) in her work, “Tourism Development: A Micro Study”, the importance and development of tourism in the country was merely regarded as one’s own private affair or a matter concerned with one’s own individual happiness. Now tourism is not only a good industry in the field of economic development but it is equally an important medium for international socio-cultural links. It is evident from the study the tourism development hotel ITDC industry and travel agents need to develop a good network to attract travellers’ interests.27
Manikanda Muthukumar, (2009) in his article, “Tourist Problems in Tamil Nadu”, writes that Tamil Nadu has a rich and vast tourism potential. He assesses the tourist attractions in Tamil Nadu, satisfaction level of tourists with reference to transport, accommodation, boarding, shopping, entertainment, etc., and examines the problems of tourism industry and suggestion to overcome them.28

Herald Monis and Umesh Maiya, (2009) analyze “Coastal Karnataka Residents’ Perceptions of Tourism Development”. The results of the study show that support for the tourism industry is strong among the local residents of the coastal Karnataka region. Further, residents not only support the current size of the industry, but also are in favour of its expansion. Despite the overall positive attitude toward tourism, local residents also perceive negative changes as consequences of the impacts of tourism industry in the region.29

Manickaraj S. and Paramesivan G., (2009) in their study, “Tourism Scenario at Gulf of Mannar”, have pointed out that the growth in tourism has been impressive. India’s share in total global tourism arrivals and earnings is quite insignificant. It is an accepted fact that India has tremendous potential for development of tourism. The diversity of India’s natural and cultural richness provides the basis for a wide range of tourist products and experience, which embrace business, leisure, culture, adventure, spirituality, eco-tourism and many other pursuits.30

many of the widely-held assumptions about developmental contribution of tourism. In the first part, a theoretical link is established between the discrete yet interconnected disciplines of tourism studies and development studies. More specifically, the meaning of the development and successive development paradigms are considered within the context of tourism. This provides a conceptual foundation for the second part of the book, which addresses a number of fundamental issues related to potential contribution of tourism to development. These include issues of economic development, regional development, socio-cultural development and environmental development. Finally, the third part focuses upon barriers to tourism-induced development, arguing that a new political economy of tourism, the consumption of tourism and the dominance of the sustainable development paradigm represent significant counterpoints to overly simplistic models of tourism’s potential contribution to development.31

Periyasami N and Ashish Varughese (2010) in their study, “Perception of Tourists Visiting Kerala: A Micro Study”, have revealed that today we are on the threshold of a new era. It is the era of tourism, an era in which people of all classes in almost all the countries come to regard travel as a normal part of life. Thus, at present tourism is one of the largest industries in the world in terms of earnings and employment generation. The success or failure of any industry is decided by its customer who is the king. Tourism industry is not an exception.32

Ishwara, P., (2010) in his work, “Coastal Tourism: Opportunities and Challenges”, has observed that transport infrastructure plays a vital role in the growth of tourism. Important beaches need to be identified for development as tourists’
center and basic facilities like transport, hotels and shops around need to be developed. To develop tourism industry, tourism education awareness programmes i.e. workshops or seminars should be conducted either by the educational institutions or by the tourism department for creating awareness and importance of tourism among the auto rickshaw drivers, shop owners, hotel owners and public at large.33

1.3.2 Tourism in Kanyakumari

Jose Antony Kevin S.V., (1996) in his work “General Tourism and Tourism in Kanyakumari District”, has presented an interesting sketch of the important tourist places and has also highlighted certain unfamiliar places in Kanyakumari District. He has found out the contribution made by the tourist centers to the general public as well as to the government. This work probes into the existing problems and puts forth suitable suggestions for solving these problems.34

Agnes Stephen, (1998) in her article, “Tourism in Kanyakumari District” makes a descriptive study about tourism in Kanyakumari district on a micro level basis. The study is undertaken to know the important tourist places in the study area, to project certain unfamiliar tourist spots, to enquire into the existing problems and the part played by the tourist attractions to the general public and the government and make suggestions for improvement.35

Sivaniah, A., (1999) has studied “Hotels and Tourism Development with special reference to Kanyakumari Township” for his M.T.M. degree from M.K. University, Madurai. An analysis has been made how the existing hotels cater to the needs of domestic and International Tourists and has examined the various
measures to be undertaken to improve lodging facilities in Kanyakumari, so as to boost Tourism.\textsuperscript{36}

\textbf{Unni Krishnan Nair G.,} (2000) in his work, “An Economic Study of Tourism and Employment Generation in Kanyakumari Township”, has studied the employment potentials of tourism in Kanyakumari Township. He has brought out the income generation of tourism traders and the growth of investment in tourism employment from the tourist’s point of view. The important problems of tourism in Kanyakumari Township are stated in this work.\textsuperscript{37}

\textbf{Bramodha Devi C.K.,} (2006) in her work, “An economic study of Tourism Industry with special reference to Kanyakumari district in Tamil Nadu”, has found out the important tourist attractions, pattern of tourist arrivals, employment potentials of tourism in Kanyakumari district and satisfaction and dissatisfaction in respect of various factors associated with tourism. She also assesses the growth rate of tourist arrivals, different business units, impact of rental value, area development and level of impressions of tourists regarding the various facilities.\textsuperscript{38}

\subsection*{1.3.3 Social Impact of Tourism}

\textbf{Suhita Chopra,} (1991) in his book, “Tourism and Development in India” has emphasized economic, social, physical and cultural impact on tourism in Khajuraho. The study shows that tourism has opened new employment opportunities in Khajuraho. He has discussed the tourist’s characteristics, particularly their spending patterns; identified the needs of the different groups of tourists and examined tourist profile as it relates to destination impacts.\textsuperscript{39}
Selvam M., (1993) has stated that tourism industry is noted for its tremendous social impacts. Cultural heritage of the country is the most important social benefit from tourism. Improvement of people’s knowledge is another social benefit. Travel makes a person more knowledgeable. Tourism has such an educative value. International understanding is promoted through tourism. Exchange of cultural values is another social benefit of tourism. Protection of flora and fauna is another social benefit of tourism. The flora and fauna are the nature’s biological gifts. Youth tourism, Sport tourism, Adventure tourism and the like all involve the youth to come, coalesce and contribute together to the common good. Tourism is not an unmixed blessing. Ecological and environmental degradations, commercialization of culture, destruction of livelihoods of the local populace and social tensions, mount from unplanned tourism growth. Tourism is considered as a ‘Smokeless industry’.  

Brahmankar E.B., (1998) in “Travel and Tourism as a career”, reveals problems such as red tapism in ticketing, checking, language difficulties and poor communications, unsatisfactory accommodation, difficulty in transport and traffic, lack of recreation and entertainment facilities, beggars and tipping, problems in meeting people and overcharging by taxi drivers and private transport operators which are faced by the tourists.  

National Geographic Traveler, (2008) published an article “Journey to Wellness” which emphasizes that as more travelers are visiting foreign land for affordable medical treatment. The article explains the visit of three different types of Spa facilities aimed at improving physical, mental or spiritual wellbeing: an old time Czech Republic resort, a Colorado meditation retreat and a Bangkok Temple. The
article also reveals Wellness-Magic Waters, Wellness-Mountain High, and Wellness-Eastern Bliss. The article also reveals the different experiences enjoyed in different foreign lands.\textsuperscript{42}

\subsection*{1.3.4 Economic Impact of Tourism}

\textbf{Jensen, Katherine, and Audie Blevins}, (1992) in their study, “Lead, South Dakota: The Remaking of a Company Mining Town”, provides an example of heritage tourism development in Lead, South Dakota, an economically depressed mining town in the Black Hills of South Dakota. Highlighting its distinctiveness as a gold mining company town, the town focused efforts to attract tourist, starting in the late 1980s by stressing its unique heritage. This case study may offer lessons to other similarly situated towns.\textsuperscript{43}

\textbf{Ameen A.M. Al-Momani} (1995) points out the economic gains of tourism industry. The economic gains of tourism include the direct as well as indirect effect of expenditure on tourism. Tourism generates foreign exchange earnings for the host countries and it has become the largest single item in the world’s foreign trade. Tourism provides employment generation on a large scale. The employment capital ratio in this industry is amazingly high. Moreover, the provision of infrastructure – hospitals, communications systems, shops and civic amenities made for tourists also benefit the local population and their living conditions improve substantially.\textsuperscript{44}

\textbf{Nirmal Kumar} (1996) in his book, “Tourism and Economic Development” has studied the role of tourism in the economic development of Himachel Pradesh. He has pointed out the role of Himachel Pradesh Tourism Development Corporation
and other government agencies in development of tourism in Himachal Pradesh. He has provided some useful suggestions for the development of tourism in the State.  

Wilkerson, Mary L. (1996) in his article, “Developing a Rural Tourism Plan: The Major Publications”, discusses the role of tourism as an economic development strategy for rural communities. The author reviews four documents designed to assist in the planning process of rural tourism. The discussion is aimed at tourism practitioners and local community officials involved in economic development efforts.  

Jurowshi, Claudia, (1996) in his article, “Tourism Means More than Money to the Host Community”, looks at some of the non-economic benefits of tourism. It also identifies that involvement of key community groups in tourism development activities is a central component of successful projects. Strategies for eliciting support from local residents, resource users and environmentalists are suggested.  

Arun Kumar Sarkar and Premnath Dhar (1998) in their book, “Indian Tourism: Economic Planning and Strategies” have explained the nature and characteristic of tourism industry, tourist product and tourist reaction of Indian economy. They have pointed out the participation of Government and non-Government agency in tourism industry and also explained the pattern of tourist expenditure in India. They have pointed out the economic significance of tourism industry in India in their work.  

Guglielmino, J.E. (1998) in his article, “Touring to Economic Health”, explores ecotourism as an economic development strategy for rural areas. Although
many rural areas have strong ecotourism potential, the author argues that even successful ecotourism ventures require patience for local communities. Examples are drawn from areas with established ecotourism programs, including Alaska and the Grand Canyon.49

**Bazbaruah M.P.** (1999) in his article “Tourism: Current Scenario and Future Prospects” points out the current scenario of tourism. Tourism employs 10.6 percent of the global work force. It contributes 10.2 percent to world’s GDP. Tourism generates tax revenues of $655 billion. It is the largest industry with $3.4 trillion gross output. Tourism accounts for 10.9 percent of all consumer spending, 6.9 percent of all government spending and also 10.7 percent of capital investment in the world. Tourism enters a new millennium and the prospects face numerous challenges of continued expansion and greater importance in the world economy.50

**Brij Bhardwaj,** (1999) in his article, “Infrastructure for Tourism Growth” has stressed the importance of infrastructure for tourism development. He stresses the importance of tourism and suggests that export house status should be accorded to tourism industry. By granting the export house status the tourism industry will get the benefit of special import license, waiver of bank guarantee for imports, income tax exemption for reinvestment in tourism industry which will help in building infrastructure. The article also stresses the need for personnel manning airports, immigration counters and transport network, hotels and resorts which play a crucial role.51
Abha Agarwal K.M. (2001) in his study named “Tourism for the sustainable development—a case study of Uttaranchal State”, pointed out that Uttaranchal has its flexible margin of accommodating more population in agriculture as well as in industry in Bhawaar and Tarai areas while the interior hilly areas have reached its saturation point. In this context, first of all the State Government should constitute a ministry for development of tourism and tourism development department should also be established in each and every district of the state. Thus the above description makes it clear that tourism for India, particularly for Uttaranchal will prove the main source of revenue and ecological regeneration which is of immense need for today’s sustainable economic development.52

Rathi Vinay Jha (2002) in his study, “Tourist-A New Tourism Policy” states that the tourism industry is properly planned, managed and developed at all levels of government in partnership with the private sector. It will strengthen the country’s cultural structure and natural heritage and lead to positive economic results including enhanced employment and income opportunities especially in rural areas. As a service industry, it is also necessary to achieve high standards of professionalism in providing services to the tourists. The new tourism policy would take into account the role of Indian tourism as an engine for employment generation, economic development, social integration and promotion of its cultural image abroad.53

Uma Maheswari M., (2003) in her work, “A Study on Tourism and Foreign Exchange Earnings in India”, has evaluated the tourism policies, growth of foreign tourist arrivals, foreign exchange earnings from tourism in India.54
Ramalingam, L.P., (2005) in his article, “Tourism and Foreign Exchange Earnings” has stressed that tourism is the only industry, which touches all aspects of our everyday life. It helps in diversifying economic activity and in developing backward areas. Socially it brings the people of different nations closer through cultural assimilation and mutual understanding. Tourism gives support to local handicrafts and cultural activities too.\textsuperscript{55}

Settu, T., Raveendran, K., and Rajanarayanan, S., (2005) in their article “Tourism Industry in India” have revealed that tourism is the largest sector in the worldwide export of goods and services and accounts for 12 percent of global income. The allied topics include the tourism policy, the role of the tourist transporter in the tourism policy, the co-ordination mechanism between the centre, states, benefits extended to the tourist transporter, and steps against misuse of benefits by non-tourist transporters.\textsuperscript{56}

Abdul Malek H.A. Hazbar and Anand D., (2009) in their study, “Economic and Environmental Impacts of Tourism on Socotra Island” state that tourism is regarded as an income and job generating activity on local and national levels and there is a consensus in the literature that the support of the host communities is essential for successful tourism development. The findings of this study reveal that tourism in Socotra Island has been recently introduced into the community; therefore the residents did not indicate that they were economically benefited from tourism.\textsuperscript{57}

rapidly changing global economic scenario, tourism is considered to be one of the largest and fast growing industries. The occupation of tourism is providing very useful and fruitful avenues especially to those people who are engaged in tourism activities because through this smokeless industry, they are not only enhancing their standard of living but also generating income and employment opportunities. In the contemporary era of globalization and industrialization, the whole world has shrunk into a global village. Tourism has played a very decisive role to transform the world into a globalized economy where all nations can exchange free trade and culture and share their interest of mutual benefits based on tourism industry. India is one of the major destinations of the foreign tourists particularly the state of Tamil Nadu which has a rich cultural heritage among the Indian states. All over the world, tourists are visiting it due to its climatic, scenic beauty and ecological resources. The statistical figures reveal that major shares of total tourist’s arrivals both foreign and domestic are coming to Tamil Nadu. For instance during 2005, the percentage share of domestic tourists was recorded around 11.3% out of the share of ten major states. According to the tourist statistics of Tamil Nadu, the total number of domestic tourist arrivals went up from 32.33 million in 2005 to 39.51 million in 2006 to 50.65 million in 2007, while foreign tourist arrivals had increased from 1.18 million in 2005 to 1.35 million in 2006 to 1.75 million last year. The major centers of tourist attraction in the state are Chennai, Kanchipuram, Mahabalipuram, Trichy, Pondicherry, Thanjavur Madurai, Rameshwaram and Kanyakumari. The research paper deals with the analysis of tourism potential of Tamil Nadu state and highlights the significance of various tourist places, especially Kanyakumari. The research paper also encompasses people's perception regarding tourism and assesses the impact of tourism on various
developmental activities. The paper suggests important measures to promote tourism in the state of Tamil Nadu and to tapping its potential properly.\textsuperscript{58}

**Chris Ryan** (2010) in his book, “Recreational Tourism Demand and Impacts” is concerned with the determinants of tourism demand, the implications of that demand, and the problems posed for those who, in whatever capacity, seek to manage tourism at the destination level. After a new chapter that presents a history of tourism where the discerning reader can see that which is old and that which is new, the rest of the book analyses social, economic and psychological determinants of demand and discusses the broad aspects of destination change and the challenges presented to those responsible for managing such change.\textsuperscript{59}

### 1.3.5 Socio Economic Impact of Tourism

**Vivek Sharma** (1985) in his article, “Tourism and its Socio-Economic Importance” points out that tourism has come to be accepted as a catalyst to economic development and a potent tool for social integration and foreign exchange earning. The author stresses that economic importance of tourism can be studied in relation to its contribution to increase in income, foreign exchange earnings return on investment, employment and conservation of resources.\textsuperscript{60}

**Gulab Nabi,** (2000) in his book, “Socio-Economic Impact of Tourism”, attempts to show the academic world how tourism can be used as a tool for socio-economic growth if the effort is directed correctly. He also analyses how tourism industry has influenced various segments of society through the multiplier effect. It includes hotels, motels, restaurants, transport, shopping, entertainment and other
allied economic activities including export of handicrafts, paintings, jewellery and wooden articles. The economic significance of tourism can be studied in relation to its contribution to increased foreign exchange earnings, conservation of resources, utilization of wastelands, and increase in employment opportunities and income of local people.  

Joseph E. Mbaiwa, (2002) in his study, “The Socio-Economic and Environmental Impacts of Tourism Development on the Okavango Delta, Northwestern Botswana” maintains that the Okavango Delta is one of Botswana’s leading tourist destinations, mainly because of the rich wildlife resources it sustains and its scenic beauty. Tourism has stimulated the development of a variety of allied infrastructure and facilities, such as hotels, lodges and camps, airport and airstrips, in the Okavango region. Through its backward linkages, wholesale and retail businesses have also been established, especially in Maun, to offer various goods to the tourist industry. Tarred roads and other communication facilities have also been developed in Ngamiland District partly to facilitate tourism development. Tourism in the Okavango Delta also provides employment opportunities to local communities and it is a significant source of foreign exchange for Botswana. Despite its positive socio-economic impacts, the industry is beginning to have negative environmental impacts in the area such as the destruction of the area’s ecology through driving outside the prescribed trails, noise pollution and poor waste management.

V. Kumar and Arvind Kumar, (2009) in their study “Assessment of Socio-Economic Impact of Tourism/Eco-Tourism at Barabar and Nagarjun (B and N) Hills in Bihar (India)” makes an effort to assess the tourism/ecotourism potential of Barabar
and Nagarjuni hills caves site in Bihar (India) and to assess its potential socio-economic impact on the local population. It has been revealed that in spite of its huge potential for declaring it as a eco-tourist site, it has not been done so owing to various reasons like lack of infrastructure, lack of awareness about such a site amongst tourists from outside, lack of political will etc. but the stakeholders including govt. officials and local people have revealed for their full cooperation and participation, if the site is declared as tourist/ecotourist site by the govt. along with fund and management back-up.\textsuperscript{63}

Elita Bielza-Valdez, (2009) in his study, “The Socio-Economic impact of Tourism and Entrepreneurship in Vigan City”, has determined the socio-economic impact of tourism and entrepreneurship in Vigan City, particularly along the profile of tourism related entrepreneurship; impact of tourism in existing business establishment, impact of tourism on the personal improvement of entrepreneurs: impact of cityhood of Vigan to tourism and perception extent to which tourism and entrepreneurship have addressed the socio-economic goals of the entrepreneurs. Descriptive method of research was used in this study.\textsuperscript{64}

After reviewing the existing literature the researcher has found out the research gap for further analysis. The existing literature stresses the following areas such as Tourism and Economic development, Socio, Economic and Cultural change, Problems of Tourism Management, Role of Transport, Various issues, Socio-economic and demographic characteristics of foreign tourists, Natural and manmade Tourist resources, Arrivals, Hotels, participation of Government and NGOs, Challenges and the need for conserving Tourist resources. But none of them focused
on the impact of tourism on the socio economic conditions of retailers and street vendors. Hence, the present study is an attempt to fill this research gap.

1.4 SCOPE OF THE STUDY

The present study is an attempt to understand the impact of tourism on socio economic conditions of retailers, seasonal retailers and street vendors in Kanyakumari tourism spot.

Social factors include age, gender, literacy level, religion, community, marital status, languages known, family background and living conditions. Social impact refers to the changes in the quality of life of retailers and street vendors against tourism in Kanyakumari.

Social impacts on tourism of retailers and street vendors are classified into twenty five. They are improvement in skill and knowledge, leadership quality, friendships, self confidence, self discipline, problem solving self image, economic independence, status of life, change in performance of work, change in living style, charity outlook, social service, change in behaviors, contact with relations, departure from unfair practice, change in social attitude, social mobility, departure from superstitions, interest in religious activities, social structure, involvement in recreation, change due to technology, membership in various association and involvement in participation.

Economic factors of this study are income from business, other sources of income, income from other family members, income from other sources, business expenditure, family expenditure, house and household assets, savings, investment and
borrowings. Economic impact of this study refers to the changes in the quantity of income of the retailers and street vendors against tourism in Kanyakumari.

The geographical area of this study is Kanyakumari tourism spot and the primary data were collected during the year 2011 and the secondary data were collected for 15 years from 1998 to 2012.

The outcome of the study will be useful to The Department of Tourism in India and the Kanyakumari Town Panchayat Office, as it will portray the present obstacles of tourism development and should be able to take promotional steps to increase domestic and foreign tourist arrivals. It will also increase economic development of the country through employment generation and foreign exchange earnings.

The outcome of the present study would also be beneficial for the Retailers, Seasonal Retailers and Street Vendors of Kanyakumari as it would make them aware of their present social and economic conditions and help them to take necessary steps to enhance their standard of living.

1.5 OBJECTIVES OF THE STUDY

1. To analyze the development of tourism in India, Tamil Nadu and Kanyakumari.

2. To identify the impact of tourism on the socio-economic conditions of Retailers in Kanyakumari.

3. To analyze the impact of tourism on the socio-economic conditions of Seasonal Retailers in Kanyakumari.
4. To ascertain the impact of tourism on the socio-economic conditions of Street Vendors in Kanyakumari.

5. To examine the problems faced by the Retailers, Seasonal Retailers and Street Vendors in their business.

6. To offer suggestions to improve tourism activities in Kanyakumari.

1.6 HYPOTHESES

After framing the objectives, the researcher has formulated the following hypotheses of the study.

1. The personal variables have no influence over the monthly seasonal income of the retailers.

2. The economic variables have no influence over the monthly seasonal income of the retailers.

3. The personal variables have no influence over the monthly income of the seasonal retailers.

4. The economic variables have no influence over the monthly income of the seasonal retailers.

5. The personal variables have no influence over the monthly seasonal income of the street vendors.

6. The economic variables have no influence over the monthly seasonal income of the street vendors.

7. Social impact due to tourism do not differ significantly among the different types of vendors.

8. Problems of business do not differ significantly among the different types of vendors.

9. Opinions regarding suggestion for business improvement do not differ significantly among the different types of vendors.
1.7 OPERATIONAL DEFINITIONS OF THE CONCEPTS

The following are the definitions of the major and important concepts used in this study.

1.7.1 Tourist

Tourist 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 purpose not related to the exercise of an activity remunerated from within the place visited.

In this study ‘tourists’ comprise of foreign tourist, domestic tourist and local tourist.

- Foreign tourist is a person residing in another country
- Domestic tourist is a person residing within the country.
- Local tourist is a person residing within the district. (Excursionists i.e. temporary)

1.7.2 Social Impact of Tourism

Social impact refers to the changes in the quality of life. That is the fact and experience which influence individual’s personality, attitudes and life style of the retailers and street vendors against tourism.

1.7.3 Economic Impact of Tourism

Economic impact refers to the changes in the quantity of income of the retailers and street vendors against tourism.
1.7.4. Retailers

Retailer is a person who sells goods with a permanent built-up structure. They also have panchayat license and pay panchayat tax.

1.7.5 Seasonal Retailers

Seasonal retailer is a person who sells goods with temporary built-up structure during special season. In Kanyakumari, Sabarimalai Ayyappa devotees season commences from middle of November to January (90 days). The seasonal retailers pay rent to the Panchayat for the season.

1.7.6 Street Vendors

Street vendor is a person who sells goods without having a permanent built-up structure but with a temporary static structure (who pay land lease to Panchayat) or mobile stall (hand or cycle) within the Kanyakumari tourism spot.

1.8 METHODOLOGY

The investigator has applied the following methods for this research.

1.8.1 Collection of Data

The study is based on both primary data and secondary data.

1.8.1.1 Primary Data

The primary data were collected through well structured interview schedule from the retailers, seasonal retailers and street vendors in Kanyakumari.
1.8.1.2 Secondary Data

The secondary data were collected from newspapers, journals, Annual Reports of Ministry of Tourism, UNWTO reports, Government Reports, India Tourism Statistics, Tourism Statistical Hand Book, District Census Hand Book, District Statistical Hand Books, various records from Kanyakumari Panchayat office, Kanyakumari tourism office and various web site addresses. Secondary data were also collected from the number of related text books, sample studies, survey records and other similar research works.

1.8.2 Sample Design

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sample design may as well lay down the number of items to be included in the sample that is the size of the sample. Table 1.03 deals with sample design of this study.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Category of vendors</th>
<th>Total Number</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Retailers</td>
<td>410</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Seasonal Retailers</td>
<td>280</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>Street Vendors</td>
<td>160</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>850</strong></td>
<td><strong>270</strong></td>
</tr>
</tbody>
</table>

Source: Records of the Kanyakumari Town Panchayat office.
The researcher adopted disproportionate stratified random sampling method. Under stratified sampling, the population was divided into several sub-populations that were individually more homogeneous than the total population. In case of random sampling method, every item of the population has an equal chance of inclusion in the sample.

In this study, the total population is divided into retailers, seasonal retailers and street vendors. The proportion of sample unit is different that is 24 per cent of the retailers, 36 per cent of the seasonal retailers and 44 per cent of the street vendors. Hence, this study is disproportionate stratified random sampling method.

1.8.3 Tools Used for Analysis

Collected data are tabulated and analyzed through suitable statistical techniques for further interpretation and suggestions. The various tools used are:

1.8.3.1 Trend Ratio

This method determines the direction of upward or downward growth and involves the computation of the percentage relationship that each item bears to the same item in the base year. The information for a number of years is taken up and one year, generally the first year, is taken as base year. The figures of the base year are taken as 100 and trend ratios for other years are calculated on the basis of base year. Thus,

\[
\text{Trend Ratio} = \frac{\text{Current Period Figure}}{\text{Base year Figure}} \times 100
\]
In this study, the trend analysis has been used to know the growth of tourists’ arrival and foreign exchange earnings.

### 1.8.3.2 Percentage Change Analysis

This method is used to compare the growth with the previous year through percentages. In this study, the percentage change analysis has been used to know the growth of tourist arrivals and to know progress in the foreign exchange earnings. The percentage has been drawn with the help of the following formula:

\[
\frac{\text{Difference in figures of two years}}{\text{Previous year’s figure}} \times 100
\]

### 1.8.3.3 Seasonal Indices

Seasonal indices by the method of simple averages have been used to find out the variations in the tourist arrival in different months of the year. The following steps have been used for the calculation,

1. Monthly totals have been calculated
2. Monthly totals are divided by the number of years
3. Average of monthly averages has been obtained by dividing the total of monthly averages by 12.
4. Average of the monthly average has been taken as 100 and the percentage of various monthly averages is computed as follows:

\[
\text{Seasonal Index for January} = \frac{\text{Monthly averages of January}}{\text{Average of monthly average}} \times 100
\]
1.8.3.4 Weighted Average Method

This is developed after developing Likert-type scales. Likert scales are developed by utilising the item analysis approach wherein a particular item is evaluated on the basis of how well it discriminates between those persons whose total score is high and those whose score is low. It consists of a number of statements which express either a favourable or unfavourable attitude towards the given object to which the respondent is asked to react. Each response is given a numerical score to record and then weights are being imposed according to the importance of the problem. The scores are then multiplied by the weights to arrive at the weighted average ranks.

With the help of this technique, the social impact of tourism on retailers, seasonal retailers and street vendors are assessed.

1.8.3.5 Kruskal Wallis Test

This test helps in testing the null hypothesis that the independent random samples have come from the identical populations as against the alternative hypothesis that the means of these samples are not all equal. To apply this test, all the data are ranked as if they were in one sample. This is a non parametric test which is an alternative to single factor one way ANOVA test. The objective of this test is to check whether the independent samples are from identical populations. The calculated value is to be compared against the Chi Square value with K-1 degrees of freedom at the given significance level.

\[
H = \frac{12}{N(N+1)} \left\{ \frac{R_1^2}{n_1} + \frac{R_2^2}{n_2} + \frac{R_3^2}{n_3} + \cdots + \frac{R_k^2}{n_k} \right\} - 3(n+1)
\]
With the help of this test, the suggestions for business progress among the different types of vendors such as retailers, seasonal retailers and street vendors are analyzed.

1.8.3.6 Chi-Square Test

The Chi-Square Test is the most popular non-parametric test of significance in social research. It is used to make the comparison between two or more nominal variables. The test is applied in statistical studies to verify the distribution of observed data with assumed theoretical distribution. The size of chi-square describes the magnitude of or the degree of difference between theory and observation. With the help of chi-square test, it is known whether a given difference between observed data and expected data is due to chance variation or due to inadequacy of the theory to fit the observed data. The greater the discrepancy between the observed and expected frequencies, the greater is the value of Chi-Square. The formula used in this case is given below.

\[
\chi^2 = \sum \frac{(O - E)^2}{E}
\]

Where O refers to the observed frequency and the E refers to the expected Frequency.

With the help of the Chi-square test an effort is made to find out as to what extent the socio-economic factors influence the monthly seasonal income of the retailers, seasonal retailers and street vendors.

1.8.4 Period of the Study

In this study, the researcher collected Primary data through interview among the retailers, seasonal retailers and street vendors during the year 2011. The secondary data were collected for 15 year from 1998 to 2012.
1.9 LIMITATIONS OF THE STUDY

1. The researcher felt difficult to collect data from the retailers and street vendors because of their lack of knowledge about the social conditions of their life and also most of them did not maintain their income and expenditure programs.

2. The researcher also felt difficult to collect information from seasonal retailers and street vendors because they have no permanent shop.

3. Originally the researcher liked to collect census method of data. But in practice, it was impossible to do. Because, most of the retailers were not ready to reveal their business details.

4. Although data analysis was made for fifteen years from 1998 to 2012, data relating to monthwise tourist arrivals in Kanyakumari could be collected from 1998 to 2008 and foreign tourist arrivals could be collected only for five years from 2006 to 2010.

1.10 CHAPTER SCHEME

This study is presented in seven chapters as given below:

- The first Chapter gives the Introduction and design of the study.
- The second Chapter deals with Tourism development in India.
- The Third Chapter presents the profile of Kanyakumari District.
- The fourth Chapter analyzes the impact of tourism on the socio-economic conditions of retailers.
- The fifth Chapter ascertains the impact of tourism on the socio-economic conditions of street vendors.
- The sixth Chapter examines the overall impact of tourism on the socio-economic conditions of retailers and street vendors.
- The seventh Chapter gives the summary of findings, conclusion and suggestions.
FOOT NOTES


20 Shankar, T.S., “ITDC to Focus on Profit-making”, *The Hindu*, June 17, 2002, p.4


36 Sivaniah, A., *Hotels and Tourism Development with Special Reference to Kanyakumari Township*, M.T.M. Project, Madurai Kamaraj University, Madurai, 1999, pp. 54-56.


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