

**MAKING OF INDIAN TOURISM IN 21ST CENTURY:
CHALLENGES AND PROSPECTS**

**TOURISM IN ITS BROADEST SENSE I.E. "THE ACTIVITIES OF
PERSONS TRAVELING TO AND STAYING IN PLACES OUTSIDE
THEIR USUAL ENVIRONMENT."**

Munish Tiwari*

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Introduction:

The world is changing. Previously insignificant and disregarded markets are booming, replacing former superpowers now tired and worn out. The balance of power has shifted. And perhaps nowhere is this as apparent as in India. Tourism in and from India is not only at an all time high but is growing faster than in any other region. Home to almost half of the globe's population, the potential of India as a tourist feeder market is beyond comparison. As the region builds up more economic muscles and its people become more affluent, Indian tourism is set to dwarf all other markets including today's giants Germany and the US. Commencing with a slow growth at the start of the millennium, the Indian tourism industry has performed quite well in the last couple of years. The Indian tourism industry has out performed the global tourism industry in terms of growth in the volume of international tourists as well as in terms of revenue. The World Travel and Tourism Council (WTTC) have named India along with China as one of the fastest growing tourism industries for the next 10 to 15 years. In order to sustain this growth and meet the expectations, it is essential for the Government of India to invest in infrastructure such as transport and accommodations. The expected growth of the industry in future has provided its

* MBA Department, Anand Engineering College, Agra, UP, India.

players with an opportunity to invest in new technologies such as CRM tools and latest security systems, and to venture into new market segments such as Cruise tourism where India has negligible share in comparison to world cruise tourism market. On the flip side, the growth in the Indian tourism sector is accompanied by the imminent destruction of local ecology and an increase in pollution, which, in the long run, is going to negatively impact the tourism industry of India

Research Method:

The research design will be descriptive in nature. The method of data collection will be mainly based on secondary data. However, an effort will be made to collect primary data by taking information from competent persons off and on. The following studies represent a comprehensive summary of the challenges and prospects of Indian tourism in 21st century. In this context, the present study will examine the different types and benefits of tourism co-exist for the optimum utilization of resources. Then, determine the key strategies are required for the growth of Indian tourism. Over and above study will explore the challenges and prospects in Indian tourism sector. Based on the recurring concepts in the existing literature, the paper concludes with some recommendations for how Indian tourism can foster to develop economy. These objectives have been taken in mind to justify the dominant role of tourism for the holistic development of country.

Different Possibilities for Indian Tourism:

Online Tourism:

Tourism websites mainly come in two forms: transact able and non-transact able. Transact able sites allow a tourism product to be selected, an enquiry can be placed, payment can be made and a coupon can be produced. Within this classification there are mainly five types of sites: 1) online travel aggregators like **expedia.com** or **hostelworld.com**; 2) destination e-marketplaces like **worldhotellink.com**; 3) online tour operators like **responsibletravel.com**; 4) individual hotel or corporate central reservations systems like **marriot.com** or **hilton.com** and 5) meta-search engines like **kayak.com** or **sidestep.com**. Non-transact able sites can come in

variety of manners that focus on market niches, destinations, and blogs are produced by a huge variety of authors from national Tourism Boards to individual travelers’.

Community-based tourism:

International agencies increasingly promote tourism, and particularly community based tourism as a means to reduce poverty in developing countries. Community based initiatives have proliferated across India. As an example, in India, rural district councils are granted the appropriate authority to utilize wildlife on their land. The devolution of control has allowed community based resource use schemes such as the Communal Areas Management Programme for Indigenous Resources to develop. Revenue from tourism reaching the communities is distributed by them, in accordance with their wishes; either split between all the inhabitants equally, or invested in infrastructure such as schools, roads, and clinics. Community involvement in tourism has been widely supported in the literature as essential for sustainability (Murphy, 1985). Community ownership provides livelihood security, minimal leakage, efficient conflict resolution, increases in the local population’s social carrying capacity, and improved conservation. Costs associated with community tourism projects include that they are expensive, they generate high expectations which may not be feasible, new conflicts may arise as marginal groups become more empowered while elites gain greater benefits through networks.

Sustainable tourism:

Given the reactionary nature of sustainable tourism to current paradigmatic approaches and the difficulties associated with defining it, this leads to the question of whether sustainable tourism will be able to be developed theoretically and practically or is it simply reactionary rhetoric? There is no doubt that many facets of the tourism industry, from operators to government agencies, have adapted their operations to practice sustainable tourism. However, whether these have accounted for significant or merely cosmetic changes is debatable. Butler (1998) argues that if any real changes are to be made in terms of sustainability, then changes must be made by looking backwards and fixing longstanding problems rather than by building more tourism developments that are ‘sustainable’. A danger exists that unless sustainable tourism

is demonstrated to be attainable by all stakeholder groups, it will follow the path of ecotourism, whose popularity has arguably suffered as a result of it being perceived as little more than a marketing label (Wight, 1993b). On the positive side, as illustrated in the historical section of this article, the context in which sustainable tourism evolved signified a change in people's 490 Journal of Sustainable Tourism perceptions of nature which, in turn, affected economic development and the nature of the tourism industry.

Ecotourism:

Ecotourism is that section of sustainable tourism which is related to visitation of relatively undisturbed natural areas, including protected areas. It has been estimated that 15-20 % of all international tourism might be classified as ecotourism. The 15% per year rate of growth of ecotourism and other nature-based tourism activities is higher than most other tourism segments. By definition, ecotourism is a tool for conservation of natural and cultural resources (including biodiversity) and an instrument for sustainable development for local communities, especially in rural areas. There is no absolute distinction between ecotourism and other forms of tourism; rather the different types of tourism form part of a continuum. The challenges to biodiversity and tourism planners are to match the appropriate type of tourism with the aspirations of stakeholders and assimilative capacity of land, culture and communities.

Objectives of Eco-Tourism:

Objectives of eco-tourism cannot be met without a focused and concerted approach. The identified gaps are interconnected and consequence of the absence of a commonly accepted definition of ET. National policies and guidelines should be drawn for the proposed components of ET, within the purview of international environmental treaties and related Indian legislations, incorporating equity and fair Trade principles. State wise regulatory institutions and regulations can be based on these guidelines but should reflect grassroots ecological and cultural integrity.

Pro-poor tourism (PPT):

It is defined as tourism that generates net benefits for the poor, which may be economic, social or environmental. As long as poor people reap net benefits, tourism can be classified as 'pro-poor' (even if richer people benefit more than poorer people). The PPT approach focuses on strategies that enhance benefits to the poor, and aims to unlock opportunities for the poor, rather than expanding the overall size of the sector. Tourism's potential for being pro-poor lies in four main areas:

- Tourism is a diverse industry, which increases the scope for wide participation, including the participation of the informal sector;
- The customer comes to the product, which provides considerable opportunities for linkages (e.g. souvenir selling);
- Tourism is highly dependent upon natural capital (e.g. wildlife, culture), which are assets that the poor may have access to, even in the absence of financial resources;
- Tourism can be more labour intensive than such industries as manufacturing. In comparison to other modern sectors, a higher proportion of tourism benefits (e.g. jobs, informal trade opportunities).

Key Strategies for Indian tourism:**Product Development policy strategies:**

Enhancing the existing tourist products and developing others. Developing the infrastructure increasing and improving accessibility to tourist products. Protection and enhancing quality control mechanisms for tourist

Marketing policy strategies:

Identifying and locating the target market with a view towards putting into place cost-effective means of communication and influencing the market segments identified. Promoting the image of India's quality resorts and diverse cultural. The tourist attractions and its position is a leading destination for wildlife viewing and hunting expeditions. Support the promotional activities of operations in the tourism industry such as hoteliers, tour operators, and travel agents.

Cultural aspects of tourism - policy strategies:

Enhancing and developing the cultural aspects of tourism through: festivals, exhibitions, theatrical and dance performances; and making of visits to museums, monuments, archaeological, paleontology research, and other historic sites. Encouraging individuals, local authorities, and other organizations to support and promote the tourism industry by documenting, publicizing and disseminating information on cultural attractions. Encouraging institutions in the field of the performing arts and other related institutions to establish calendars of artistic events and performances for wider circulation within the tourist industry.

Policy strategies for domestic tourism:

Collaborate with relevant authorities in availing of preferential rates to various tourist attractions and amenities to citizens. Encourage students in secondary schools to undertake tourism studies that will be introduced in collaboration with the responsible ministry. Encourage institutions to hold their annual meetings in areas with tourism attractions. Encourage tailor-made programs in order to fully utilize the capacities and services in the accommodation.

International and regional cooperation policy strategies:

Acquiring and maintaining membership, and making use of India's membership in various international and regional co-operation organizations and ventures that are beneficial to India's tourism industry. Enhance the standing bilateral and multilateral relations and establishing new ones. Optimize the utilization of international markets and the marketing systems of the tourism industry Co-operating in the regional and international exchange of information likely to influence the tourist industry (e.g. information on health, internal security, technology, standards and legal provisions). Put into place a mechanism to ensure that private foreign investments enter, and are coordinated and protected in accordance with the provisions of the Investment Policy and the Investment Code.

Tourism land use policy strategies:

Collaborate with the relevant stakeholders in identifying and setting aside specific areas for tourism development and investment in collaborating with the relevant land authorities. Establishing tourism development plans for areas set aside for tourism and subjecting them to EIA. Collaborating with the relevant land authorities and other institutions in ensuring that the areas identified for tourism investment and activities are developed, protected, and conserved.

Making it mandatory that all proposed land allocations for tourism investment are approved after Environmental Impact Assessment (EIA) studies have been carried out, approved and appropriate license issued as a measure to ensure sound environmental protection.

Policy strategies for infrastructure development:

Upgrading, developing, and maintaining a multi-modal transport system of surface (road and rail), marine, and air transport that is friendly to the environment. Enhance the provision of national infrastructure networks through the maintenance of links between national entry and exit points as well as important international networks. Provide points of access into the country and new tourist routes leading tourist attractions so long as these boost the Indian economy in a sustainable manner.

Policy strategies for employment and human resource development:

Developing and investing in the training of qualified local personnel at all levels for the industry and developing comprehensive skills and training programs, especially for the management positions. Encourage labor efficiency and devising cost effective measures. Promoting the provision of formal training in the tourist industry, which is occupational-specific and practical-oriented, promoting self-employment and the enhanced use of local cuisine, materials, and resources. Encourage the inclusion of studies of the country's national heritage such as historical sites, museums, libraries and archives, and the need to preserve nature and the environment into education curricula.

Policy strategies for community participation:

Educating and sensitizing communities to appreciate and value tourist attractions. Educating and sensitizing individuals, public & private institutions to identify, understand value, protect, and develop the national's cultural heritage. Give priority to members of these communities in terms of training, employment generation and other social and economic benefits accruing from tourist activities or investments within their areas and thereby minimizing rural-urban migration.

Policy strategies for financing and investment:

Establish a favorable fiscal, legal, and regulatory framework in order to attract finance. Allocate adequate public funds to enable the effective promotion, development, and marketing of tourism. Soliciting for providing mechanisms for micro financing and providing technical assistance to

small enterprises engaged in the production of tourism products in order to improve efficiency and quality. Soliciting for financing from international capital markets with a view towards utilizing such financing for tourism sector.

Policy strategies for competition and legislation:

Providing for an environment in which activities related to the tourism industry are carried out within the framework of the law. Provide mechanisms for arbitration in the event of disagreement. Provide mechanisms for the quality control of tourist products and services, providing consumer protection and ensuring health and safety. Put into place a Tourism Act to guide the development of the tourism sector. Facilitate entry and easy access to the country without infringing on national sovereignty. Promote the provision of information on the tourism industry and tourist products to all interest parties. Providing for the smooth entry into and exit from the tourism industry as well as market-oriented pricing system for tourist products.

Policy strategies for environmental protection:

To ensure that laws and regulations governing land use along the coast, rivers and lakes are strictly observed in all tourism development projects and recreational activities. To develop environmental impact assessment (EIA) guidelines and ensure that EIA is carried out and strictly adhered to in all tourism development projects. To monitor and review environmental protection measures in tourism.

Social threats:

Terror is an expression of political and social dissent that clearly is an impediment to tourism and other recreational activity. Terror events may include political/social statements such as the killing of Israeli athletes at the 1972 Munich Olympics. In other instances, terror groups deliberately target tourists as a means of undermining the political system when tourism becomes a significant foreign exchange earner and is seen as a representation of capitalist consumption. Such was the case of the 2002 Bali nightclub bombing and in Egypt in 1997 when gunmen killed 71 tourists near Luxor. International tourism whole has suffered due to fears of terrorism. This was made plainly evident after the 9/11 terror strikes in New York and Washington DC. People traveled less domestically and internationally, and the attacks spawned new and tightened

security measures at entertainment centers, sports stadiums and other places where large numbers of people, including tourists, are likely to gather. These security measures have been implemented largely in major urban areas. A second negative perception of risk at a destination is heightened by war and political instability. For obvious reasons, travel to these places gives one pause. Where alternatives exist, travelers change plans or stay home. Health concerns are also considered. Two variations on this theme are identifiable. First, travelers perceive some areas as more risky regarding pathogens such as HIV or SARS, or the transmission of other diseases through poor food and water quality. Second, when exposed or injured, there is a concern that the medical services and facilities available may be of lower quality.

Natural threats:

Nearly all places face the potential of some natural hazard, but the unique location of many recreational venues presents human–environment interaction that may be out of the daily norm. The allure of many tourist destinations is the attractiveness of high-risk exotic locales (Murphy & Bayley, 1989). Unfortunately, these transient visitors are often unfamiliar and unprepared to deal with the local threats. Additionally, many destinations fail to adequately prepare for hazards even when a well-known history or potential exists (Faulkner, 2001; Faulkner & Vikulov, 2001).

Timing and location:

The typical recreation experience is represented in four stages: anticipation, planning, participation, and recollection. The participation stage can be broken down further into the journey to, the actual recreation experience, and the journey home. The safety of the traveler en route is largely governed by forces and entities independent of the final destination. As part of the total recreation experience, safety concerns en route can both hamper and heighten the recreational experience. Psycho centric travelers (anxious, inhibited) will find a danger-fraught journey problematic and may even deter their travel to a location, while an all centric traveler (adventurous, outgoing) may find the same journey stimulating and adding to the overall enjoyment of the activity.

Prospects of Indian Tourism:

The Economic Survey 2007-08 has said that the prospects for growth of tourism in India are bright. The overall development of tourism infrastructure coupled with other efforts by the Government to promote tourism such as appropriately positioning India on the global tourism map through the “**Incredible India**” campaign. Giving greater focus to new emerging markets such as China, Latin America and CIS countries, and participating in trade fairs and exhibitions will facilitate tourism growth. The rate of growth of tourism sector in India has been way above the world average in the last few years. 2006-07 is the fourth consecutive year of high growth in foreign tourist arrivals and foreign exchange earnings from tourism. 2006-07 saw arrival of approximately 4.63 million foreign tourists in India, thereby registering a growth of 13 per cent over the previous year. As per advance estimates, foreign exchange earned during 2006-07 due to tourism was 9696 million dollar with a growth of 23.5 per cent over the previous year.

Faced with a bleak tourist forecast, the Centre will be pulling all out stops to aggressively promote India at the domestic and international level, including declaring 2009 as the year to ‘**Visit India**’. Incentives from leading hotels like Taj and Oberoi besides packages from the government itself are on the anvil. According to estimates, the growth of tourism in India is likely to come down to 8% from 14% last year. The number of foreign tourist arrivals has already dropped by 2.1% for November as compared to the same period last year. India however is still better off than the world tourism growth rate that has plummeted from 6% in 2007 to 2-3% in 2008. "Among others, adventure tourism, rural tourism, Buddhist sites and other products will be offered to tourists in various packages," Ambika Soni said.

It was decided to form a committee of representatives of trade associations and officers of the concerned ministries to look for ways to improve visitor experience at important monuments. The ministry will also invite foreign media to experience the difference at tourist sites. The ministry also actively considered extending market development assistance scheme to the MICE (Meetings, Incentives, Conventions, and Events) segment, which has emerged as a significant component of growth in inbound tourism. It will also encourage private operators in the tourism trade to organize annual travel fairs.

Present Status of Indian Tourism:

The Associated Chambers of Commerce and Industry (Assocham) have declared in a Tourism Committee report that the tourism sector would grow only five per cent in 2008-09, down from the anticipated 15 per cent. Assocham secretary general D S Rawat said in the report, "The number of inbound tourists from the US has already taken a hit and the situation would be worse next year as the global economic outlook remains grim. As the inbound tourism from the US would fall by 10-15 per cent, the number of tourists from Europe would go down by five per cent," further adding, "outbound tourism from the country would fall to an extent of 5-7% due to the global meltdown. Its pinch was felt during Diwali of 2008 as leisure tourism did not witness much significant movement," The states that would be hit badly include Kerala, Tamil Nadu, Andhra Pradesh, Bihar, Uttar Pradesh, Uttarakhand and Jammu and Kashmir. However, the chamber, s foreign exchange earnings through tourism would not suffer as the loss from US and Europe will be compensated from other countries in the Middle East and Southeast Asia. On Nov 18 2008, Union Tourism and Culture Minister Ambika Soni said that all efforts are on to have inclusive growth in the tourism sector in the country. "Tourism is an important sector for employment generation and according to estimates available with the Government it provides 8.9 per cent employment in India. In 2007 tourism contributed 6.23 per cent to GDP and tourism generated 53.7 million employments," she added. Soni said Tourism Ministry has chalked out an elaborate plan for expansion and strengthening of capacity building infrastructure and its aim to establish 49 Indian Hotel Management Institutes (IHMs) and 31 Food Crafts Institutes (FCIs) by the end of Eleventh Plan. She said it has also introduced schemes of capacity building through rural tourism, Earn While You Learn, Certified Hospitality Trainer and Atithi Devo Bhavah schemes of the Ministry. "Most of the schemes for capacity building are devised keeping in view the increased tourist inflow in the country on a long-term basis," she added.

Key findings in Tourism:

The key users identified are the private sector, the government, and the NGO community. The NGOs are mostly working together with the government departments, assisting in the implementation of identified policies. The following were the key findings of the in the context

of tour operators, hotels, restaurants, airline companies, sports & recreation operations, and transport & ferry operators were explored.

1. Estimation of future demand is the key concern for most operators. This is critical for them to plan their operations, and develop the capacity for any likely expansions given that this sector still has a reasonable growth potential.

2 There is also the need for a better understanding of the profile and characteristics of the tourist. With growing pressures of development in northern region of the country, there is the need to expand the existing boundaries of the products and services to the southern and the coastal areas.

3 The demand side analysis would not tell the entire story and so the supply side analysis requires the similar kind of analysis for the private sector. Knowledge of the existing capacity of businesses, their quality, and characteristic of products and services offered will reduce the “mystery” of investment and would also bring market efficiency in the sector.

3 The private sector concerns are the mistrust that has developed between them and the administration for various reasons: key amongst them being the inconsistent policies of evaluating tax filings both for the corporate tax as well as the VAT.

4. Timeliness of data is going to be crucial for the private sector in the process of their decision-making.

5. Understanding the structure of the industry, its economic, cultural, and environmental impact and creation of sustainable mechanisms to maximize the benefits of the sector in view of these impacts is a crucial strategy statement.

6. Furthermore, the government understands the requirement to create better infrastructure and how this would boost the sector activity. However, assessment of infrastructure needs would require more objectivity.

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