

EMERGING TRENDS IN INDIAN TOURISM INDUSTRY

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ABSTRACT

Travel and tourism is the largest service industry globally in terms of gross revenue and foreign exchange earnings. It is also one of the largest employment generators in the world. It has been a major social phenomenon and is driven by social, religious, recreational, knowledge seeking and business interests and motivated by the human urge for new experience, adventure, education, and entertainment. Tourism is both cause and consequence of economic development. It has the potential to stimulate other sectors in the economy owing to cross-synergistic benefits and its backward and forward linkages.

KEY WORDS: Economic development, Employment opportunity, foreign direct investment, Service sectors, Tourism.

INTRODUCTION

Indian tourism offers most diverse products globally. The country's rich history, cultural heritage, beauty, diversity of religion and medicine fascinate budget and luxury travelers. Tourism in India has registered significant growth over the years. This has been led by growth in both leisure and business tourism. Rising incomes, increasing affordability, growing aspirations, increasing globalisation, and a growing airline industry along with improvement in travel-related infrastructure have supported industry growth. Tourism holds immense potential for the Indian economy. It can provide impetus to other industries through backward and forward linkages and can contribute significantly to GDP.

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SERVICE SECTORS

According to **PHILIP KOTLER**, a service is “any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product”.

India is 11th in services output. 34% of the people in our country got job from services sector.

TRAVEL & TOURISM

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REVIEW OF LITERATURE

1. Chun-Min Kuo, (2009) in his article titled “The managerial implications of an analysis of tourist profiles and international hotel employee service attitude” said that marketers and personnel managers are therefore well advised to develop training strategies emphasizing empathy, gracious problem solving, and prompt individual attention to Taiwanese, Japanese, and American tourists, respectively.
2. Cobanoglu. Cihan, (2001) in his doctoral thesis titled “Analysis of business travelers’ hotel selection and satisfaction” said that the overall perceived performance score of hotel selection attributes were found to differ significantly between male and female business travellers.

OBJECTIVES OF THE STUDY

The study has been made with the following set of objectives.

1. To identify the various types of travel and tourism.

2. To know the significant role of services sector in India's GDP.
3. To know the level of Foreign Exchange Earnings in India.

TYPES OF TOURIST

Tourist can be defined as a person, who makes a tour away from home for leisure, business or other purposes for more than one day but less than a year. Based on their various needs and reasons for traveling, tourists are classified in the following categories

INCENTIVE TOURIST: Incentives tourists are those few lucky individuals, who get a holiday package as a reward from his company, for good work or achieving targets, set by the company. Incentive tourists draw inspiration from such tours to work harder, improve work relations and focus on team bonding. A salesman who is awarded with a nice holiday package for accomplishing the target sales is a perfect example of incentive tourist.

HEALTH OR MEDICAL TOURIST: Those who seek special medical treatment, which is only possible away from home, make trips to other places and are called Health or medical tourist. Some of these tourists avail medical assistance in other countries, for they may be expensive in their own country. Many health or medical tourists also make trips simply to stay for few days in healthier climate. Hoards of medical tourist fly to South Africa from overseas countries to undergo plastic surgery.

BUSINESS TOURIST: Tourist traveling with relation to business is known as business tourist. Business tourism is part of the business world. Most of the cities feature conference centers that cater to the needs of business tourists. A proper example of a business tourist is a salesman, who makes trips to different places to attend trade shows, to display and promote his own products also.

EDUCATION TOURIST: Tourists traveling to a particular place in another town, city or country for further study in order to improve his or her educational qualification are termed as education tourist. There are also group of people, who travel to attend workshops to upgrade skills.

ADVENTURE TOURIST: Adventure tourists look for some unusual or bizarre experience. They seek adventurous activities that may be dangerous, such as rock climbing, river rafting, skydiving, shark cave diving and bungee jumping.

CULTURAL TOURIST: These types of tourists travel to experience the essence of assorted cultures, such as San rock art, or cultural festivals such as the National Art Festival in Grahams town, or the International Jazz Festival in Cape Town. Cultural tourists also prefer to witness the World Heritage Sites of the traveled country.

ECO-TOURISTS: Nature loving tourists, who love to go green like traveling to Bonita Gardens in Bloemfontein South Africa or similar destinations are called eco-tourists. They travel throughout the world in search of destinations not affected by pollution or much human intervention.

LEISURE TOURIST: These tourists want to rejuvenate and revitalize with comfort, while enjoying a break from mundane routine of life. Examples of this type of tourism are cruising while vacationing or simple relaxing on a beach.

RELIGIOUS TOURISTS: Religious tourist travel to sites of religious significance. World is dotted with a number of religious locations like Hajj in Mecca, Jerusalem in Israel, Varanasi in India, and the Vatican in Rome. During Easter, a huge conglomeration of Christian pilgrimage takes place in Zion City.

SPORTS AND RECREATION TOURIST: These sorts of tourists either take active part in or just watch sports events. Some of such popular sport events are the Soccer World Cup, Wimbledon Tennis Championship, Comrades Marathon, and Fisher River Canoe Marathon.

DIFFERENT FORMS OF TOURISM

MEDICAL TOURISM

Medical tourism also known as health tourism has emerged as one of the important segments of the tourism industry. The term has been coined by travel agencies and the mass media to

describe the rapidly-growing practice of travelling across international borders to for healthcare. Travelers typically seek services such as elective procedures as well as complex specialised surgeries such as joint replacement (knee/hip), cardiac, dental, and cosmetic surgeries. Psychiatry, alternative treatments, and convalescent care are also available.

WELLNESS TOURISM

Wellness tourism is regarded as a sub-segment of medical tourism. Here, the primary purpose is achieving promoting or maintaining good health and a sense of well-being.

India with widespread presence of Ayurveda, Yoga, Siddha, and Naturopathy, complemented by its spiritual philosophy, is a well-known wellness destination.

Wellness tourism includes ayurvedic therapies, spa visits, and yoga meditation. The government is promoting this form of tourism with publicity and promotional activity

ADVENTURE TOURISM

Travel for the aim of exploration or travel to remote, exotic and possibly hostile areas is known as adventure tourism. The activities include mountaineering, trekking, bungee jumping, mountain biking, river rafting, and rock climbing. India offer lot of scope for mountaineering, rock climbing, trekking, skiing, skating, mount biking and safaris; rushing rivers provide opportunities for river rafting, canoeing and kayaking, diving and snorkeling. The government is undertaking measures such as financial assistance to governments of states and union territory for development of adventure tourism destinations.

HERITAGE TOURISM

The National Trust defines **Heritage Tourism** as “Traveling to experience the places, artifacts and activities that authentically represent the stories and people of the past,” and **Heritage Tourism** can include Cultural, Historic and Natural resources.

Examples: Tajmahal (UP), Mahabalipuram Rocks (Tamil Nadu), Konark sun Temple (Orissa), Jaisalmar Hill port (Rajasthan), Qutub Minar (New Delhi)

ECO TOURISM

Ecotourism is travel to the cultural and natural history of the environment, while not disturbing the integrity of the ecosystem and creating economic opportunities that make conservation and protection of natural resources advantageous to local people. It involves travel to destinations where flora, fauna and cultural heritage are primary attractions.

RURAL TOURISM

Rural tourism showcases rural life, art, culture and heritage of rural locations, benefitting the local community economically and socially as well as enabling interaction between the tourists and locals for a more enriching tourism experience. Rural tourism is multi-faceted and may entail farm/agricultural tourism, cultural tourism, nature tourism, adventure tourism, and ecotourism.

The Ministry of Tourism along with UNDP undertook the “**Explore Rural India**” Campaign, to give tourists a chance to experience life in rural India. It is one of the most successful tourism campaigns so far. During the “Visit India Year 2009” campaign, 15 rural tourism sites were selected as rural eco-holiday sites.

WILDLIFE TOURISM

Wildlife tourism, one of the fastest segments of tourism, involves travel to different locations to experience wild life in natural settings. Due to its varied topography and distinctive climatic conditions, India is endowed with various forms of flora and fauna and it has numerous species of birds mammals, reptiles, amphibians and plants and animals.

To tap the potential of wildlife tourism, the government has launched some wildlife packages for travelers. Wildlife Tourism in India includes wildlife photography, bird watching, jungle safari, elephant safari, jeep safari, jungle camping, ecotourism etc.

The country offers immense opportunities for wildlife tourism. The strong heritage of wildlife in India comprises more than 70 national parks and about 400 wildlife sanctuaries including bird sanctuaries. Taj Hotels & Resorts has a joint venture with Conservation Corporation Africa to

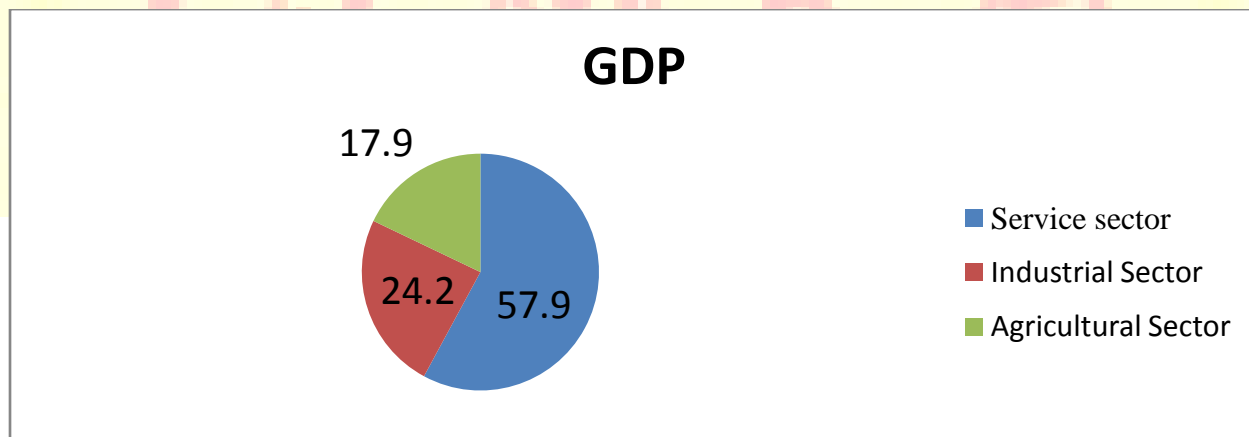
provide wildlife enthusiasts, circuit tourists and high-end domestic travelers with fascinating wildlife experiences within India through an ecologically-sustainable model. In a bid to preserve the natural habitat, the Ministry of Tourism has launched an initiative, “**Tigers: Our Natural Beauties**”.

MICE TOURISM

MICE (Meetings, Incentives, Conferences and Exhibitions) tourism is also one of the fastest growing in the global tourism industry. It largely caters to business travellers, mostly corporates. It caters to various forms of business meetings, international conferences and conventions, events and exhibitions. Hong Kong, Malaysia and Dubai are the top destinations for MICE tourism. India is also present in this segment.

This form of tourism combines annual business meetings and conferences with pleasurable events for delegates and attendants. India can be competitive with other MICE tourism destinations owing to its natural beauty, rich heritage and geographical diversity. One of the requisites for this form of tourism is world-class convention centres. The Ashok, New Delhi; Hyderabad International Convention Centre, Hyderabad; and Le Meridian, Cochin are forerunners in the Indian MICE tourism industry, facilitating domestic and International business meetings and conferences.

SECTOR WISE GDP



Foreign Tourist Arrivals (FTAs) in India, 2010-2014

YEAR	NUMBER (MILLIONS)	% CHANGE
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9
2014	7.70	10.6

Source: Bureau of Immigration, Ministry of Tourism, India

Foreign Exchange Earnings (FEE), in Crore, from Tourism in India, 2010-2014

YEAR	AMOUNT (CRORES)	% CHANGE
2010	64,889	20.8
2011	77,591	19.6
2012	94,487	21.8
2013	1,07,671	14.0
2014	1,20,083	11.5

Source: RBI, Ministry of Tourism, India

HIGHLIGHTS

Travel and tourism contributed INR 2,178.1 Billion to the country's GDP in 2013. This is expected to rise by 7.5% to INR 2,341.45 Billion in 2014.

The number of domestic tourist visits in India during 2012 was 1,036.3 Million as compared to 864.53 Million in 2011, recording a growth rate of 19.9%.

In 2013, foreign exchange earnings from tourism were USD 18.13 Billion as compared to USD 17.74 Billion in 2012, registering a growth of 2.2%.

Tourism is a big employment generator – every USD 1 Million invested in tourism creates 78 jobs.

Tourism is the third-largest foreign exchange earner after gems, jewellery and readymade garments.

During 2013, foreign exchange earnings from tourism registered a growth of 12% rising from INR 944.87 Billion to INR 1058.36 Billion.

FINANCIAL SUPPORT

KEY PROVISIONS OF BUDGET 2014-15:

- INR 5 Billion has been allocated towards the proposed creation of 5 tourist circuits around specific themes.
- INR 1 Billion has been allocated towards a National Mission on Pilgrimage Rejuvenation and Spiritual Augmentation (PRASAD), a drive that is to be launched in this financial year.
- INR 2 Billion has been allocated towards National Heritage City Development and Augmentation Yojana (HRIDAY) to be launched for conserving and preserving the heritage character of certain cities.
- INR 1 Billion has been allocated for the preservation of archaeological sites.
- Services provided by Indian tour operators to foreign tourists in relation to tours wholly conducted outside India are being exempted from levy of service tax.
- World-class tourist facilities are being developed to promote Sarnath-Gaya-Varanasi Buddhist circuit.
- INR 2 Billion has been set aside to support the Gujarat Government in its initiative to erect and build the largest ever statue of Sardar Vallabh Bhai Patel.

EMPLOYMENT OPPORTUNITIES IN TOURISM INDUSTRY

- Tourism in India has vast employment potential, much of which still awaits exploitation. At present about 20.44 million persons are directly employed by hospitality services. This is about 5.6 per cent of the total work force of the country. By 2015, it would provide 25 million jobs. In addition, the industry provides indirect employment to about 40 million persons.

- The ratio further increases if one takes into account the ancillary services associated with hotels and restaurants. Another important aspect of employment in tourism is that it employs a large number of women, educated and uneducated, as well as skilled and unskilled. In fact, women are greater in number than men in hotels, airline services, travel agencies, handicraft making and cultural activities, etc.
- Tourism is a labour-intensive industry and is likely to offer more jobs in the coming years. And since most of the natural beauty and wildlife are to be found in non-urban areas, rural people could find employment as guides and transporters; with proper training. More jobs in rural areas would also help reduce continuous migration of people.

SUGGESTIONS

1. Steps must be taken by the Government to increase the share of GDP through service sectors.
2. Providing new avenues for Multinational companies, FDI's and FII are in India.
3. Proper protection must be given to both domestic as well as foreign tourists from terrorists attack. It will increase the Tourist Arrivals in India.
5. Government has to liberalize their policy and procedures to allow more FDI's in India.

CONCLUSION:

The growth rate of the Service sectors in India's GDP registered a significant growth over the past few years. The Indian government must take steps to ensure that Growth Rate of Indian GDP continues to rise. This may develop the growth and prosperity of the country's economy. The present condition of service sectors shows that India has got bright prospect, because of the tremendous rise in the service industries. If this continues our former president Dr. Abdul kalam's dream in "**Vision 2020**" will become true. "**Service to man is service to god**". If income generated through tourism properly used, it will create tremendous benefits to the host country and its local communities and it will also lead to increase in National income, better education, improve infrastructure facilities, increase employment opportunities, enable technological development etc.,

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