

EXPLORING ECONOMIC DEVELOPMENT OF INDIAN TOURISM IN INTERNATIONAL PERSPECTIVE

DEEPAL MEHROTRA

Asst. Professor, School of Commerce & Economics, Jagran Lakecity University, Bhopal.
E-mail: deepal_mehrotra@yahoo.com

Abstract— India is a dreamland for tourist from all over the world. It is a composite of incredible cultural diversities. From the dusky landscape of Rajasthan to the stunning lushness of Assam, from the mountainous beauty of Sikkim to the cultural richness of Tamil Nadu, India is a tourism dream for every traveller. Tourism industry being a service sector, markets its products with the aim to enhance its market share in the global perspective by increasing the number of visitations of both foreign and domestic tourist. This will increase the foreign exchange earnings directly and simultaneously involve other sectors of the economy by evolving dormant resources. But these two constituents are not the ultimate goal, rather a means to achieve broader goal of economic upliftment of the masses by generating sustainable economic development by incorporating international trends in tourism sector. The secondary data collected has been analysed and tested to take an overview of Tourism, both as a phenomenon and as an industry who have made rapid advances in recent years. The growth potential that tourism sector offers has received special attention from both the private and public sectors. In the global economy, tourism is the second fastest growing business sector after information technology. Tourism and hospitality are no longer meant for rich alone, they are now being consumed by all socio-economic classes. These changes are the effects of global economic growth and cross-cultural transformation at the macro-level. To meet the international standards it is essential that the tourism organisations become conscious about the diversified customers needs and managing the services accordingly. These practices will help the business to grow and eventually lead towards the competitive global business.

Keywords— Tourism, Sustainable, Strategic, Global.

I. INTRODUCTION

India is a dreamland for tourist. It is a composite of many mosaics. From the dusky landscape of Rajasthan to the stunning lushness of Assam, from the mountainous beauty of Sikkim to the cultural richness of Tamil Nadu, India is a tourism dream for every traveller. For years, one of the least explored parts of India was the North- Eastern Region and also Central India, but that has begun to change. Government is making serious efforts to promote tourism in these regions. Culture and heritage continue to be the strongest pull factors in tourism inspite of its rapid growth into other interest areas. The increased interest of tourist for heritage sites threw up new challenges with many more areas being identified in relation to their management, conservation and marketing.

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II. TRENDS IN TOURISM

India is a rich country, which is endowed with beautiful landscapes, mountain ranges, historical places and a rich cultural heritage. This ageless beauty and warm hospitality has attracted tourists from all over the world and will continue doing so in the years to come. It has a diverse culture steeped in

history and its past has seen a melting point of different religions, rulers and empires, all of which have left their marks on the countryside. Many historical places in India are listed as World Heritage sites due to their cultural importance. A trip to these places will be a stunning experience and you'll marvel at the architecture and captivating historical attraction that India has to offer. Here are some products of tourism offered by the industry.

III. LITERATURE REVIEW

For the purpose of understanding the facts about the Tourism industry we have reviewed some important research papers related to Tourism sector;

Shalini N. Tripathi & Masood H. Siddiqui (2010)¹¹, mentioned that tourism and hospitality have become key global economic activities as expectations with regard to our use of leisure time have evolved, attributing greater meaning to our free time. While 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

According to Lok Sabha Secretariat (2013)⁷, the role of the Government in tourism development has been redefined from that of a regulator to that of a catalyst. Apart from marketing and promotion, the focus of tourism development plans is now on integrated development of enabling infrastructure through effective partnership with various stakeholders.

Ashish Nag (2013)⁹, mentioned that the Ministry of Tourism in any country seeks ways to promote and develop tourism in the country. Tourism Industry

Growth in any country is prone to the changing economic conditions. In the event when a country is passing through a low phase or an individual's job is at stake, not many people choose to travel.

Archana Bhatia (2013)³, mentioned that tourism today is a leisure activity of the masses. People today travel to international destinations to break the regular monotony of life. They are mainly attracted by either the scenic beauty of its nature or by fascinating leisure, sports and adventure activities offered by the destination. But every destination has some internal strengths and weaknesses that either enhance its capacity to attract foreign visitors or diminish it. Similarly from the external environment can originate various opportunities or threats as well. Anushree Banerjee (2014)², stated that the major issues that are restraining the industry from achieving high economic value are shortage of qualified personnel, shortage of tourism training institutes, shortage of well qualified trainers, working conditions for the employees. Policies which can help the employees to work in supportive environment are also a point of concern. The paper is an attempt to judge the work done by the HRD team of the tourism industry with special reference to Jet Airways India Ltd. This in turn can enhance the capabilities and motivate them to work more efficiently.

IV. OBJECTIVES OF THE STUDY

- 1- To study the growth and performance of Tourism industry in India.
- 2- To study the trend of foreign tourist arrival in India.
- 3- To identify the trends of tourism in India that has Global advantage in India.

Hypothesis

- H₀- Indian tourism has no global advantage in the International market.
 H₁- Indian tourism has global advantage in the International market

V. RESEARCH METHODOLOGY

Source of Data Collection- The research paper is based on secondary data. The data required is been collected from various sources like Reports of the Ministry of Tourism, Govt. of India 2014, Indian Tourism Statistics at a Glance 2013, Statistical Handbook of India and related information has been collected from the policy papers as well as research papers published in various journals.

Tools- All collected data is analyzed with the help of trend line analysis.

Cultural and Heritage Tourism – A Journey through the Past

Culture and Heritage Tourism is backed by each other. This is a very lucrative segment in India as it

has a rich cultural history and reflection of its glorious past is still visible in its numerous forts, monuments, palaces, places of worship, etc. Heritage tourism itself can be further classified as colonial heritage, religious, ethnic, urban renewal and industrial.

The National Trust of Historic Preservation in the United States defines heritage tourism as “travelling to experience the places and activities that authentically represents the stories and people of the past,” and culture heritage is defined as “travelling to experience the places and activities that authentically represents the stories and people of the past and present”¹. Cultural Tourism is important for various reasons, it has a positive economic and social impact, it establishes and reinforces identity, it helps preserve the culture and heritage, with culture as an instrument it facilitate harmony and develop understanding among people, it supports Culture and Renew Tourism (Richard 1996)¹⁰.

Eco-Tourism- Environment Friendly

The Eco-tourism society defines it as, “responsible travel to natural areas which conserve the environment and improves the welfare of the local people”⁵. With the growing demand for responsible tourism, the Government of India and Ministry of Tourism need to make concerted efforts to ensure that eco-tourism in India is able to keep pace with eco-tourism destinations across the world and making sustainable tourism a priority. Healthy natural Eco-system is critical to ecological well being of living entities and especially for the economic security of people. Eco-tourism has the potential to enhance wilderness protection and wildlife conservation, while providing nature- compatible livelihoods and greater incomes for a large number of people living around natural eco-system. This can help to contribute directly to the protection of wildlife and forest areas, while evolving the local community stakeholders and owners.

Touching New Heights with MICE Tourism

MICE stands for Meetings, Incentives, Conventions and Exhibitions. India was the first among developing countries to introduce convention tourism as early as 1950s. It was when UNESCO held its annual conference in New Delhi, away from its headquarters in Paris. Now days meetings, conferences and conventions are scheduled regularly in the companies therefore, it has been noticed that our Asian neighbours, like Singapore, Malaysia, Thailand and Indonesia have emerged as top-class meeting choices. Now it's time to catch up with the rest of the world, both the tourism ministry and industry leaders have join hands to upgrade and expand facilities, which will enable the country to host bigger gathering in more cities other than the capitals. Cities like Kolkata, Hyderabad, Chennai, Cochin, Agra, Jaipur and Goa must be chosen to build the international

standards convention centres. Stress should be to prioritise and push development. Numbers of convention halls in star hotels should be increased and the facilities should cater to international conventions. Along with meeting halls to accommodate domestic and overseas conferences, the travel industry has to earn a reputation for organising conferences, incentives and exhibitions. The bigger travel agencies have to be specialised in handling these conferences with back-ups as transport, banqueting, entertainment and even media coverage.

Medical Tourism- Quality Medical Treatment at a Reasonable Cost

With the advent of globalisation, medical frontiers have taken giant leaps all over the world. India has been a forerunner in providing treatment that not only is of international standards, but is cost effective as well. The current medical tourism market is mainly limited to patients from Middle Eastern and South Asian economies. With the establishment of various corporate hospitals that have invested in modern equipment and are staffed with thorough professionals will attract patients from Western countries as the US and UK and India can make its mark as the prime destination in Medical Tourism. Corporate hospitals such as The Apollo Hospital Group, heart care provider Escorts in Delhi, Jaslok hospital in Mumbai, Global hospital in Hyderabad, Wockhardt hospital, Fortis Healthcare Limited and Max Healthcare are catering to international patients with quality medical treatment at reasonable cost, with an option to learn and opt for holistic healing methods like Yoga and Ayurveda, are added attractions which could be promoted with the medical package.

The countries where medical tourism is actively promoted include Greece, South Africa, Jordan, India, Malaysia, Philippines and Singapore. India is a recent entrant in Medical Tourism and has grown rapidly in few years. Indian government predicts that India's \$17 billion-a-year health care industry could grow 13 percent in each of the next six years, boosted by medical tourism, which industry watchers say is growing at 30 percent annually.⁸

Educational Tourism- The Legacy of the Past

Apart from its mystic beauty India is also known for its strong educational system, which offers broad range of educational courses. The striking fact associated with the ever increasing popularity of educational tourism in India in that short term courses are available in Indian Universities and other educational institutions at a very nominal fee as compared to other western universities and this is hugely attracting foreigners to partake in the Indian educational system. Universities of Delhi and Madras also offer short term courses and these courses throw light on different aspects of Indian culture and history. What makes it very interesting is that while

visiting a foreign country on an educational trip, the visitor also gets to know the culture and history of its people, the knowledge on people's lifestyle and architecture. These tours are especially focussed on having a share of the educational experiences available in the country and also to enhance knowledge on the rich Indian history and culture.

Adventure Tourism

The word 'Adventure' has different meanings for different people. Generally, adventure implies thrill and excitement, risk and dangers the unexpected and extraordinary experiences. Adventure is related to rural and remote areas therefore, it has potential to bring sustainable growth in the developing nations like India. In the developed nations new-high skilled adventure tour products are focused on more and more challenging recreational activities, such as, white water kayaking, skiing or snowboarding, climbing of cliffs and mountains, explorations of caves, etc. If these activities are promoted with proper planning, execution, control and monitoring than certainly sustainable economic growth could be achieved by the tourism industry. Adventure travel is being promoted by many regions such as ASEAN (Association Of South East Asian Nations) where tourism resources are highly dependent on less-developed, natural environment (Hall 1989)⁶.

Pilgrimage Tourism- Faith Around The World.

India is probably the ultimate destination of all kinds of pilgrims following any faith around the world. The great religions like Hinduism, Buddhism, Jainism, Islam, Christianity and Sikhism are the integral part of Indian culture and heritage whose values and faiths are mingled with air, water, soil and sky of India. There are numerous destinations in India, which are considered sacred by people following different faith because of their religious importance. A visit to the Kedarnath or Badrinath will take you to the Himalayas, which is believed to be the abode of 330 million gods and goddesses and you can feel the immense divinity in air itself. It is widely believed that after breathing in the holy atmosphere of Varanasi and Haridwar or taking a dip into the sacred Pushkar Lake or river Ganges washes away the sins and helps one to attain nirvana (salvation). The divine Buddha pilgrimages, Bodhgaya and Sarnath are the destinations of thousands of Buddhist pilgrims every year coming from each and every corner of the earth.

IT and e-Travel- Around the World in a Single Click

Today, information technology (IT) is the life-blood of the travel industry and its effective use is pivotal. IT prevail all functions of strategic and operational management. It provides both opportunities and challenges for the tourism industry. Despite of many uncertainties in the tourism business, IT is a revolution and the only constant of development will

be 'change'. The current tourism industry has become more competent due to the fast pace of information technology. Now the organizations and destinations are forced to compete by utilising the emerging ITs and innovative management methods as there is a danger for exogenous players to enter the market place, jeopardising the position of existing ones. Therefore, in this competitive global market only creative and innovative suppliers will be able to survive the competition in the new millennium. Recently Gujarat tourism has become tech savvy. The Tourism Corporation of Gujarat Limited is all set to provide not just better infrastructure facilities but also decided to woo the tourists through internet and mobile services. The tourism department has set up 24 hours call centres, a mobile application and GIS mapping of the tourist destination of the State. This strategy will help tourists to get information about the destinations, facilities and hotels and will also help them in arranging taxi services and online bookings. The call centre will not only provide the information about the destination but will also help the person choose the hotel as per his choice. The call centre will help in providing the taxi operator's number and the prevalent rate in the region. They will also design the package if required by the tourists. Even the official website of Gujarat Tourism also facilitate online booking but only for the properties owned by the Tourism Corporation of Gujarat and the other hoteliers at the tourists destination.

Reel and Real Tourism

Clearly films can be an unparalleled promoter of tourism. It is this ability to showcase the best of location that the Ministry of Tourism sees it a potential platform showcasing the myriad riches of Incredible India. The aim should be to position India as a premier location for shooting at the global level. In addition to seeing film as a platform for showcasing the richness of India's landscape and culture diversity, the Ministry of Tourism should also see films as the truly enticing tourism destination and should also promote some new areas like Madhya Pradesh, Sikkim, Orissa and also some untouched destinations for regional film making. Regional film making has immense opportunity and needs to be tapped into a more systematic manner.

Table NoI: Foreign Tourist Arrivals (FTAs) in India, 1997-2013

Year	FTAs from Tourism in India (in million)	Change in percentage (%)
1997	2.37	3.8
1998	2.36	-0.7
1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9

Source:(i) Bureau of Immigration, Govt. of India, for 1997-2013⁴

Table No.I indicates the growth of foreign tourists' arrival in India. If we consider the trends in foreign tourists arrivals in India since 1997 to 2013 there is continuous growth. This shows that Indian tourism has global advantage in international market.

Therefore H_0 is rejected and H_1 is accepted.

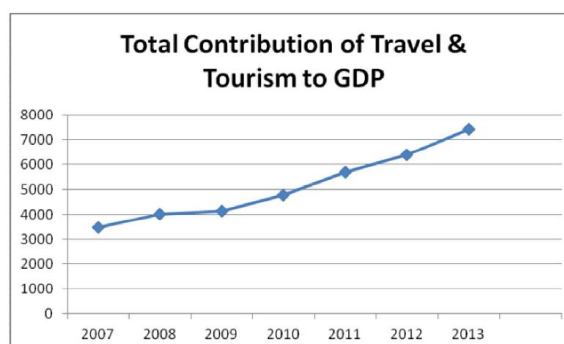
Table II- INDIA'S POSITION IN WORLD

1	Share of India in International Tourist Arrivals	0.64%
2	India's rank in World Tourist Arrivals	38
3	Share of India in International Tourism Receipts 1.61%	1.61%
4	India's rank in World Tourism Receipts (As per RBI's estimate)	17

INDIA'S POSITION IN ASIA PACIFIC REGION

1	Share of India in Tourist Arrivals	2.90%
2	India's rank in Tourist Arrivals	9
3	Share of India in Tourism Receipts	5.72%
4	India's rank in Tourism Receipts (As per RBI's estimate)	8

WTTC Travel & Tourism Economic Impact, 2012¹²



Graph I- Total Contribution of Travel & Tourism to GDP

The above trend analysis clearly shows tourism growth to GDP from 2007 to 2013. It shows a tremendous increase in the Tourism GDP and it has direct impact on the economic growth of the country and therefore we can conclude that tourism plays a potential role in the economic development of the country.

In the WTTC Travel & Tourism Economic Impact report 2013, stated that Travel & Tourism's contribution to GDP grew for the third consecutive year in 2013 and created more than 4 million new jobs. The global GDP contribution of Travel & tourism is 9% and generated over 260 million jobs. It has outperformed than other industries such as manufacturing, financial services and retail, growing notable at a faster pace.

CONCLUSION

As shown in the above tables, in India the total contribution of Travel & Tourism to GDP was 6.6%

in 2012, is expected to rise by 7.3% in 2013. Total contribution of the industry in employment 7.7% in 2012 this is expected to fall by 0.2% in 2013. On the other hand visitor exports generated 4.2% in 2012 and expected to grow by 8.7% in 2013. The Travel & Tourism Investment in 2013 were 6.2% of total investment and are expected to rise by 5.5% in 2013. This is largely attributed to the rise in global wealth, liberalisation of international airspace, cheaper flights and the use of internet as a travel tool. The earnings from tourism have made it one of the world's largest industries and fastest growing sector of global trade, accounting for growth in global exports, global employment and global capital investment.

SUGGESTIONS

If India is to realise its enormous potential in tourism it must provide exclusive world-class tourism product and destinations to compete successfully for a larger share of the Asian tourism market. Today, outbound tourism from India far exceeds visitors traffic to the country partly because there is a lack of world-class destinations within the country and partly because the domestic tourism lack international standards in terms of price and quality and also satisfy the international traveller. India's international arrival figures have not been able to keep pace with neighbouring countries and have been exceeded by Thailand, Malaysia, Indonesia, Dubai and the Maldives. Since 1995, India's share of the world market has remained virtually stagnant at 0.38 per cent, while domestic tourism has grown at a phenomenal rate and India now accounts for 4.6 per cent share of domestic tourism worldwide. In terms of tourism receipts, India has shown relative buoyancy because of the interest shown by visitors in purchase of traditional

handicraft items and also in diamonds. The Tenth Five Year Plan visualises a mutually supportive role for tourism and handicraft by encouraging 'haats' and 'shilpgrams' and recognising shopping as an integral part of the tourism experience to promote 'Made in India brand'.

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