“Education is a liberating force, and in our age it is also a democratising force, cutting across the barriers of caste and class, smoothing out inequalities imposed by birth and other circumstances.”

— Indira Gandhi
Concept and Impacts of Tourism

School of Tourism and Hospitality Services Management
Indira Gandhi National Open University
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COURSE INTRODUCTION: CONCEPT AND IMPACTS OF TOURISM

In order to understand any subject it is important to understand its elementary concepts which act as its building blocks for understanding further the theories of the subject. This course is aimed to develop the understanding of the basic concepts like Tourist, Visitor, Excursionist, types of tourism, tourism products, travel motivations, tourism impacts, etc.

This course on Concept and Impacts of Tourism has been divided into 17 units. Unit 1 is on Historical Perspectives on Tourism, which introduces the learner to the historical background of travel on a global level; Unit 2 deals with Concepts in Tourism. Unit 3 is devoted on Approaches to Study Tourism; Unit 4 is on Classification, Basis and Typology of Tourism and in Unit 5 various Motivational theories have been discussed. Unit 6 is on Tourism System: Components, Elements and Models and in Unit 7 Structure and Components of Tourism Industry along with linkages and integrations have been discussed. In Unit 8, an effort has been made to familiarise you with Concept, Elements and Life Cycle of Tourist Destination and Unit 9 deals with Ancillary Services in Tourism. Unit 10 is on Tourism Demand and Supply and Unit 11 is devoted to Tourism Statistics. There are three units on Tourism Impacts (Unit 12, 13 and 14). Unit 12 is on Physical and Environmental Impacts; Unit 13 is on Socio Cultural and Political Impacts and Unit 14 deals with Economic Impacts of Tourism. Unit 15 is devoted to Tourism Planning and Unit 16 deals with Managing Tourism – Sustainability and Carrying Capacity Approaches. In the last Unit i.e. Unit 17, we have discussed the Emerging Dimensions and Technologies in Tourism.
UNIT 1  HISTORICAL PERSPECTIVES OF TOURISM

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1.1 Introduction
1.2 Historical Background of Travel at Global Level
  1.2.1 Ancient Period
  1.2.2 Medieval Period
  1.2.3 Modern Period
1.3 Travels in Bharat
  1.3.1 Teerthatana
  1.3.2 Paryatan
  1.3.3 Deshatan
1.4 Historical Background of Global Travellers
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1.6 Missionaries
1.7 Growth and Development of Travelling in Modern Period
  1.7.1 Paid Holidays
  1.7.2 Railways
  1.7.3 Sea Transport
  1.7.4 Road Transport
  1.7.5 Air Transport
1.8 Industrialisation and Modern Tourism
1.9 Emergence of Modern Tourism in India
1.10 Let Us Sum Up
1.11 Key Words
1.12 Answers to Check Your Progress
1.13 Terminal Questions

1.0 OBJECTIVES
After studying this unit, you should be able to:

- understand the concept of travelling in ancient era;
- describe what terms were used for tourism in ancient Bharat;
- know the emergence of tourism on global level;
- comprehend the relationship between industrialisation and tourism business;
  and;
- know the emergence of Modern Tourism in India.

1.1 INTRODUCTION
Tourism is now becoming popular day by day not only in our country but across
the globe. But, we had been using term Deshatan, Teerthatana and Paryatan in
our ancient Bharat. Though it was not commercialised in ancient society as is now a days. In our day-to-day life, quite often we use words tourism and its various forms like health tourism, space tourism, religious tourism, etc. In this introductory unit, you will learn historical perspectives of tourism - Globally and Nationally, Industrialisation and tourism development, Renaissance and tourism. You will also learn the historical background of tourism in ancient society of Bharat. You will be familiar with the terms Deshathan, Teerthatana and Paryatan commonly used for tourism.

1.2 HISTORICAL BACKGROUND OF TRAVEL AT GLOBAL LEVEL

Travelling for the purpose of leisure and pleasure in old era was also limited to kings, ministers and elite class only which can be said to be excursion as per modern definition as their journey was normally for less than 24 hours. If we analyse all types of travelling whether done by common people or by elite class, then we find that travelling done by both common people and elite class was not commercialised as is now a days.

1.2.1 Ancient period

Travelling in ancient Bharat was the essential component of life. It was so important that it had place in Ashram System of ancient society in Bharat. There were four Ashramas namely Brahmacharya, Grihastha, Vanprastha and Sanyas. Ancient Society was following these Ashrama System, in which each of four Ashramas was divided into twenty five years assuming normal life span of hundred years. The duty of each Ashramas was different, as gaining of knowledge of holy texts (i.e. Shastra for example Veda and Puranas etc.) and War Skill (i.e. ShustraVidya) was the main objective in the Brahmacharya Ashram. Gurukuls were the places where disciples were supposed to reside and learn all these. Second phase of Ashramas was Grihastha where people were living in family and enjoying materialistic life. It was the stage where people having relationship in other kingdom and were travelling to relatives’ home and were making stay for few days in order to maintain the relationship. Third stage of Ashrama System was Vanprastha. You can say it was transition phase where people were roaming to different Pilgrimages, holy places and in the ashram of Guru. It was normally located far away in the jungle where people of Grihastha Ashram were visiting frequently and staying for few days. Fourth one was Sanyas Ashrama, in which people were expected to leave their homes or can say detached themselves from worldly life and roaming in order to achieve self-actualisation. Sometimes, they set up their own Ashramas too. But in this stage they were supposed to keep themselves away from materialistic life.

1.2.2 Medieval Period

Earlier perceptions with regard to travel in medieval period have been only on account of pragmatic reasons unlike the usual motives of leisure, pleasure etc. However, with research advances, this perception has been revised significantly, evidences show high number of people regularly travelling short and long distances for some of the motivations that can be attributed to modern day tourist. 12th century Southern Italy and Sicily vividly illustrates this phenomenon. On account of its location in the central Mediterranean, this region has always been
at the helm of wider movements of people. In later 11th century, this region started attracting more European visitors on account of three main reasons. The first being, its concurrence by Normans, who unified the region and created a powerful monarchy in the middle of Mediterranean which for centuries have been dominated by Muslim sea power, thus enabling the Christian shipping and travellers to move more freely and securely. Secondly, after beginning of crusading movement of 1095, Europe witnessed a spur in religious travel, most of which moved through Southern Italy and Sicily en-route to Jerusalem. Thirdly, during 12th Century, Europe witnessed a cultural renaissance wherein learned individuals travelled afar in order to gain knowledge, to uncover classical traditions and to have alternative experiences. Southern Italy and Sicily, steeped in classical history with a Greek and Islamic past, attracted visitors inclined to imbibe both ancient and eastern learning. On account of these reasons, there had been an influx of visitors to this region. Visitors, who were neither migrants, conquerors, nor traders, but travellers in their own right, what we might identify as tourists.

1.2.3 Modern Period

Early modern period travel has been characterised by Grand Tour of the 17th and 18th Centuries. It had been a rage among scholars of those times to study in Rome, Florence and other cultural centres. Though the initial grand tours have been primarily for the educational and knowledge seeking purpose only, however later it got turned into more of a pleasure seeking activity. Later, modern period tourism is attributed to the advancements in modes of transportation, advent of industrialisation, concept of paid holidays and advent of jet age creating the mass ability to move around and see new places. It was George Westinghouse who instituted the idea of paid leave to increase workers’ efficiency, which brought to a large number of people the time and money to fulfil their travel dreams, thus increasing the demand for tourism. After the end of World War II, people who had to travel earlier for military reasons, now wished to travel for more positive reasons of leisure, pleasure and sharing with their loved ones the experience of exotic lands. Many other factors that contributed to travel during modern period have been gas/petrol no longer being rationed, growing economies, cars being mass produced thus making people travel long distances in their own cars, which eventually brought to fore the motel business in a way similar to inns during empire era. Many other factors too contributed to the exponential growth of tourism during modern period, like franchising model of business expansion by motels and hotels, introduction of jet travel in 1950s and introduction of credit card. So, tourism rose exponentially during modern times because there have been better and cheaper modes of travel available, safer environment for travellers and availability of time and money with people in post industrialisation era.

1.3 TRAVELS IN BHARAT

Bharatiya ancient texts describe the origin and concept of tourism in the Sanskrit Literature. It has given us terms derived from the root word, ‘Atana’ which means going out. Accordingly, we have the terms:
1.3.1 Teerthantana

Literary it means Teertha (Pilgrim centre) + Atana (going out). It means going out and visiting places of religious merit. In Hinduism, People used to go to four dhamas and other shrines.

1.3.2 Paryatana

As name suggests, it means paritah (around) + Atana (going out). It means going out for pleasure and knowledge. Example may be quoted from the old era when elite class was going out for hunting etc.

1.3.3 Deshatan

In Sanskrit, it is described as Desha (country)+Atana (going out). It means going out of the country primarily for trade and commerce. The basic objective was economic gain. In simple terms Tourism is the act of travel for the purposes of leisure, pleasure or business and the provision of services for this act.

There are two important components that make up tourism:

1) The practice of travelling for pleasure.
2) The business of providing tours and services for persons travelling.

Here we are discussing the features of above two components.

The following are required, to make travel possible:

1) Discretionary income, i.e. money to spend on non-essentials.
2) Time
3) Infrastructure in the form of accommodation facilities and means of transport

Individually, sufficient health is also a condition, and of course the inclination to travel. Furthermore, in some countries there are legal restrictions on travelling, especially abroad. Communist states restrict foreign travel only to “trustworthy” citizens. The United States prohibits its citizens from travelling some countries, for example, Cuba.

There are four basic services to be provided for Tourists:

1) Travel Arrangements
2) Boarding and Lodging
3) Food
4) Entertainment

Tourism is travel for recreational or leisure purpose. The UN World Tourism Organisation defines tourists as who “Travel to and stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purpose not related to the exercise of an activity remunerated from within the places visited”. Tourism has become a popular global leisure activity.

During 6th Century BC Buddhist pilgrimage centres or visiting places like Nalanda University and Takshshila were the places of great importance where
people were visiting from not within the country but abroad too. Ashoka the Great, travelled a great deal in his eagerness to spread the doctrines of Buddha. Throughout his travels, from Pataliputra to Lumbini and finally to Gaya, Emperor Ashoka had special memorials set up at each spot as well as rest houses where travellers could rest. Trees were planted along the roads so that the travellers were protected from the punitive sun.

Harsha was another great emperor who was greatly influenced by the Buddhist scriptures, he built institutions and dharamshalas for the traveller. Rest houses were built in the villages. A number of monasteries were also built for the pilgrims. This shows that travel facilities were very good and travel was not a cumbersome experience. At this time the Buddhist Sanga established the tradition of pilgrimage where monks went from village to village preaching the value of the middle path.

### 1.4 HISTORICAL BACKGROUND OF GLOBAL TRAVELLERS

According to western writers the Persians were probable the first real travellers to India. They travelled from place to place for trade. There is evidence of caravans of the Persian King, Darius. There is also reference to trade, commerce and cultural exchanges between Persia and India. The Greeks showed great interest in travel. Homer’s Odyssey records the wanderlust of the ancient Greeks. Ulysses the Greek epic hero did a wonderful journey and his travel experiences induced the Greeks in this field. Herodotus to whom western scholars poses as Father of History also undertook travel to Asia Minor, Egypt and some other countries. He travelled for about 1600 miles. His foremost aim of travel was to collect materials for writing history. Great Greek philosophers like Plato, Aristotle and Pythagoras undertook travel during this period. Generally Greek engaged in travels for worshipping Gods and Goddesses, to participate in games and to witness fairs and festivals. During the time of Alexander’s invasion of India, evidence can be seen with regard to roads and the shady trees on both sides of the roads.

The writing of Greek historians reveals that the people used cars, palanquins, bullock-carts, horses, camels and elephants for travel. Silk trade was going on from China to Baghdad through camels in ancient time. Early travel particularly in India and China was also largely based on trade and commerce. Trade and commerce were the main reasons behind the journey. India and China enjoyed the reputation of being fabulous countries. It is on the record that long before the Christian era, travellers visited India in search of fortune. This trend continued and became more marked in course of time with Europeans heading towards the Indian shores for sole purpose of trade and commerce.

India attracted many great travellers like Vasco-da-Gama etc. to the country because of its fabulous wealth. Many foreigners, Arabs and Europeans came to India to establish trading posts. The great explorer, Christopher Columbus set out to find new route to India and in the process discovered the new world. No wonder India throughout had a great fascination for foreign travellers.

Mark Twain described it as a marvellous world of splendour and rags, the one country under the sun with an imperishable interest, the one land that all men desire to see.
Romans were the first people who undertook travel for pleasure. Horse drawn cars and decorative boats were the means of travel during that time. The roads and bridges highly motivated them for such travels. They undertook travels for worshipping Gods and for participating games in Olympics.

Religion was the main motivation during that time. Most of the travellers during this period were pilgrims, travelling for religious purposes which became a well-established culture in many parts of the world. By the end of Middle Ages, large number of pilgrims were travelling to the main shrines in Europe. Thus, travelling became more popular among the people.

The powerful influences of a crusading religion that slowly penetrated a foreign land, such as Christianity in Europe and later in America, and Buddhism, Islam and Hinduism in Asia took place to permit an acclimatisation and endurance of very distinct languages literature, music, art, architecture and philosophy thus played and continues to play a crucial part in travel.

Muslims religious people were also not lagged behind as every Muslim had to undertake a religious travel to Mecca once in his life time. This is mentioned in the holy book of Islam, Quran. It is otherwise called ‘Haj Pilgrimage’.

Bartholomew Diaz, a Portuguese, sailed to the southernmost point of the American continent in 1453. He was followed by Vasco-da-Gama another Portuguese sailor who rounded the Cape of Good Hope, sailed along the coast of Africa, crossed the Arabian Sea and reached Calicut in India in 1498. This led to other European countries to enter into this adventure.

1.5 RENAISSANCE

During the 15th century renaissance took place in Italy and quickly spread to other European countries. It greatly increased the scientific knowledge of the people. It attracted the European countries to come to Italy to enjoy the fruits of Renaissance. Italy was Europe’s economic and cultural leader at that time. It led to ‘grand tour’. The English from the 16th century visited Italy. Learning, antiquities and social refinements of the old world were honored by these tourists.

In 1776 Samuel Johnson, the great English scholar undertook a tour to Italy and after returning to his country he paid excellent encomium about Italy. It is referred by Boswell in his book. From this, it is very clear that Italy was a land of art treasure in those days.

1.6 MISSIONARIES

A missionary is a member of a religious group sent into an area to promote their faith or perform ministries of services such as education, literacy, social justice, health care, and economic development.

In order to spread their religion missionaries undertook tours during the 16th century. In this context Francis Xavier came to India from Portugal.
1) Throw light on historical background of Global Travellers.
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2) How travelling was associated with Buddhism in 6th Century BC?
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3) Write a brief note on the Renaissance of Italy in 15th Century.
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1.7 GROWTH AND DEVELOPMENT OF TRAVELLING IN MODERN PERIOD

Industrial Revolution that started in England in 18th century caused deep impact on every field. Tourism was also not left untouched from the same. It brought drastic changes in every field in the second half of the nineteenth century. During this period the concept of modern tourism came into being hand in hand with the development of the industrialised societies of Western Europe and North America. It is, therefore, considered as responsible for growth of modern tourism.

It is the Industrial Revolution that caused for the change in the economic and social systems. It threw up great factory towns, big and small. To escape from long working hours and poor living conditions they need a change and so they undertook travels for pleasure. The nineteenth century saw the development of large scale pleasure zones at some considerable distances from the large cities and metropolitan centers of Central Europe.

1.7.1 Paid Holidays

Another result of the Industrial Revolution was the emergence of trade unions. Because of the trade unions the workers were given paid holidays.
Modern tourism witnessed a great change because of this development. In fact, the introduction of paid holidays can truly be associated with development of modern tourism.

1.7.2 Railways

Introduction of railways caused drastic growth in tourism and was crucial landmark in the travel history. Passengers were first carried by rail in 1830 in England. The newly completed railway track between Liverpool and Manchester in England featured special provisions for passengers. However, the birth of organised rail travel came in the year 1841.

The Credit of mass travel goes to Thomas Cook when he made this journey with 570 passengers by the Midland Countries railway at specially reduced fare. Later on, it became more and more popular and Thomas cook conducted circular tours of Scotland. This encouraged many other countries in Europe to open railway lines. Railway tracks were laid in France, Austria and Switzerland. America did the same in later years causing an immediate expansion in European tourism.

Rail travel is still important in some parts of the world, particularly Europe and Japan. In Europe, the rail route, thanks to the Euro rail pass, has persisted as a primary method of travel. In Japan, the famous “Bullet” trains have become something of a tourist attraction themselves. In Canada, too, rail travel has retained a quality image, though utilisation has declined steadily.

In India, train was operated first time in 1854 between Thane to Mumbai. Introduction of railway was quite important and continuous improvement in the services and expansion of railway led to rapid growth in tourism. Railway has its more significance in the populous country like India which is large in size and has diversified purchasing power of the population. Now it caters the need of every class of the society as it facilitates low income group to very high income group providing them general coaches to luxurious coaches. Now, India has introduced number of tourist trains like Maharaja express, Palace on Wheels, Ramayana Express and many more along with Gatiman and Tejas.

1.7.3 Sea Transport

The shipping made significant contribution to travel during the nineteenth century. In America a number of sailing ships were built which were considered to be superior to those built in England or elsewhere.

In 1840 Samuel Cunard established Cunard Steamship Company in England. It greatly improved the growth of North Atlantic Shipping. America attracted the other countries of Europe in sea travel. A great number of people from the continent started going to America in search of fortune. The sea travel was increased again due to the opening of Suez Canal.

1.7.4 Road Transport

The invention of motor car inaugurated a revolution in tourism. The entire shape of tourism industry was therefore transformed by the invention of this new transport medium. The motor car has revolutionised holiday habits. In both U.S.A and the United Kingdom long journeys were performed by motor cars and motor coach. Although the first motor car had come into operation by the end of the 19th century and up to the time of the First World War their numbers were small. After the second World War their numbers jumped manifold, it became
increasingly important in the pursuit of leisure and tourism. Thereupon the number of holiday makers travelling by road increased tremendously.

In India, the Arthashastra written by Kautilya also reveals the importance of the travel infrastructure for the state, classification of routes and types of vehicles. This is an indication that there was a well-developed mode of travel in India, for the military, the commercial traveler as well as the civilian. All this was under state protection. Travelling for pleasure on the rivers and to the hills was a tradition started by the royal courts. However, such movements attracted all those who had business at the court to move with it. During the rule of the Mughals, the emperors travelled extensively and contributed to the developments of the resorts.

Road transport was very popular during the Mughal period. Many Mughal emperors constructed cemented road for the trade and commerce. Trees were planted on both sides of the roads. Ancient texts show that there was also provision of the sarai, which was meant for the stay of travellers. Newer and faster roads were built which made movement of traffic by road faster and comfortable. The Grand Trunk Road is an excellent example of such efforts in Bharat. With the fall of the great empires, there was a setback in trade and commerce. This reduced the mobility of the people with the exception of the pilgrims. The sea side resorts, hill stations and spas which were the centres of recreation and pleasure, were hardly ever used in the early medieval period. Over the years, however the scenario changed and the complex character of tourism emerged. The growth of modern technology, rising incomes and improved facilities contributed to the emergence of modern tourism.

1.7.5 Air Transport

A rapid development took place in air transport after the Second World War. Not surprisingly, given the rapid growth of low cost airline services in North America, Europe, Asia Pacific, and North Africa and other parts of the world, air travel has become an increasingly popular form of transport for outbound travel over the past decade. In India, the introduction of low air fare carriers have changed the scenario of tourism industry as many of the middle class family can be seen travelling to various destinations by such type of low air fare carriers. It is also interesting to note here that sometimes travelling by low fare air carrier is cheaper than fare of first class AC in the train.

1.8 INDUSTRIALISATION AND MODERN TOURISM

Normally, Industrialisation is defined as the process by which an economy is transformed from primarily agricultural to one based on the manufacturing of goods. Individual manual labour is often replaced by mechanised mass production, and craftsmen are replaced by assembly lines and further, this manufacturing gives reason to evolve service industry specially hospitality industry. For example, if there is any Special Economic Zone (SEZ) where a number of factories or manufacturing units are located involving many engineers and managers or officers. These experts will require accommodation and transportation and further assistance in gathering for sharing their experiences time to time. Several factors may be counted for industrialisation for example the availability of natural resources etc. Natural resources are needed to make the products produced in
the factories. A second factor is having a stable political environment so that favourable condition for production can be assured. If we talk about the advantage of industrialisation then we can say it increases productivity, which enable production of a large variety of products and service economically. This in turn leads for improved standards of living for the entire society or the economy of the country.

Industrialisation provides jobs to unskilled, semiskilled and skilled persons and is mostly good for the economy. Mass production of goods puts people to work, and the goods are cheaper so more people can buy them. Workers get paid and use their money to buy the products. One big advantage of industrialisation is that over time it tends to raise the standard of living for most of the people in a society. Machines can be used to do the more dangerous and physically demanding types of work, which saves lives and injuries. Industrialised nations tend to have better healthcare systems, and there is more money to build infrastructure, such as bridge, rails, roads, schools, communication systems and power distribution networks.

Like two faces of coin there is disadvantage of industrialisation too as workers become dependent on the factories and when they shut down by any reason people become unemployed at large scale. There are other disadvantages of industrialisation and the things it brings with it also usually create pollution, fragmentation of natural habitats and general environmental degradation.

Migration from villages to urban area caused by industrialisation can be said to be bad thing socially and perhaps environmentally. This can disrupt social networks and cause people to feel much more alone in the world. This change can upset the whole culture of a country. Recently a large number of reverse migration was noted during Covid-19. A large number of migrated labourers from Gujarat, Maharashtra, Delhi, Punjab, Rajasthan etc. were seen returning to Uttar Pradesh, Bihar, Madhya Pradesh, West Bengal and Jharkhand etc.

There is a close relationship between industrialisation and tourism. Both are complimentary to each other. When manufacturing units are set up in any region it gives reason to establish restaurants and hotels in the region. The movement of high rank officers and managers etc. causes growth of travel agencies as these officers require cars for their movement.

Industrial growth leads to production of goods that further need managers to sell in the market through whole sellers or retailers. Again these managers will have basis to grow restaurants, hotels and travel agencies as it was in case of manufacturing units as discussed previously. Rather, selling phase of manufacturing sector requires more hospitality services. MICE tourism is totally conceptualised and developed because of this reason. In MICE, ‘M’ stands for meeting. It is a get together of small group of managers or officers for sharing their knowledge and experiences. In private sectors it is practiced at a regular interval like monthly, quarterly or biannual etc. ‘I’ stands for incentive. When a company observes that there is a number of authorised dealers which can achieve some big target if offered some incentives of family tours etc., they offer them such incentives. ‘C’ stands for conference. It is a large congregation of any professionals like doctors, architect, teachers, scientists etc. where they meet and share their knowledge. ‘E’ stands for exhibition.
1.9 EMERGENCE OF MODERN TOURISM IN INDIA

From the previous discussion it is obvious that the purpose of travel to or in India was either of religious nature or for higher education. This is in sharp contrast to the modern day tourist who is more into leisure or experiencing new culture.

The systematic development of tourism in India is also linked with the industrial revolution and the change in the modes of travel with the introduction of railways, automobiles and airlines. The air travel supplemented by the Railways brought about a sea change in global movements and India also became a tourism partner. Much has been achieved by way of increasing air seat capacity, increasing trains and railway connectivity to important tourist centres and increasing availability of accommodation by adding heritage hotels to the hotel industry and encouraging paying guest accommodation. Road journey in the country is becoming easier and popular among the public as much focus has been paid by recent governments. Golden Trapezium connecting Delhi, Mumbai, Chennai and Kolkata by four lane road, an initiative by government is an example of such efforts.

During the British period and especially in the 19th as well as the 20th centuries India did not become a prime destination for the overseas travelers. It had mainly domestic tourists with a prime focus on pilgrimage tourism. But this changed when the middle class backed by higher disposable income started to travel for leisure. Concessions were also given to the students which also prompted more travel in the country. All this coupled with better infrastructure in terms of hotels, roads and air connectivity to the remotest place in the country has made tourism in the country to take off. As Leave Travel Concession (LTC) changed the earlier picture so did the increase in the disposable income of the Indian middle class, the explosion of the Internet, the travel convenience and introduction of low cost airlines has changed the entire tourism business. Now, the Central Government has given tourism in India special attention. Railway Ministry has introduced many tourist trains in different parts of the country connecting important tourist destinations. Nirvana Express, Ramayana Express, Palace on Wheels etc. are among such examples catering tourists’ luxury needs. Besides these, railway has introduced semi high speed Trains like Vande Bharat, Gatiman and Tejas reducing travelling time between different tourist places by their high speed and simultaneously ensuring luxury and comfort needs of the travellers.

Many State Governments like Rajasthan, Kerala and Tamilnadu etc has also emphasized on the tourist infrastructure. Uttar Pradesh Government has constructed two world Class expressways one connecting Delhi to Agra and another from Agra to Lucknow. After liberalisation, globalisation and privatisation in the country at large scale India has become a prime destination for Business tourism including MICE tourism while cultural tourism, medical tourism and wellness tourism etc have also become attractions for the tourists across the globe.
Check Your Progress B

1) Describe the growth and development of travelling in Modern Period.

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2) Write a brief note on Paid Holidays.

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3) Write a detailed note on emergence of Modern Tourism in India.

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1.10 LET US SUM UP

Tourism as phenomena has existence since civilisations. In ancient text it was referred as Deshatana, Teerthatana and Paryatan. Travelling was the essential part of Ashram System in ancient society in Bharat. In 6th Century different Buddha Monks and kings travelled far destinations in order to spread the religion. Italy was the main center of Renaissance in 15th Century. In 18th Century Industrialisation in England gave commercialised shape to travelling that was followed by the world later on. In India, introduction of railway and low air fare carriers contributed much in mass tourism while liberalisation, privatisation and globalisation in 1990 gave quick jump to business tourism.

1.11 KEY WORDS

Teerthatana: Going to pilgrimages

Deshatan: going to other countries for the purpose of trade and commerce.

Paryatan: Going to other place than usual residence for the purpose of leisure and pleasure.

Paid Holidays: Holidays offered by employer with salary and travel expenses.

LTC: Leave Travel Concession means employer asks employees to go on leave and he is offered concession for that travelling.
**Liberalisation:** Different government signed agreement with World Trade Organisation (WTO) for liberal policy and entry to the companies of other country in their nation.

**Privatisation:** Means allowing various companies of the world in different sectors where it was monopoly of the government companies earlier. For example— There were monopoly of government companies like Life Insurance Corporation (LIC) in insurance sector till 90s later on it was opened to various private sectors too. Similarly, in Petroleum Sector only government companies like Indian Oil, Bharat Petroleum and Hindustan Petroleum were allowed later on it was opened to various private companies like Reliance etc.

### 1.12 ANSWERS TO CHECK YOUR PROGRESS

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<td>1) See Section 1.4</td>
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### 1.13 TERMINAL QUESTIONS

1) What terms were used for travelling in ancient Bharat?
2) Write a note on growth and development of tourism in medieval period.
3) What is the future prospect of sea transport in India?
4) Write an assay on Industrialisation and Modern Tourism growth.
5) Write a short note on Renaissance of 15th Century and tourism.
UNIT 2  CONCEPTS IN TOURISM

Structure
2.0 Objectives
2.1 Introduction
2.2 Leisure
  2.2.1 Leisure and Tourism
2.3 Pleasure
  2.3.1 Pleasure and Tourism
2.4 Recreation
  2.4.1 Recreation and Tourism
2.5 Traveller, Visitor, Tourist, Excursionist and Transit Visitor
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2.6 Let Us Sum Up
2.7 Key Words
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2.9 Terminal Questions

2.0 OBJECTIVES

After studying this unit, you should be able to:

- understand the basic concepts which are the building blocks of the Tourism Studies;
- develop understanding about the meaning of Leisure, Pleasure and Recreation; and
- understand the meaningful difference between the similar terms like traveller, visitor, tourist, excursionist and transit visitor.

2.1 INTRODUCTION

In order to understand any subject it is important to understand its elementary concepts which act as its building blocks for understanding further the theories of the subject. This unit is aimed to develop the understanding of the very basic concepts like leisure, pleasure and recreation. It is important to understand these
because these are the very reasons for the existence of tourism phenomenon itself. If there had been no leisure time then there would have been no one who could have chance to physically leave once place of normal residence for seeking pleasure by indulging in the recreational activities. As such there would have been no recreational industry like tourism.

The unit also elaborates on the primary terms like traveller, tourist, visitor, excursionist and transit visitor. These are the terminologies used for individuals who indulge in tourism to different extents. The information on the right use of these terms is important as these are the basics of the tourism studies.

2.2 LEISURE

The word leisure has its meaning related to the nature of the time available to a person. Time is an important factor in one’s life. It is time only which is available to human beings in which they perform various activities in the life span. The time of a human life starts from the time of his birth to the time of his death. Man’s mortality is a universal fact. No one has an unlimited time. The limitation of the time available in life span is defined by the time of death which is not known in advance. This understanding of birth and death is important to give importance to the time available to all of us during the lifetime. What we do in this time? We do many tasks like-when we are toddlers we learn to walk, eat, speak. As a child when we grow we play, we study. When we become adult we do some occupation to earn livelihood, perform various responsibilities. There are innumerable tasks which are performed throughout life.

So, it is clear by now, that we have certain allotted time wherein we do different tasks or works. Now if we examine the nature of this work we may say there are three broad categories of work depending on the presence or absence of obligation attached to it.

**Fully Obligatory Work:** This is the work which is essentially required to be done for the reason of existence. It includes those works which give us in return our livelihood. For instance, the different jobs like doctor, engineer, mechanics or any other occupation in which a person is engaged gives him salary or wage for sustaining one’s life.

**Partially Obligatory Work:** This is the work which is necessary to keep one’s life organised. The work is however, not an obligation. This includes work like cleaning house, doing household chores, doing work related to proper supply of material for the household activities, etc.

**Leisure Work:** The work under this category belongs to especially those pursuits which give one a complete freedom of choice with respect to their performance. A person may do something as leisure work which he feels comfortable with and performs it sheer out of making oneself feel good. These can be different works like reading a book, playing sports, musical instrument; or just not doing anything that is resting and relaxing.

Leisure requires time that is relatively unobligated and where freedom of choice is available. It includes kinds of activities which are usually without external reward but intrinsically pleasurable. Leisure activities may include reading,
playing, dancing, resting, participating in festivals, watching television, swimming, etc.

In the above context, it can be said that leisure is that part of the time available to us wherein there is freedom of choice to do anything in which one is interested in. It may even include the time wherein one does not want to do anything and just want to rest and relax.

**The origin of the word Leisure**

The word ‘Leisure’ has its origin from the Latin word which means “Be Allowed”

**Definitions:**

Leisure is the time when you are not working and you can relax and do things that you enjoy

Collins Dictionary

Leisure is the time at one’s command, free from engagement, convenient opportunity; hence convenience; ease.

Freedom from occupation or business, vacant time, time free from employment.

Webster Dictionary

2.2.1 Leisure and Tourism

Tourism involves travelling to and stay at some other place than the normal place of residence that is done primarily to visit the very destination for its certain appeal or attraction which acts as one of the essential motivations for the tourists. The activity of visiting some place to fulfil the desire or motivation can normally be executed when one has sufficient time available after fulfilling the responsibilities under the fully obligatory and partially obligatory work.

There is need to study leisure in tourism studies because this forms the basic concept upon which are based the understanding of the applied knowledge of this professional knowledge. For instance, one can plan for tour package for a group of people for promotion only if one understands about the target market and the characteristics of the target market. Availability of the discretionary time is one of the characteristics of the target market.

Since leisure time broadly represents a free time which can be utilised for activities of one’s choice, these activities may be called as leisure activities. Leisure activities may include sports, Yoga, meeting friends and relatives, gossiping, etc. Tourism too, forms a part of the leisure activity as it is preferably performed in the leisure time. However, tourism as a leisure activity is somewhat different than the other leisure activities in terms of the seven factors as identified by Leiper (1990) which are as following:

1) The nature of withdrawal and return, which in tourism involves a major physical withdrawal from one’s usual place of residence, allowing for a greater sense of freedom and multidimensional change, than may be possible in other forms of leisure.

2) The duration of travel is often greater than in other forms of leisure, occurring as it does in relatively large blocks of time.
3) Travel also tends to occur less frequently than with other leisure which often makes it more vividly anticipated, savoured and remembered.

4) Tourism offers people a wider variety of opportunities for socialising than is available in other leisure.

5) Travel costs more than other leisure which both constrain demand and may add value to it for tourists.

6) Travel is more exclusive than other forms of leisure, since at any one time, relatively few people out of population will be away and in any one year few members of a community will have travelled to another country.

7) Tourism is seen as relatively discrete by most people in that trips will tend to stand out in a person’s memory in a way that other leisure experiences do not.

2.3 PLEASURE

Pleasure is like an umbrella term which covers under it different words like happiness, entertainment, satisfaction, contentment, joyfulness, pleasantness and the related other words which make a person feel positive and good.

Seeking pleasure is a natural disposition of a healthy human mind. We do different activities in life which give us joy and make us feel happy and satisfied. In fact, pleasure may be considered as the basic intrinsic value which is behind desires, motives, or goals which are more apparent and on the surface of human consciousness. For instance, we want to become something in life like engineers, doctor, policeman, banker, businessman, etc because becoming something we desire will give a sense of accomplishment and this is related to deep satisfaction which gives an overall pleasant feeling which is be one of the feelings of being in pleasure.

The motivation and drive to do something is very important in one’s life as these give the very reasons to have functional existence. If there is no motivation in one's life for conducting oneself in life then life can be miserable as the opposite of pleasure is pain. Pain is the negative connotation of existence. In order to exist to the fullest of human life one needs to have positive disposition in life attained through positive actions.

Pleasure can be sought through different actions of life. There can be positive pleasure and negative pleasure. The positive pleasure is attributable by positive actions and intent and the negative pleasure may be attributable to negative actions and intent.

For instance, helping others may be a thing of joy for some and can be stated as positive pleasure. However, gambling may also be thing of joy for some seeking pleasure which may be considered negative under the socio-cultural norms of the society.

Thus pleasure is a subjective term wherein a certain actions may be pleasurable for some and not pleasurable for others.
2.3.1 Pleasure and Tourism

Tourism is an activity which is performed to fulfil the peculiar motivational needs which make to choose a particular destination with the anticipation that the visit will give a kind of feeling of fulfilment which may be called as something pleasurable. If there had been no anticipation of having pleasure at the destination there would have been no interest to visit a destination.

The basic understanding about the link between tourism and pleasure makes the service providers to develop services which give overall joy to the visitors. The understanding about the pleasure and the intensity of pleasure sought by the different groups of tourists is very important to develop tourism products of different types depending on the level of pleasure inducing stimuli. For instance, a cultural tourist is satisfied to experience pleasure by mere sightseeing whereas an adventurer tourist may not be induced with the pleasurable feelings of sightseeing. He needs risk oriented actions like bunjee jumping.

Therefore, it can be said that pleasure is related to tourism at two levels. First, pleasure in the anticipation of experiencing something that is not available in the one’s routine place of residence. Second, pleasure in the actual experiences of the activities during the touristic sojourn.

2.4 RECREATION

The word Recreation is derived from the latin words - Re: again and Creare: to create.

Recreation refers to all those activities which are performed at leisure time with the purpose of experiencing pleasure. This experience rejuvenates one’s body and mind; and offers sense of overall well being. As we already discussed on leisure and pleasure, recreation can be well understood as the performative activity that can be performed in free time which yields pleasure out of its performance. The examples of recreation activities are mountaineering, golf, dance, listening music, reading, kayaking, swimming, cooking, playing instruments, skiing, paragliding, etc.

These examples of the recreational activities must have compelled you to think that these are mix of all activities which can ever produce feeling of satisfaction, enjoyment, sense of achievement – that is, various shades of pleasure. In order to simplify the understanding of the recreational activities, if we classify these activities based on certain criteria then we can have the following classification.

1) On the basis of Natural and Manmade Recreational Activities

**Natural Activities:** These are the activities which are performed in the natural settings that is in the lap of nature. Mountains, rivers, lakes, and jungles (Natural landscape) offers the resources. The types of recreational activities performed are fishing, hiking, walking, skiing, mountaineering, hunting, swimming, paragliding, etc.

**Manmade Activities:** These are the recreational activities which are performed in manmade spaces like sports fields, sports halls, bicycle tracks, gyms, swimming pools, golf courses, theme parks, etc.
The various activities performed are football, basket ball, volleyball, tennis, jogging, cycling, swimming, golf, horse-back riding, fitness, etc.

2) **On the basis of Outdoor and Indoor Activities**

**Outdoor Activities**: These are all those recreational activities which are performed outdoor whether natural or man made. These include mountaineering, paragliding, golf, etc.

**Indoor Activities**: These are all those activities which can be performed in a space enclosed with four walls. These include badminton, swimming, gyming, carrom, cooking, etc.

3) **On the basis of the level of risk involved: Hard Adventurous Activities and Soft Adventurous activities**

**Hard Adventurous Activities**: These are the activities in which high risk is involved to the life of the performer. Those performing these activities are induced with the thrill of pleasure at high level of risk e.g. river rafting and rock climbing.

**Soft Adventure Activities**: These include activities which have lower level of risk involved to the life of the performer of such activities e.g. trekking and wildlife viewing.

Recreational activities are part of human being’s performative actions performed in life time which find expression according to the interest of the person. A group of recreational activities can also be called as hobbies if these are performed for pleasure on a regular basis e.g. playing some instrument, watching t.v, listening to music, reading, gardening, sports, etc.

Recreational activities are said to be organised if these are administered by public institutions or private groups and are supported by membership fees. The places where these activities are organised and are performed are called recreation center.

**2.4.1 Recreation and Tourism**

Tourism is a leisure activity which is performed for various purposes, as per the definition of Tourism by World Tourism Organisation published in 1994, which states:

Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, recreation, business and other purposes.

Recreation is one of the important purposes of tourism as recreation tourism is one among the various forms like business tourism, health tourism, educational tourism, cultural tourism, social tourism, etc.

Recreation tourism is thus about movement of the people as part of tourism phenomenon done primarily to engage in certain activities which rejuvenate and which are performed away from one’s normal place of residence.
Recreational activities have health benefits as these help channelising one’s energy in the direction of one’s interest provided the nature of the interest is in the purview of the socially acceptable norms. For instance, use of recreational drugs may be of interest to someone but as these do not form part of social acceptance and these cannot be related to the positivity and health.

Another example is sex tourism which is not a socially acceptable form of tourism activity and has health risk involved and cannot be considered a positive recreational activity of tourism.

Check Your Progress A

1) What is leisure?

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2) Name certain leisure activities.

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3) Is tourism a pleasure activity?

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4) What do you mean by recreational activities?

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2.5 TRAVELLER, VISITOR, TOURIST, EXCURSIONIST AND TRANSIT VISITOR

The need to understand the concepts of Traveller, Visitor, Tourist, Excursionist and Transit visitor was initially felt by the world organisations for the purpose of creating statistical information which could be used subsequently for calculating the number of people travelling to or visiting a place and their related economic impacts. The concern for impacts later on also included other impacts like social, cultural and environmental.

Under the following sections these concepts will be cleared systematically so that students may understand them meaningfully. It is acknowledged here that the basic understanding about the visitor, tourist and Excursionist has been drawn from a document: United Nations and World Tourism Organisation Recommendation on Tourism Statistics, 1994.

2.5.1 Traveller

Traveller is a person who travels. This means the one who goes from one place to some other place which is at some noticeable distance. Travel is an activity. This is a verb as travel is an action. One cannot sit at a place and do travel in the physical sense unless one does the action of movement. This action can be performed using any mode of transport or by not using any of them that is travelling on foot.

Travel can be done for different purposes. One may travel to some other place to meet someone, see something, do some business, study, attend some function, collect something, for fun, etc.

Travel means moving out of the comfort zone of one’s usual place of existence to some other place. Going out of house in one’s street to wander or buy something does not mean travel. Travel means that the action travel must have included a significant distance covering some space and time. For instance, travel to another district, state or within the region which usually requires some mode of transport. The travel on foot is rather more a decision of choice than the preference in general.

2.5.1.1 Travel and Tourism

The common feature between travel and tourism is the action of movement. However, the element of the intent or purpose behind this action sets these two components different from each other. Travel is about movement to a place for any purpose whereas tourism is the phenomenon of movement for certain purpose recommended by world organisations like UNWTO and UN statistical commission, and acknowledged by many international bodies.

All tourists are travellers due to the commonality of movement whereas all travellers cannot be tourists. Only those travellers are tourists who have the purpose of travel same as that of the tourists.

Due to the wider scope of purposes, travel can be considered as a broader term than tourists. Travel encompasses all types of physical displacement of a person.
Concept and Impacts of Tourism

from its usual place of existence to some other place covering certain time and space.

Many organisations doing business in services related to this phenomenon of movement label their business as travel business or tourism business or travel and tourism business. As the name suggests, travel means covering everything related to travel but may or may not be specifically engaging in tourism services. It is, thus, better to enquire in advance before thinking to get any services from such businesses, however, tourism business suggest tourism related services only excluding all other travel related services. Travel and tourism, means offering services in all types of travel with special dealing in Tourism related services.

This differentiation naturally makes one to think that the nature of travel and tourism services must be having some element of difference to some extent.

Travel and tourism services have common elements like booking, reservation of transportation means like bus, railways and aeroplane. However, tourism includes planning for some more elements like accommodation, arrangement of tickets for sightseeing, fixing of meals, arranging guides or escorts , etc.

The difference between travel and tourism can be further understood by the difference in behaviours of a traveller and tourists. The nature of the differences between traveller and a tourists have emerged from the type of identity one wants to be associate with rather than any clear criteria based distinctions. This distinction does not provide measures for statistical purposes

2.5.1.2 Difference between Traveller and Tourists

<table>
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<tr>
<th>S.No</th>
<th>Traveller</th>
<th>Tourist (Mass tourist)</th>
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<tr>
<td>1)</td>
<td>There are travellers who travel to a place with innate desire to see and immerse in the culture of the place but they do not like to be called as tourists. They are happier to be called as explorer.</td>
<td>Tourists prefers their leisure time be used for fun and relaxation.</td>
</tr>
<tr>
<td>2)</td>
<td>Travellers moves out of their comfort zone to experience the new place the way it is.</td>
<td>Tourists want comforts even in the new place. They prefer to remain in their environment bubble.</td>
</tr>
<tr>
<td>3)</td>
<td>Traveller wants to experiment with everything. They prefer local cuisines than their own food.</td>
<td>Tourists prefer their own cuisines than trying cuisines of the place.</td>
</tr>
<tr>
<td>4)</td>
<td>Travellers like the freedom to plan their own itinerary.</td>
<td>Tourists do not have this freedom if taking package tours.</td>
</tr>
<tr>
<td>5)</td>
<td>Travellers goes beyond what is suggested in the guide book.</td>
<td>Tourists go by the guide books.</td>
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The need to understand the concepts of traveller, Visitor, Tourist, Excursionist and Transit visitor was initially needed for the purpose of creating statistical
information which can be subsequently used for calculating the number of people travelling to or visiting a place and their related impacts-economic, socio, cultural and environmental. Under the following section these concepts will be cleared systematically so that students may understand them meaningfully.

2.5.2 Visitor

Visitor is a traveller who visits a place with intention to indulge in tourism related activities. The first step toward the development of international definition on tourism was taken in 1937 by the council of the League of Nations, which recommended a definition of International tourist for statistical purposes. This was slightly amended by the International Union of Official Travel Organisations (IUOTO) at a meeting held in Dublin in 1950. Finally, in 1953, the United Nations Statistical Commission established the concept of “International Visitor”.

The United Nations Conference on International Travel and Tourism (Rome 1963) recommended a definition of the terms “visitor”, “tourist” and “excursionist” proposed by IUOTO. These definitions were subsequently examined by a United Nations expert group on International Travel Statistics in 1967 and endorsed by the United Nations Statistical Commission on 1968.

Under the basic tourism units, a distinction is made between two types of travellers: Visitor and “other traveller”.

All types of travellers engaged in tourism are described as visitors. Therefore, the term visitor represents the basic concept for the whole system of tourism statistics.

The term visitor is further divided into two categories:
- Tourists (Overnight visitors)
- Same-day Visitors

For purpose of tourism statistics, the term visitor describes any person travelling to a place other than that of his/her usual environment for less than 12 months and whose main purpose of trip is other than the exercise of an activity remunerated from within the place visited.

The three fundamental criterias that appear sufficient to distinguish from other travellers are as follows:

a) The trip should be a place other than that of the usual environment, which would exclude more or less regular trips between the place in which the person carries out his/her work or study and the place in which she/he has her/his domicile.

b) The stay in the place visited should not last more than 12 consecutive months, beyond which the visitor would become a resident of that place.

c) The main purpose of the visit should be other than the exercise of an activity remunerated from with the place visited, which would exclude migratory movements for work purposes.
2.5.2.1 Visitors according to the forms of Tourism

In conformity with the basic forms of tourism, visitors should be classified as:

a) International Visitor
   i) Tourists (overnight visitors): Visitors who stay at least one night in a collective or private accommodation in the country visited.
   ii) Same-day visitors: Who do not spend the night in a collective or private accommodation in the country visited.

b) Domestic Visitors
   i) Tourists (overnight visitor): Visitors who stay at least one night in a collective or private accommodation in the place visited.
   ii) Same-day visitors: Who do not spend the night in a collective or private accommodation in the place visited.

For statistical purposes, the term “international visitor” describes any person who travels to a country other than that in which he/she has his/her usual residence but outside his/her usual environment for a period not exceeding 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited.

For statistical purposes, the term “domestic visitor” describes any person residing in a country who travels to a place within the country; outside his/her usual environment for a period not exceeding 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the place visited.

The following categories of travelers should not be included in international visitor arrivals and departures:

a) Person entering or leaving a country as migrants, including dependents accompanying or joining them.

b) Persons, known as border workers, residing near the border in one country and working in another.

c) Diplomats, consular officers and members of the armed forces when travelling from their country of origin to the country of their assignment or vice versa, including household servants and dependents accompanying or joining them.

d) Persons travelling as refugees or nomads.

e) Persons in transit who do not formally enter the country through passport control such as air transit passengers who remain for a short period in a designated area of the air terminal or ship passengers who are not permitted to disembark. This category includes passengers transferred directly between airports or other terminals.

The following categories of trips should not be included in domestic visitor arrivals and departures:

a) Residents travelling to another place within the country with the intentions of setting up their usual residence in that place.
b) Persons who travel to another place within the country to exercise an activity remunerated from within the place visited.

c) Persons who travel to work temporarily in institutions within the country.

d) Persons who travel regularly or frequently between neighbouring localities to work or study.

e) Nomads and persons without fixed residence.

f) Armed forces on manoeuvre.

2.5.3 Tourist

Ogilvie, a social scientist states that the term tourist describes any person whose movements fulfil two conditions: first, that absence from home is relatively short and second, that money spent during absence is money derived from home and not earned in the places visited.

The U. N. conference on International Travel and Tourism at its meeting in Rome in 1963, proposed the operational definition of International tourists as:

“temporary visitors staying at least 24 hours in the country visited and the purpose of whose journey can be classified under one of the following headings:

i) Leisure (recreation, holiday, health, study, religion, sports)

ii) Business, family, mission, meeting

2.5.3.1 Tourists’ Roles

Erik Cohen (1974) has given 6 dimensions of the tourist role which are as following:

Temporary traveller: The tourist is a temporary traveller, possessing a fixed place of abode, which is his permanent address even during his trip. This circumstance differentiates him from the nomad, wanderer, hobo and other types of permanent travellers.

Voluntary traveller: The tourist is a voluntary traveller who goes on a trip of his own free will, is able to terminate his trip whenever it pleases him and is free to return to his permanent place of abode

Round trip: The tourist is a traveller on a round trip so that his point of departure is also his final destination. This circumstance differentiates him from emigrant, who moves on a one way trip, from one abode to another.

Long Journey: The tourist is on a relatively long journey and not merely on a short trip or excursion. This circumstance differentiates the tourist from the day tripper or mere excursionist.

Non-recurrent trip: The tourist is on a non-recurrent trip or at least on one which he undertakes rarely, rather than on a trip which he embarks on regularly and to which he is well accustomed.

Non-instrumental: The tourist is a traveller; the purpose of whose trip is non-instrumental that is his trip is not a means to another goal (unlike a business trip) but an end in itself.
2.5.3.2 Typologies of Tourist

In this section we will discuss the various types of tourist. These are:

2.5.3.2.1 Valen L Smith (1989)

Valen. L. Smith (1989) has identified seven types of tourist. This typology is based on a theoretical approach limited to empirical information. The types are as follows:

1) **Explorer:** Explorer tourists are very few in numbers who seek for a discovery of new places and involvement with local people. These types of tourist easily accommodate to local norm in housing, food and lifestyles of local people.

2) **Elite:** Elite are the group of people in the community who are very rich, powerful and have a lot of influence. Tourist if such types move from one place to another for the pleasure and entertainment they want to uphold their influence at the destination also. Elite and individually motivated tourists, seeks for traditional culture and visit exotic places. This includes the special individually tailored visits to exotic places.

3) **OffBeat:** Offbeat tourist is that tourist where the desire to get away from the crowds or heighten the excitement of their vacation by doing something beyond the norm.

4) **Unusual:** They visit with peculiar activities such as physical danger or isolation. The group tends to be interested in the primitive culture but are much happier with the “safe lunch” and bottled water which they have brought from their home.

5) **Incipient Mass:** Tourist visit places for different activities wherein these types of tourist visit in a small group who share the same kind of services from host country but payment is made separate by the visitors.

6) **Mass:** When tourists visit in large numbers, the phenomenon in tourism industry is called as a mass travel. Mass tourists visit different places for pleasure and enjoyment. Mass tourists are built upon middle class income and values, and the impact of sheer numbers is high.

7) **Charter:** This includes mass travel to relaxation destination which incorporate as many standardised western facilities as possible.

2.5.3.2.2 Erik Cohen (1972)

Erik Cohen (1972) outlined four types of tourists which are as follows:

1) **Organised Mass Tourist:** These are the least adventurous tourists. On buying their package holiday they remain encapsulated in an “environment bubble” divorced from the host community as they remain primarily in the hotel complex. They adhere to an itinerary fixed by the tour operators, and even their trips out of the complex are organised tours. They make few decisions about their holiday.

2) **Individual Mass Tourist:** They are similar to organised mass tourists in that they utilise the facilities made available by tour operator, but they
have some control over their own itinerary. They may use the hotel as a base and hire a car for their own trips. However, many will tend to visit the same places as the mass organised tourist.

3) **Explorer:** The explorer arranges his or her trip alone, and attempts to get off the beaten track. Yet such tourists will still have recourse to comfortable tourist accommodation. However, much of their travel will be associated with a motivation to associate with the local people, and they will often speak the language of the host community. Nonetheless, the explorer retains many of the basic routines of his own lifestyle.

4) **Drifter:** The drifter will shun contact with the tourist and tourist establishments, and identify with the host community. Drifters will live with the locals and adopt many of the practices of that community. Income is generated by working with the community, but often through low-skilled work, which creates a tendency to mix with the lower socio economic groups.

2.5.3.2.3 **Stanley Plog (1974)**

Stanley Plog (1974) gave Typology on the basis of destination chosen; and tourists’ lifestyles and values systems.

1) **Allocentric:** This is a tourist who seeks new experiences and adventure in a wide range of activities. This person is outgoing and self confident in behaviour. An allocentric person prefers to fly and to explore new and unusual areas before others do so. Allocentric enjoy meeting people from foreign or different cultures. For a tour package, an allocentric would like to have the basics such as transportation and hotels, but not be committed to a structured itinerary. They would rather have the freedom to explore an area, make their own arrangements and choose a variety of activities and tourist attractions.

2) **Psychocentric:** A tourist falling in this category is usually non-adventuresome. They prefer to return to familiar travel destinations where they can relax and know what type of food and activity to expect. Such tourists prefer to drive to destinations, stay in typical accommodations, and eat at family type restaurants.

3) **Midcentric:** This category of tourists covers the ones who swing between the allocentric and the psychocentric.

2.5.4 **Excursionist or Same-Day Visitor**

Same day visits are growing in importance as a part of tourism. Day visits are important consumers to many providers, especially tourist attractions, transport operators and caterers.

It is recommended that the overall concept for same day visits should be similar to that for tourism, that is, “a break away from the usual environment”.

For statistical purposes, the term “international same day visitor” describes an international visitor who does not spend the night in a collective private accommodation in the country visited.
The definition includes:

a) Cruise passengers who arrive in a country on a cruise ship and return to the ship each night to sleep on board even though the ship remains in port for several days. Also included in this group are owners or passengers of yachts, passengers on a group tour accommodated in a train.

b) Crew members who do not spend the night in the country of destination, this group also includes crews of warships to a port in the country of destination and who spend the night on boardship and not at the destination.

For statistical purposes, the domestic same day visitor describes a domestic visitor who does not spend the night in a collective or private accommodation in the place visited.

### 2.5.5 Transit Visitor

Transit visitor is the traveller whose purpose of visit to a particular place is only related to his compulsion to pass through it so as to reach his final destination.

This usually happens when the mode of transportation chosen and booking done in the carrier of the transportation has no option for direct connectivity between the origin and the destination. The carrier needs to pass through the transit area so that the passenger may take a connecting mode for another transportation.

Though the concept is applied to all modes of transportation, however, this usually comes in reference of international travel wherein many times the transit visitor may need to have transit visa of the country he/she passes to get the connecting flight.

E.g. someone is travelling from Paris to India. The flight booked for the air travel may not be direct as it needs to pass through London airport, UK. For this the air traveller needs to have UK transit visa stamped on the passport.

Passport along with the air ticket are always checked by the flight crew before boarding a flight. If in this checking, it is found that the passport is not having the transit visa of the transit area, then the traveller is not allowed to board the flight from the place of origin itself. In this situation, if the case is genuine that there is no mistake of the traveller, then he may be assisted with the offer of direct flight without payment. However, if it is due to the mistake of the traveller then he needs to make his own arrangements to complete his journey.

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**Check Your Progress B**

1) Define traveller.

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2) What are the types of visitor?

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3) What is the difference between the international tourist and national tourist?

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4) Who is an excursionist?

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2.6 LET US SUM UP

Tourism is a phenomenon of movement of people from their normal place of residence to some other place for various purposes than the remuneration from within the place visited. The desire to travel for tourism purpose can only be possible if there is a leisure time available. In the leisure time earmarked for tourism one can indulge in various activities related to recreation. The recreational activities can be of any type which can rejuvenates and offers an overall well-being. The concepts of traveller, visitor, tourists, excursionist and transit visitor are different from one another on the basis of certain criteria set forth by international bodies like UNWTO.

2.7 KEY WORDS

Leisure: Time available in which one is free to do things of one’s choice.

Pleasure: This is a feeling of joyfulfulness, pleasantness, satisfaction, etc.

Recreation: Refers to activities which rejuvenates and offers overall well-being.

Traveller: This is a person who goes from one place to another by covering significant distance and time.

Visitor: This is a traveller who travels to some place with the purpose of tourism.

Tourist: This is a visitor who travels and visits a place with the varied purposes other than earning from the place within the place visited.

Excursionist: This is the same day visitor to the place of visit as the visitor does not spend night in the place visited.

Transit Visitor: This is the visitor who visits a place with the purpose to get the connecting mode of transportation.

2.8 ANSWER TO CHECK YOUR PROGRESS

Check Your Progress A

1) This is the free time available to do activities of one’s choice
2) Swimming, reading, playing, tourism, etc
3) Yes
4) The activities which rejuvenates one’s body and mind; and give overall well-being.

Check Your Progress B

1) Travellers do an action of physical movement from one place to another.
2) Tourist and Excursionist
3) International tourist travels across the borders of one’s country. National tourist travels within one’s own country.
4) The same day visitor who spends less than 24 hours with the place visited.
2.9 TERMINAL QUESTIONS

1) Why tourism is called leisure activity?
2) How tourism and pleasure are interrelated?
3) What do you mean by travel services and tourism services?
4) What is the difference between tourist and excursionist?
5) What do you understand by transit visitor?
UNIT 3  APPROACHES TO STUDY TOURISM

Structure
3.0 Objectives
3.1 Introduction
3.2 Approaches to Tourism Studies
  3.2.1 Institutional Approach
  3.2.2 Product Approach
  3.2.3 Historical Approach
  3.2.4 Managerial Approach
  3.2.5 Economic Approach
  3.2.6 Sociological Approach
  3.2.7 Geographical Approach
  3.2.8 The Systems Approach
  3.2.9 Interdisciplinary Approach
  3.2.10 Cost-Benefit and Environmental Approaches
3.3 Career Prospects in Tourism
3.4 Let Us Sum Up
3.5 Answers to Check Your Progress

3.0 OBJECTIVES

After studying this unit, you should be able to:
- identify different approaches for learning tourism;
- comprehend various approaches to study tourism;
- describe the significance of interdisciplinary approach to study tourism; and
- identify the career options for tourism graduates.

3.1 INTRODUCTION

Tourism is gaining increased significance as an economic sector world over. Countries are in a hurry to develop tourism and newer destinations and attractions are emerging every now and then. Along with the development of tourism, the number of tourists is also increasing at a remarkable pace over the years. Apart from tourism’s economic significance, other aspects, like sociological, environmental and cultural, are also in wide discussions and debates across the world, and that made the study of tourism from varied perspectives worthier. Though tourism has been there over the last a couple of centuries, the emergence of it as an academic discipline is rather a recent one. Within this short span of time, the discipline has become an established one. Tourism, being a complex sector with wide social, cultural, economic and environmental significances and the scope of it to consider as an industry, the study of it from varied perspectives is gaining greater attention from both academicians and researchers. There have been varied opinions about the approaches to interpret tourism phenomenon and its complex relationship with associated disciplines. In this unit, you will understand the diverse approaches to study tourism.
There are a number of approaches to study tourism (C.R. Goeldner & J.R.B. Ritchie, 2003, Tourism: Principles, Practices and Philosophies, John Wiley and Sons) and we have to look at the prominent ones. The following are the major ones discussed in this module.

- Institutional Approach
- Product Approach
- Historical Approach
- Managerial Approach
- Economic Approach
- Sociological Approach
- Geographical Approach
- The Systems Approach
- Interdisciplinary Approach
- Cost-Benefit approach
- Environmental approach

Let us discuss each approach of learning tourism and its significance below.

**3.2.1 Institutional Approach**

You know that tourism is a phenomenon which emanates from the movement of people from their usual environment to a distant place for certain classified list of purposes. The process of the movement of tourists and getting the touristic experience is ensured through the involvement of a range of institutions, both in the supply side as well as those in the parlance of intermediation. Viewing tourism from this angle, particularly from those involved in the intermediation, is the fundamental aspect of Institutional Approach. This approach, also called middlemen approach, gives an emphasis on the study of institutions such as middlemen, wholesalers and retailers engaged in tourism. As far as tourism is concerned, the primary intermediaries are the tour operators and travel agencies. There are a number of other intermediaries as well, all of which perform their duties behind the curtains. For instance, Global Distribution Systems (GDSs), the airline based computer reservation systems, do have a significant role on the intermediation of travel products. Vast majority of airline seats are distributed through GDSs primarily and from them to other intermediaries. Moreover, there are a number of similar online intermediaries functioning in the tourism system. Online travel agents are there in large number nowadays.

This approach necessitates the understanding and analysing of institutions that are discharging their duties and activities. i.e., the institutional approach involves an examination of the organisation, operating methods, problems, costs, and economic place of intermediaries like travel agents and tour operators, who act on behalf of the customer, purchasing services from airlines, hotels, and so on. As tourism is a sector featured with high dominant role of intermediaries, this approach has increased significance in the parlance of tourism. The travel and tourism products are made accessible through these kinds of intermediaries.
mainly. There is a special cause of significance for this approach in tourism. Most of the tourism products are located far away from the consumers and hence accessing those products physically is a difficult task. Moreover, the suppliers like airlines and hotels have to reach the customers in different ways. Nowadays online-based intermediation is gaining increased importance in tourism and that trend is referred to as re-intermediation.

Unlike other sectors, there is no scope for warehousing of the tourism and they are highly perishable. Every product has a time limit and the same has to be sold and consumed within the span of stipulated time span. Moreover, the product is produced in the presence of the consumer, which means that the consumer has to reach the place where the product is available for consumption. The product cannot be produced in advance and take to the consumer to consume it later. In the process of getting the access the products and in ensuring the people to reach the locations for the consumption of the products, the above-said intermediaries have significant role in it.

### 3.2.2 Product Approach

Product, its production, marketing and access to the consumer, and the nature of consumption also constitute an approach to learn about a sector. Tourism sector is a complex industry, consisting of diverse products and industries. Moreover, features like ‘seasonality’, ‘inseparability’, ‘perishability’ and ‘intangibility’ make the understanding of tourism more significant. Tourism products are produced, as stated previously, when the consumer reaches the location of their production. Products are invisible and non-physical mostly, and hence the marketing of them is much more difficult. Due to perishability, the products have to be sold at the right time. A delay can cause the product loss. Demand variations are high due to seasonality. Product distribution too is complicated as the producers are usually far away from the consumers. All these make the system of production and consumption a complex one. Hence, studying tourism from this approach will get better idea of the sector, though it is more difficult to learn in the beginning.

The primary aspect of this approach is the study of the varied tourism products in the realm of tourism and how they are produced, marketed, and consumed. The mode of production, marketing, distribution, and consumption are considered in this approach. While we approach to study tourism through this, you may study and analyse the problems pertaining to the products in tourism, the sources and conditions of their production and supply, nature and extent of demand, mode of distribution, pattern of consumption, etc. For instance, when we study about a tourist attraction, we may analyze how the project of making the attractions was developed, how was it financed, how the same was developed considering the sustainability principles, how the same is marketed and distributed to tourists for sale, the people engaged in its management and marketing and so on, come into the picture.

### 3.2.3 Historical Approach

Any discipline of study will be having a history that can narrate the evolution of the study of that discipline. No sector is evolved all of a sudden. There is an approach to look at the details of a social or economic sector through analysing the evolutionary stages and the transformation. Such a kind of approach is usually referred to as historical approach and is applied while learning many disciplines.
Marriam-Webster Online Dictionary introduces this concept as “a technique of presenting information (as in teaching or criticism) in which a topic is considered in terms of its earliest phases and followed in an historical course through its subsequent evolution and development.” In the case of tourism also, the evolution happened over years, but the history of modern tourism, particularly the mass tourism, is rather short, comparatively which makes this approach less relevant for tourism studies. Historical approach in tourism involves an analysis of tourism activities and institutions from historical angle, through different stages of their evolution. The stages of evolution will be analysed, the causes of innovations are examined, changes in demand patterns are scrutinised and shift in interest are analysed for understanding the nuances of the evolution of tourism.

3.2.4 Managerial Approach

Managerial approach is considered more scientific in learning the socio-economic concepts. The focus is upon the activities or management functions and emphasis is on the role of decision-making at the levels of a firm. Tourism also involves management at all institutional levels and at destination levels. In managing things, the most significant aspect is taking the right decisions and managerial approach is mainly concerned with how managers handle specific problems and situations. Managing an institution involves arrange of functions. The management process consists of four primary functions that managers must perform; such as: planning, organising, leading and controlling. Many sub functions are there in the management, like marketing, market research, etc. Each of those also involves different functions under them. Managerial approach thrust upon these functions. As part of the learning through this approach, analysis will be done on the functions and activities to achieve their organisational goals. This approach is much beneficial forgetting overall information of the entire sector, or its institutions.

Planning and management is crucial in tourism. It deals with resources of varied kinds and many of those resources are natural resources, which are to be utilised efficiently to meet the functioning of tourism system. Sustainable utilisation of depleting resources is imminent in the tourism sector. Scientific management with proper planning can help in sustainable development of tourism. It is a popular approach in tourism as well. Insights gathered from other approaches are also used in this category. Many of the text books in tourism follow managerial approach in explaining various aspects of tourism. Tourism sector is a highly dynamic sector and it is vulnerable to external occurrences. Any change on its external environments can cause troubles in tourism sector. For instance, the corona pandemic that happened recently had devastating effects on tourism all over the world. The industry faced severe impacts and many of them may not overcome the after effects of the crisis emanated in the wake of corona pandemic. All these make managerial approach more relevant to look at tourism scientifically. Moreover, along with environmental changes and corresponding changes in the tourism institutions, the objectives to accomplish would also change. Therefore, the institutions have to be geared up to have modified managerial objectives and procedures to cope up with the challenges. It is to make it a point that management objectives, philosophies and procedures are to be adaptable to the emerging changes on various micro and macro environments of tourism and its institutions. Managerial approach got increased significance since when the sector was started to consider it as an industry.
3.2.5 Economic Approach

In the new millennium, tourism is considered as the most important economic sector in the world. Being one of the largest industries in the world, tourism contributes greatly to the GDP and provides employment to millions of people. Certainly tourism has to be approached from economic perspectives as well. Its economic benefits are manifold and some of the tourist destinations are depending on tourism immensely. The benefits it can provide to a tourist destination are of many kinds. In fact the benefits are enjoyed by all sections of the society, from individuals to industries and even to the government.

Tourism contributes directly, indirectly and even with induced effects, and penetrates deep into the local economy of the destinations. This sector generates foreign currency and government revenue, generates employment in large number, and offers income earning opportunities for people of all sections of the society. All such economic benefits are a result of the expenditure made by the tourists. Tourists contribute to sales, profits, jobs, tax revenues, and income in an area. The direct contribution is in the primary tourism sectors such as lodging, restaurants, transportation, amusements, and retail trade. This penetrates further into the economy by generating different rounds of expenditures. Thus, through secondary effects, tourism affects most of the sectors of the economy.

From an economic perspective, tourism is the sum total of tourist expenditures within a region and the sum total of operations mainly of economic nature that directly relate to the entry, stay and the movement of people from outside for a certain classified purposes. As the sector has immense economic significance, tourism undergoes deep examination by economists and the similar category of experts and they emphasize their study on the supply, demand, balance of payments, foreign exchange, export earnings, employment, expenditures, development, multipliers, and other economic factors. Countries do consider tourism as a serious economic activity and they regularly measure the economic contributions of tourism.

Though it is important to look tourism from an economic perspective, there are certain limitations as well for this approach. Tourism has not just economic benefits; it causes a wide range of consequences. This approach towards tourism learning does not take care of the impacts of tourism on the society, culture and environment. Another aspect is that it may give more attention to the issues of supply, demand and price. Other aspects may be of less significant.

3.2.6 Sociological Approach

Tourism has been well described as a social activity of immense significance. The movement of people from one place and their interaction with the people in another place and others those who belong to the host community make the social significance of tourism well. The professionals working in the industry certainly need to interact with tourists. There is a certain amount of interaction takes place with the member from the local community as well.

Tourism is often referred to as ‘people industry’ and tourism, being a service sector, it needs people to deliver services as per the needs of the tourists for making the tour a successful one. Moreover, tourism generates a range of social benefits and impacts. Their interactions can cause long lasting impacts on the
society as well. The nature, characteristics and behaviour of the people of the locality can be changed over a period of time of rigorous interaction with tourists. Tourist behaviour with the host communities also need attention as the same can cause aftermaths on the society and industry.

There is an encounter takes place, in general. It is between the tourists and the hosts. As the encounter become unpleasant, the conflicts can generate. A theory of change in attitude of local people towards tourists was developed by Doxey in 1975, called Doxy’s Irridex (irritation index). This model specifies that local communities pass through a sequence of reactions as the impacts of an evolving tourism industry in their area become more pronounced and their perceptions change with experience. According to it, there can be four distinguishable stages in the whole process of interaction between tourists and hosts. The stages are Euphoria, Apathy, Irritation and Antagonism. In the early times of interaction, the local people will be happy with the presence of the tourists and the same stage is marked as Euphoria. Slowly, the people feel apathy, a kind of indifference to tourism activities. Later, as the tourist present start causing impacts and disturbance to the peaceful life of the local people, they start to feel ‘irritation’. Eventually, along with the increase in impacts and issues of tourism, people become hostile to tourists and Antagonism will prevail.

Having this much of social significance, tourism has attracted the attention of sociologists. Their focus of study was mainly on the tourist behaviour, their interaction with local people, reaction of people with tourists’ behaviour, impacts of tourism on society at large, etc. Another limitation of this approach is that it does not consider the way the industry meets the needs of tourists and other environmental aspects.

3.2.7 Geographical Approach

Tourism is a phenomenon evolves due to the movement of people from one place to another. Therefore, it’s a spatial activity as well and geography has a definite significance on it. Moreover, many of the tourist attractions are formed out of geographical features. This makes it inevitable to look at tourism from a geographical perspective as well. National Geographic Encyclopedia describes geography as “the study of places and the relationships between people and their environments. Geographers explore both the physical properties of Earth’s surface and the human societies spread across it. They also examine how human culture interacts with the natural environment, and the way that locations and places can have an impact on people”. The definition reveals the vastness of the discipline and it involves a range of areas to cover. Tourism activities take place in a place, mostly, and many of the physical properties of the Earth’s surfaces are resources and attractions for tourism. Indeed, people are reaching over there from distant places and interact with members of the host community. Climate is an element of geography and it is a prime reason of seasonality in tourism. Furthermore, some of the tourists attractions are climate based. For instance, a Ski tourist destination must be popular due to the snow and ice over there and climate is the reason for those. Beach tourist sites are also popular due to climate related factors.

Geographic approach to tourism is very popular due to the intricate relationship existing between tourism and geography. The spatial aspects of tourism constitute an important aspect of tourism studies. While we look at tourism from a geographic perspective, in addition to the spatial aspects, we may have to seriously study
about the movement of people as part of travel from one place to another; the interactions of tourists and the people of the destination region; climate related aspects; natural resources and their link with tourism; physical development in the destination; carrying capacity of the places; and the consequences of tourism on the nature and the socio-cultural fabric of the location. In order to develop tourism, naturally, infrastructure has to be developed and that attracts much interest from geographers since it can cause environmental repercussions as well. Tourism is severely investigated from a geographic perspective widely and there is ample scope for further studies in this area. Land use in tourism is an important area of study. Recreational geography can also be considered an important aspect to be studied. The ecological imbalances due to tourism are a matter of concern across the world in the parlance of tourism and it has been examined as part of tourism in almost all destination regions. Moreover, some may focus on the demographic aspects in association with tourism also.

### 3.2.8 The Systems Approach

We hear the term system quite often as it is used in many contexts. What is a system? Our body has different systems, like digestive system. What does it have and how does it function? It has different parts and each part has a separate function. When all the parts function in a synchronised manner, the objective of the system will be accomplished. In the case of digestive system, when all the parts of it function well, the body gets energy to perform its duties. It means, a system will have varied parts or elements and each element will have specific functions to perform. A process will take place through the system and the result of the process is that what accomplishes the objective of the system. A system is a set of interrelated groups coordinated to form a unified whole and organised to accomplish a set of goals.

Tourism can also be viewed as a system. It means there has to be different elements. Yes, there are elements, like tourists, industrial elements, geographical elements, and the like. All elements have interconnections and linkages. One’s performance may affect the other. If one is non-functional, the entire system may have some sort of impact. In the case of tourism, for example, if airline sector is not functioning, the destinations and the other industry in it may be affected badly. Usually such systems will exist in different environments. Tourism is surrounded by many micro and macro environments. The economic, political, technological and all other business environments have some sort of influence on the performance of tourism. Hence understanding tourism through this approach is easier for a learner. Anyone can examine tourism through its competitive environment; its market; its functions; its linkages with other institutions; the tourist; and the interaction of the firms with the tourists.

### Check Your Progress A

1) Identify the sociological significance of Tourism.

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2) Distinguish between product approach and managerial approach.

3) Why is institution approach significant for tourism study?

4) Write in brief on geographical approach and historical approach.

3.2.9 Interdisciplinary Approach

Tourism is treated as a conglomeration of varied disciplines of study and can be viewed from different angles. This multi-sectorial and multi-factorial process encompasses many dimensions as it cuts across conventional sectors in the economy, requiring inputs of an economic, social, cultural and environmental nature. It takes in practically most of the aspects of society and attracts people from different strata with diverse economic-socio-cultural and educational backgrounds, thereby behaving in different ways and travelling for different purposes. All the above discussed approaches are actually focusing on specific aspects of Tourism. Interdisciplinary approach analyses, synthesises and harmonises relations between different disciplines into a coordinated and coherent whole. A dynamic interaction between two or more disciplines will take place in it and the same will be beneficial to define, analyse, and understand the complexity and diversity of tourism phenomenon. This considers a theoretical and/or practical problem in tourism phenomenon not only from one particular perspective, but from the perspectives and different dimension of several disciplines. Tourism discipline has been emerged from a combination of varied disciplines, and most have been integrated together to form this discipline. This is the purpose of interdisciplinary approach in which collaboration and integration between varied disciplines takes place.
Historically tourism as a discipline has been evolved from a number of already established areas including economics, sociology, psychology, ecology, management, history, anthropology and the like. This has led to the formation of a body of knowledge and domains of study of tourism.

The cultural and heritage tourism learning may demand anthropological approach as well. History and anthropology are part and parcel of tourism. These contribute a major group of resources for tourist destinations. Every destination has some historical attractions. Heritage remains of the society are always an attraction for tourists.

The economic contribution of tourism is the main reason why countries are getting attracted to develop tourism. While considering the economic benefits of tourism the ‘multiplier’ concept is often used to describe the penetration of the effects of the expenditure made by tourists deep into the local economy. Certainly we need to understand tourism from a psychological perspective as well. For marketing, for understanding the motivations, and study of movement patterns, selection of destinations, activities undertaken during the tour process and the overall tourist behaviour too have psychological linkages. Even the psychological aspects will come into play in the expenditure being made by the tourists. Legal aspects are of much significance and related to political and social environments. Adequate laws and regulations are to be there for a successful tourist destination. The sociological aspects of tourism has already been discussed earlier in this unit.

Tourism and environment share complex relationship. Many of the environmental features are all part of tourism in attracting tourists to visit them. Environmental studies constitute an inevitable part of tourism always. Tourism is often criticised for the impacts it poses on the nature. Tourism planning, sustainable development, waste management, zoning and developmental policies are always looked from the perspectives of environment and ecology. Geographical spaces can be demarcated in the tourism study. Different areas in the whole system of tourism may have different functions and with different institutions. Geographical perspective of tourism comes into play here. Businesses and industries are spread across the destinations, mainly, though such can be seen in the other regions as well. Accessibility is also linked to the geographical elements. Furthermore geographical features are attractions as well. Climate is linked to geography and it is closely associated with tourism in a destination. Climate also causes seasonality.

Tourism encompasses a managerial approach as well. All managerial functions are applicable in tourism organisations. Without proper planning, development and management, tourism in a destination will end up in more impacts than benefits. Many other disciplines are also there connected to tourism, like, education and training.

### 3.2.10 Cost-Benefit and Environmental Approaches

The ‘benefits’ of investment or development is compared with ‘costs’ involved in the whole process. The benefits of a tourism, its planning or development are summed up and then the costs associated with those actions are subtracted to learn about tourism from a critical perspective. The costs may involve the capital invested, impacts being generated, etc. This approach is good to understand tourism as a phenomenon worth developing or not in particular places or regions.
In the case of environmental approach, the role of tourism is interpreted from an environmental perspective. Environment and tourism do share critical relationship and up to a certain limit they share symbiotic relationship, which can turn detrimental after a threshold limit of development, etc. In this approach, the role of environment in tourism and the aspects associated with it are dealt with in detail. Moreover, the far-reaching consequences are analysed as well. Haphazard tourism development can cause severe imbalances and impacts on nature its ecosystem, and these aspects are gaining increased significance in the learning of tourism.

### 3.3 CAREER PROSPECTS IN TOURISM

Travel and Tourism constitute one of the largest economic sectors in the world that provides, according to an estimate of World Travel and Tourism Council (WTTC), more than 300 million job opportunities world over. Tourism is said to be highly labour intensive and ‘people industry’ and it requires relatively larger number of employees to serve the needs of the tourists. In order to understand the nature of employment generation in the tourism sector, we have to have an overview of the structure of the tourism industry. Tourism is not a single industry; rather it’s an amalgam of industries. Each industrial element in the tourism sector has its own features and distinct products. Varied career opportunities are there in each of the elements of tourism industry. The major elements of tourism sector are following:

- Accommodation
- Food and Beverage
- Transportation
- Destination
- Intermediaries
- Ancillary services

Each of the above elements of tourism industry has diverse elements within them. Let’s see the some examples of elements in each of them and the potential job opportunities. Accommodation sector represents the following major elements:

- Hotels
- Resorts
- Motels
- Serviced Apartments
- Supplementary accommodation, etc.

The accommodation sector provides large number of career options. The requirement of fine-tuned employees for service delivery is high in this industry. Front office of all the above sectors has varied job opportunities who deal with guest when they reach the accommodation unit for staying. The front office staff provides assistance for registering, check-in of guest, receiving payments from guests, etc. The bell staff assist guest to carry the luggage, etc. There are managers and supervisors in this area. Housekeeping is another section which requires a range of skilled employees. They deal with the tasks connected to rooms operations and management. Other areas where employment opportunities include
marketing and sales, accounting and finance, maintenance and engineering, kitchen and restaurant operations and management, banquet and conference management, and security and safety. A large hotel and resort can provide large number of employment opportunities at managerial, supervisory as well as operational levels.

Food and Beverage sector consists of three sections, like restaurant market, travel and lodging market and contract feeding market. In the restaurant market, there are different types, like coffee shops, regular restaurants and fast food centers. The lodging market involves the food centers within accommodation units. The third category is all about providing catering services, like food services to hospitals, schools, events, etc. Managerial and supervisory posts are there in restaurants, bars and coffee houses. The food services sector requires cooks, waiters, bar attendants, and kitchen maintenance staff. In the kitchen, highly paid jobs are there like Chefs. Also, other skilled positions are there in all the sections of restaurants.

Transportation sector is classified as follows:

- **Air transport**
  - Airlines
  - Airports
  - Charter services

- **Land transport**
  - Bus/coach services
  - Car rentals
  - Rail tourism services

- **Water transport**
  - Common water transport services
  - Cruises

Air transport is a large employment provider. Each component of this sector offers a wide range of job opportunities. Airlines have various positions that are suitable for travel and tourism students. Marketing, sales and product distribution is a major area where large scale career options are available. Skilled and qualified staffs are required for ground handling activities of passengers in airport. Airline management and administration, planning, finance and human resources departments have large number of job positions. People with adequate knowledge and qualities are required for different airline operations like flight planning, crew scheduling, flight operations, etc. Cabin crew, which involves stewards and air hostesses are a common career opportunity in airlines. Apart from the above, a range of posts are there which require technical qualifications and experience. Airports too have varied employment opportunities. As in any organisation, various positions are there in management, administration, planning, finance, human resource, etc. Ground handling jobs of varied kinds, within the terminal as well as in the airside of an airport have different positions. Ramp handling personnel, passenger handling agents, customer service representatives, etc. are some of the prominent job categories in airports. Many other technical positions are there within airports, like in air traffic control. Charter airlines too
have some of the above mentioned posts available for their operations. For many of the above jobs, travel and tourism courses and International Air Transport Association (IATA) courses as well as courses of civil aviation authority are useful.

All the land transport services provide diverse career options depending upon the type of services. Car rental services are an upcoming area. Similarly, water transport services also provide different employment opportunities. When it comes to Cruises, there are distinct job positions that are suitable for tourism as well as hospitality professionals. Most of the job positions in an upscale hotel/resort are there in cruises as well. Land based organisation of cruises has all the departments in a business organisation, like marketing, finance, HR, etc. The departments seen in cruises are: Managers, Cabin steward, house keeper, suite attendant, lady attendant, floor supervisor, master, managers F & B Managers, Supervisors, bar stewards, bar waiters, Bar keeper, restaurant managers, waiters, public area supervisors for decks and lounges, stewards, butlers, laundry staff, chefs, and crew and officer’s mess chefs are the major personnel in the cruise who have to deliver the services. Guest services manager, concierge, receptionist, and guest relations manager are also there. A range of technical positions are also there in cruises.

Destinations and attractions also have varied job positions. As in every organisation, a range of personnel are required for managing the respective organisations. Apart from those positions, specific job options are seen in each of the attractions or recreation centers as part of tourism. The attractions sector requires facilitation and equipment operators, as do the entertainment event and transportation sectors. The adventure and outdoor recreation sector needs guides and group leaders. Travel Agencies and tour operators constitute a major job provider in the tourism sector. Though the number of traditional travel agents is declining in the wake of increasing online transactions, there are still a large number of travel agents functioning with diversified service provisions. Tour operation sector must have the personnel to assist travellers as they plan their trips, and then to meet their many needs for information and assistance throughout their travel experiences. Travel and tourism courses and IATA courses are usual qualifications for getting employment in this sector. Tour operation needs more knowledge about the destinations and varied job positions are there in it. Usually, travel and tourism courses are common eligibility condition for getting selected for jobs in this sector. Apart from all these requirement of courses, language proficiency is a major quality needed to work well in travel and tourism sector. Professional guides and multi-linguistic guides are in high demand in the travel and tourism sector. Many allied sectors also provide diverse career options for enthusiastic career seekers those who are ready to work in such a dynamic and challenging work environment.

Check Your Progress B

1) Describe the importance of interdisciplinary approach for tourism study.

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Approaches to Study Tourism
2) What are the career options for students of Tourism?

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3) Differentiate between cost-benefit and environmental approaches.

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3.4 LET US SUM UP

Tourism is a complex sector and learning of the same can be through different approaches. The major of them include institutional approach, product approach, historical approach, managerial approach, economic approach, sociological approach, geographical approach, systems approach, interdisciplinary approach, cost-benefit approach and environmental approach. The interdisciplinary approach and managerial approaches are the most commonly applied approaches in learning tourism in a more comprehensible way. In addition, we have gone through an overview on career prospects in tourism. Indeed tourism is one of the largest sectors in the world in terms of employment generation and it is an ideal sector for you to pursue a career.

3.5 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress A

1) The sociological aspects of tourism are discussed in Sub-Section 3.2.6.

2) Managerial approach is more comprehensive and the product approach has a focus on marketing and consumption, including production. These are dealt with in Sub-Section 3.2.2 and 3.2.4.

3) Due to various unique characteristics of tourism, intermediaries have much significance in tourism and this approach, pertaining to it, is dealt in detail in Sub-Section 3.2.1.

4) Answer to this can be obtained from Sub Section 3.2.3 and 3.2.7.

Check Your Progress B

1) Tourism is an amalgam of varied segments and this discipline of study has been evolved through the integration of a range of sectors. The details can be seen in Sub-Section 3.2.9.
2) In each component of tourism sector, wide range of career options can be seen and Sub-Section 3.3 provide details of it.

3) The difference can be found out in Sub-Section 3.2.10.

**ACTIVITY**

Identify major Research Journals in tourism and try to find out the specific approach used to discuss various issues in tourism in each of them.

Also visit the career pages of major airlines and hotel chains and find out various job categories along with the required qualifications for applying those jobs.
UNIT 4  CLASSIFICATION AND TYPOLOGY OF TOURISM

Structure
4.0  Objectives
4.1  Introduction
4.2  Classification and Typology of Tourism
4.3  Domestic and International Tourism
   4.3.1  Domestic Tourism
   4.3.2  International Tourism
   4.3.2.1  Inbound Tourism and Outbound Tourism
4.4  Inter and Intra-Regional Tourism
   4.4.1  Inter-Regional Tourism
   4.4.2  Intra-Regional Tourism
4.5  Business and Leisure Tourism
   4.5.1  Business Tourism
   4.5.2  Leisure Tourism
4.6  Alternative Tourism
   4.6.1  Definition and Meaning
   4.6.2  Types of Alternative Tourism
4.7  Nature Related Tourism
4.8  Adventure Tourism
4.9  Rural Tourism
4.10  Ecotourism
   4.10.1  Concept and Definition
   4.10.2  Principles and Guidelines of Ecotourism
4.11  Let Us Sum Up
4.12  Answer to Check Your Progress
4.13  Terminal Questions

4.0  OBJECTIVES

After reading this unit, you should be able to:

- distinguish between domestic and international tourism;
- discuss about inbound and outbound tourism;
- explain the concept of inter- and intra-regional tourism;
- describe business and leisure tourism;
- explain the concept and types of alternative tourism;
- list the types of nature related tourism;
- discuss adventure and rural tourism; and
- know what is eco-tourism and resources for eco-tourism.

4.1  INTRODUCTION

Tourism is the word consisting of many social practices. Earlier tourism used to be considered only as a leisure activity. But gradually, various forms and types
of tourism have been emerged due to the changing social values and with these changing needs and preferences of the markets many new paradigms of tourism have been emerged leading to the different types and classification of the same. Therefore, this unit attempts to make you learn about the concepts of these emerging concepts in tourism.

4.2 CLASSIFICATION AND TYPOLOGY OF TOURISM

The concept of tourism is now a new one. If someone reviews Sanskrit literature, it would indicate that since times immemorial, three main types of tourism have been there which are: travel for pleasure (Paryatana), travel for business & education (Deshatana) & travel to religious places (Trthatana). Otherwise also different authors have defined many types of tourism. Some researchers have described a tourist as a holiday maker, who is in search of knowledge, relaxation, pleasure etc.; many others have linked it with many aspects like recreation, education and culture.

In today’s context, there are various types of travellers; individuals or groups, business, holiday makers, commercial travellers, students, relatives, friends etc. According to the motivations of travellers there are many types of tourism viz cultural tourism, health tourism, sports tourism, conference or convention tourism and religious tourism. Apart from these forms many new paradigms have come up, particularly in the modern day, there is no end to the classification of tourists and thus tourism. Let us discuss these in detail.

4.3 DOMESTIC AND INTERNATIONAL TOURISM

In this section we shall discuss about domestic and International tourism. International tourism is further divided into two categories i.e, Inbound and Outbound.

4.3.1 Domestic Tourism

Domestic tourism is meant for tourists belonging to their usual place of residence or to the areas in their own country and do not need any documentation for travel or residents of the given country travelling with in their country.

4.3.2 International Tourism

International tourism means travel to a place other than own country with a different economic and political system and requires documents to cross the frontiers. Thus, it can be said that International Tourism is defined as the one in which a tourist travels from one country to other country. International tourism has sub categories which are as under:

4.3.2.1 Inbound Tourism and Outbound Tourism

i) Inbound : Inbound tourism is defined as that form of tourism in which the tourists enter a country i.e. it is related to non-residents of a country travelling to that country. When the tourist residents of other country enters and visits any other country, then he is ‘Inbound’ to the visiting country. It promotes and brings in foreign tourists and thus foreign exchange. Normally inbound tourists are sent through agents who have a tie-up with a local agent.
ii) **Outbound**: Outbound tourism is referred to the tourists leaving their country of usual origin to other country or it can be said that it is related to residents travelling to another country. A resident leaving his own country of residence and moving out to other another country is known as ‘outbound tourism’ to the leaving country. It promotes foreign tours of local nationals through the travel agents. It is the promotion of foreign travel of the local population.

**Check Your Progress 1**

1) Define Domestic tourism.

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2) What are the different types of International tourism?

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4.4 **INTER AND INTRA-REGIONAL TOURISM**

In this section we shall discuss about Inter-Regional and Intra-Regional Tourism.

**4.4.1 Inter Regional Tourism**

In simple parlance, Interregional tourist means a person who moves from one region to another and does not stay in the same region or it can be said that they move from one continent to other. This is also part of international tourism.

In both these forms of tourism i.e. inter-regional and intra-regional, there is a development of economy as it helps in the region’s growth process. Not only that, these forms of tourism have direct impact on the development of social and political environment too. Furthermore, inter-regional tourism helps in building upon the overall development of the region.

**4.4.2 Intra Regional Tourism**

In real sense, intra regional tourism can be called as international tourism. It is due to the fact that when the tourist traffic flows from different countries to other countries within the same region of the globe; thereby becoming the component of international tourism.
This concept has more significance in developed regions in comparison to developing regions. Yet, the importance of intra-regional tourism varies between different regions of one country to another. Therefore, it can be said that an intraregional tourist is the one who visits a country in his “own” continent.

4.5 BUSINESS AND LEISURE TOURISM

In this section we shall discuss in detail about Business and Leisure tourism.

4.5.1 Business Tourism

This is the category of people who visit a country for business which include businessmen or professionals who visit a place for attending trade fairs, conventions and conferences, participants in the incentive travel offered by their companies and people visiting different places to negotiate business deals and contracts, etc. It is important to understand here that this is different than that of leisure tourism as no such leisure activity is involved in this. Yet it is also seen that for these travellers, they are not doing business everyday and every time, so they do have some time to do some sightseeing or to take an excursion to a nearby tourist place. These type of travellers are more wanted because of the fact that they often pay the full fare and patronise business and first class in airlines too.

If technically seen, business travellers needs are somewhat same as that of the leisure travellers except for the fact that their flow of travel is towards the destinations which are trade and commerce directed rather than the leisure destinations or resorts. And of course, their demands too would be inclined towards special services like communication and secretarial facilities, meeting and convention facilities, car rental and accommodation, with less emphasis on the usual facilities and services (although swimming pools and health clubs are popular services today even for the business tourists). A new type of travel has also been included in the business tourism context i.e Incentive travel. Today there are many organisations that feel that their employees are more creative and productive in a resort atmosphere. Therefore, they send their employees to different resorts to enhance their productivity or to give them some incentives for their achievements. Apart from these, conference tourism is also showing an upward trend; particularly because of the need for more communication amongst the professionals. And with this, a new area of MICE tourism has been emerged; wherein M stands for Meetings; I stands for Incentive travel; C for Conventions and Conferences and E is for Exhibitions. This MICE has become an emerging trend as the conducting up of Meetings, Incentive travel, conferences and Exhibitions have become an important concept in today’s business scenario.

4.5.2 Leisure Tourism

In this form of tourism, the major motivation amongst tourist is to take a vacation or break from routine everyday life. And because the main motive of the tourist here is to enjoy, he would often go in for staying in nice hotels or resorts or he would be relaxing on beaches or in a room, or going on guided tours and experiencing local tourist attractions and so on and so forth. The concept of leisure tourism is not new. The tourists would need more expensive modes of transportation; he would be wanting different types of meals, etc. The duration of this form of travel would range from days to weeks and the main focus of the tourist is just to relax and enjoy.
In this section we shall discuss the concept and meaning of Alternative tourism. Different types of alternative tourism are also discussed in brief.

### 4.6.1 Definition and Meaning

The concept of alternative tourism is actually to do things alternatively or differently or in simple words, alternative tourists are those whose want to be less with other tourists and they want to be more close to the locals and nature of the destinations they are visiting. If the concept is analysed properly, this type of tourism emerged as a response to the impact of mass tourism and as an expression of rebellion and search for adventure (Dernoi). And thus it has come out as a type of tourism that respects the values of local people and nature, favouring encounters and exchanges and building experiences (Smith and Eadington 1994). And because in this form of tourism, the tourist has more respect and orientation for the local culture, they prefer to use or share the services of the local population, thereby experiencing some aspect of their lives. Nowadays with the emergence of more knowledge, people have become more responsible and thus many tourists choose this form of tourism to reduce the impact of mass tourism. Tour operators can specialise in such forms by focussing on people and their culture rather than providing created comforts. The duration of these types of trips can be long and these can be high priced as these demand special services which involve travel with “local friends” or local people. The main objective of this form of tourism is to understand other destination’s political, social, religious traditions, etc. The special services that they need include the destinations which are not the routine tourist spots but are out-of-the way villages, etc. instead of the typical hotels, the tourists want homes of the locals which have friendly atmosphere but at the same time they are clean. The local mode of transport is also preferred for going to market etc. India having all these characteristics is a popular alternative destination. It is a “subtle mix of ancient and modern, ritual and urban filled with local colour and vitality”.

### 4.6.2 Types of Alternative Tourism

The Bulgarian Association has defined Alternative Tourism as, “Alternative Tourism involves travel that is personal and authentic and encourages interaction with the local environment, people and communities.” Alternative tourism is actually niche tourism, also known as specific interest tourism (SIT).

**Alternative Tourism has different types which can be framed as follows:**

1) **Nature based Tourism** : It is that form of tourism which happens in natural environments or outdoors. Ecotourism, adventure tourism, etc. are popular forms of nature based tourism.

2) **Culture Tourism** : This is another popular form of alternate tourism that includes cultural heritage, ethnic, religious, cuisine, music, arts and crafts, etc.

3) **Responsible Travel** : Responsible travel is that form of tourism in which the tourist is not only responsible, but also he is being culturally-conscious and
Classification and Typology of Tourism

economically-aware, locally. The tourists taking up this form of tourism make sure that their tourism activities like accommodations, transportation, any sightseeing that they take up are least damaging to the environment and the local traditions and customs.

4) Geotourism : This is a new form of tourism that has emerged and can be defined as “tourism that sustains or enhances the distinctive geographical character of a place – its environment, heritage, aesthetics, culture, and the well-being of its residents.” (National Geographic). So somewhat this type of alternative tourism can be part of responsible tourism where money is often spent discerningly, so that the proceeds return to someway support the attraction or destination for future travellers.

5) Voluntourism : In this form of tourism, Volunteers usually coordinate with a service that puts them to work abroad in a developing region or a disaster area. This is more popular among teens and young adults and is also known as “volunteer vacations”, Some define the two terms differently, as voluntourism is usually shorter (1-2 weeks), while volunteer vacations are considered usually months-long to more than a year. The volunteers in this type of tourism are not paid, but actually usually pay a fee to offset the rooming and food costs.

6) Accessible Tourism : Accessible tourism ensures that there is high availability in destinations, accommodations, attractions, products, and services to all people, especially those that are affected by physical limitations, mental disabilities, or age.

7) Disaster Tourism : Disaster tourism involves tourists who go to an area that may be or may have been affected by natural disasters, civil strife, or warfare.

8) Ethno Tourism : This form of tourism focuses on exploring the study of culture and traditions of indigenous populations. These tourists usually seek to learn more about the livelihoods of the native people and even the locals somewhere commercialise their culture in order to get gain from the tourists.

9) Poverty Tourism : Also known as ghetto tourism, shanty tourism, or slum tourism, in poverty tourism, people learn and become more socially and culturally aware.
10) **Dark Tourism**: In this type of tourism, people travel to places that have a grim history, such as past battlefields or prison camps. It is also known as black tourism or grief tourism.

11) **Doom Tourism**: Doom tourism is usually the tourism at the places which are towards extinction or are potentially endangered. It may be due to natural and/or man made reasons, but people want to have a look at those destinations which are at the verge of finish.

## 4.7 NATURE RELATED TOURISM

Also known with the terms like ‘sustainable tourism’, ‘responsible tourism’, ‘nature tourism’, ‘ecotourism’, etc. The main aim of this type of tourism is to provide green travel i.e. the travellers use the destination in a way that it can be subsequently used in the same way by the future generations too.

### Types of Nature Related Tourism:

1) **Ecotourism**: Eco tourism is the concept that has attained great heights. Also referred to as Responsible travel, it generally means tourism to those areas that conserves the environment, socially and economically. Not only that the concept also helps to sustain the well-being of the local people, thereby keeping the resources of the destination intact.

2) **Geotourism**: This form of tourism again helps to maintain the overall well-being of the residents in the form of the environment, heritage, culture, etc.

3) **Pro-poor Tourism**: Tourism that results in increased net benefit for the poor people in a destination.

4) **Responsible Tourism**: Now this is the concept of tourism which has the real meaning of nature based tourism as responsible tourism aims at maximisation of the benefits to local communities and reduction of negative social or environmental impacts. Not only that, this form of tourism also helps local people to conserve their cultural heritage and environment.

5) **Sustainable Tourism**: If we evaluate the concept of sustainable tourism, this form of tourism takes into consideration of its current and future economic, social and environmental impacts, and making the use of all these resources to just an extent that the future generations too can use the same resources with the same experience.

6) **Wildlife tourism**: It is that form of tourism which is held in close proximity with wildlife and nature in general.

### Check Your Progress 2

1) What is Nature related tourism?

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2) Mention the types of Nature related tourism.

4.8 ADVENTURE TOURISM

According to the Adventure Travel Trade Association, “Adventure tourism is a tourist activity that includes physical activity, a cultural exchange, or activities in nature”.

According to Muller and Cleaver, “Adventure tourism is characterised by its ability to provide the tourist with relatively high levels of sensory stimulation, usually achieved by including physically challenging experiential components with the tourist experience.”

It also means the movement of the people from one to another place outside their usual place for exploration or travel to remote areas to have some thrill fun. The main concept of Adventure tourism is about the thrill as there are no such boundaries or rules or regulations in this form of activities. Not only that it is also about visiting a new culture or a new landscape and being physically active at the same time.

The activities that are included in adventure tourism are like skydiving, hill climbing, scuba diving. Relating to the nature of adventure tourism, this is very popular among young age tourists and is completely a leisure activity that takes place in an unusual, exotic, remote or wilderness destinations that are mostly outdoors.

Adventure Tourism Activities:

Adventure tourism includes a lot of activities that can be:

1) Day Hiking:

   Hiking is considered as a long, vigorous walk, usually on trails or footpaths outside a city. It can be used instead of trekking and day hiking is when the trekking or walking is completed in a day itself. This type of adventure activity is very popular as this can be completed before the night falls.

2) Backpacking:

   Backpacking is the activity that makes a tourist see nature longer as backpackers go tramping in the forests, sleeping in tents, etc. Because a
backpacker moves with the minimum things, he would also require very less infrastructure and therefore, for his survival at these places, proper knowledge about the place and its whereabouts is a must. The beauty of the place makes it worth going for such a backpacking trip.

3) **Zip Lining**

Also known as zip wire, aerial runway, flying fox etc., zip lining is a fantastic way to view a place with different way. It is a way of having a quick way to see a new area or wildlife or nature and at the same time, it is thrilling. A zip line is made up of a pulley appended to a stainless-steel cable extended between fixed points of different elevations. Many times zip lines have parallel lines too, so people in a group too can enjoy the experience at the same time.

4) **Climbing**

Climbing is the most wanted adventure activity. It involves physical activity that also helps a person to enjoy the natural environment and beauty. It is actually the activity of using one’s hands, feet, or any other part of the body to ascend a steep topographical object. There is also indoor climbing. Even a beginner can climb as this activity involves the guidance of the qualified instructors.

5) **Free Fall**

Sky diving or free fall is another adventure activity that involves the jump of a person from sky or from a heightened place tied with a rope. It is usually misinterpreted bungee jumping but is very different from the same. This particular activity is not for everyone. So, people having a lot of courage should take up this activity.

6) **Rafting**

Rafting and white water rafting are recreational outdoor activities which use an inflatable raft to navigate a river or other body of water. Floating down a cool river on a hot summer day can be an excellent way to explore a new area. One gets the excitement of enjoying the rapid water drive. Rafting is also of various types depending upon the scales of the same. And naturally higher water levels provide more thrills.

7) **Mountain Biking**

Mountain biking is a sport of riding bicycles off-road, often over rough terrain, using specially designed mountain bikes. And because it involves the movements in all types of terrains, it offers a great workout and provides a great amount of thrill to the bikers. This is a complete outdoor activity that offers a fun way to experience nature. It of course needs a great endurance, speed, balance and technical skills to navigate the same.

8) **Skiing and Snowboarding**

Skiing is a kind of sport that uses a pair of skis to travel over snow while snowboarding involves travelling on snow on a single snowboard attached to boots. Since both these adventure sports require the snow, therefore it is
a very popular winter adventure activity. Both the skiing and snowboarding are same and different in many ways. This adventure activity provides a high level of thrill and excitement to the riders.

4.9 RURAL TOURISM

Very popular form of tourism, Rural tourism can be defined as travel to a destination that is located at a rural area, and where the tourist would want to enjoy or get into all the activities of the same. The definition of this form of tourism has been given by various authors, such as:

Fleischer and Pizam “associate rural tourism with the ‘country vacation’ where the tourist spends the vast proportion of his/her vacation period engaging in recreational activities in a rural environment on a farm, ranch, country home, or the surrounding areas”.

According to Dernoi, “rural tourism might be conceived as tourism activities in a ‘non-urban territory where human (land-related economic) activity is going on, primarily agriculture: a permanent human presence seems a qualifying requirement’”.

The OECD i.e Organisation for Economic Cooperation and Development states that in order to be qualified for the definition, rural tourism should possess certain characteristics like the tourism should happen at rural areas; it should include contact with nature and the natural world, heritage, traditional societies, and traditional practices; Rural in scale – both in terms of building and settlements; have the concept of sustainability i.e it should support development in such a way that the original essence of the area is kept intact in terms if its economic, environmental and cultural resources.

Types and Forms of Rural Tourism

If the concept of rural tourism is analysed properly, it is seen that there are multiple activities that are involved in rural tourism like it involves the involvement of tourists into the rural life, art, culture, and heritage at rural locations. The whole concept of this form of tourism has dual benefits both to the local community and to the tourists as well. This would benefit the local community economically and socially. And is beneficial to the tourist as it would lead to the development of more interaction between the tourists and the locals that further leads to enriching tourism experience; which is the main essence of this type of tourism on a whole.

Depending upon the activities that are involved in this form of tourism, a wide variety of terms are employed to describe tourism activity in rural areas like agritourism, farm tourism, rural tourism, soft tourism, alternative tourism, eco-tourism, and so on and so forth.

Let us discuss these types and forms of rural tourism one by one:

Agritourism: Agri tourism is the name given to agriculture tourism and is related to those tourism activities that happen at the agricultural cites in rural areas. This may include educational visits, recreational activities, etc.
Concept and Impacts of Tourism

Farm Tourism: Farm tourism is the new potential form of attracting tourists to the green or farm areas as they usually have the curiosity to find out how the farming is done. This form of tourism might also be for educational and recreational purposes. And many a times it is seen that people usually stay at the farm houses. This in turn would help in the growth of economic activities that can provide both the farm and community additional income.

Wilderness and Forest Tourism: People opt for forest tourism too in order to explore the wilderness and natural beauty of the rural area. In this type of tourism, tourists visit the places of natural habitat of plants and animals. This form of tourism might be part of rural tourism’ yet at the same time it has been emerged as a full-fledge niche form of tourism in itself. Tourists normally enjoy the serene environment of the forests and get involved in photographing animals in their natural habitats while as some tourists just enjoy trekking and hiking and bird watching etc type of activities.

Touring: this is another activity involved in rural tourism that include the activities such as hiking, horse riding, touring in gypsy caravans, motorised touring, small village/town touring, cycling, etc.

Cultural related tourism activities: There are various cultural related tourism activities like archaeology, restoration sites, rural heritage studies, museums, courses in crafts, artistic expression workshops which also come under the purview of rural tourism. People long for such activities and usually go to rural sites to enjoy these type of activities.

Water-related activities of rural tourism: As already described above that there are different activities involved in the concept of rural tourism and based on these broad activites, the water
related activities under rural tourism can be said to be like Fishing, swimming, river tourism, canoeing, kayaking, windsurfing, speedboat racing, sailing.

**Sporting activities of rural tourism:**
The whole concept of rural tourism does not only revolve around the rural activities but some of the urban games like, rock climbing, Tennis, Golf, low-intensity downhill skiing, and hunting also come under the concept of rural tourism.

**Health-related activities:**
With the more focus on health related activities, the whole concept of rural tourism also include the activities at the rural areas like fitness training, assault course, spa and health resorts etc. it is been seen commonly that a group of tourists would travel to rural areas for the only purpose of health improvement.

**Passive activities:**
Rural tourism also include the activities that only lead to recreation. These activities are called Passive ones because these involve only relaxation holidays in the form of bird watching and photography, landscape appreciation etc., wherein the physical aspect is not much involved and the tourist is usually in his relaxation mode.

### 4.10 ECO TOURISM

In this section, we shall discuss the concept, meaning and definition of ecotourism. various guidelines and principles of ecotorism are also discussed.

#### 4.10.1 Concept and Definition

The concept of ecotourism explains in it that it is not merely the experience of visiting a place, but it is more of the experience of the natural environment, and thus, is found primarily on a specific interest in the natural history nature of a region.

Ecotourism is defined as “responsible travel to natural areas that conserves the environment, sustains the well-being of local people, and involves interpretation and education”, according to the International Ecotourism Society.

**According to Ecotourism Association of Australia,** “ecotourism is nature-based tourism that involves education and interpretation of the natural environment and is managed to be ecologically sustainable.”
Thus, it can be said that it is a type of tourism which involves nature which are primarily at unspoiled area, simultaneously it helps in the conservation of the environment, providing the positive environmental experience to the tourists and at the same time, helps in yielding the benefits for locals.

4.10.2 Principles and Guidelines of Ecotourism

Ecotourism is the activity that attracts tourists who want to enjoy natural environment and at the same time have the responsibility to save the same. Therefore, in order to save the environment, the tourists need to develop their knowledge, awareness, and appreciation of it. Therefore, for that, various guidelines and principles are to be followed. Many organisations have given such principles, but the most accepted one is given by the Ecotourism Society, which are as follows:

- The travellers are to be prepared to minimise the negative impact of their visit to any ecotourism destination which is somewhat fragile in nature.
- Literature in the form of brochures, folders, etc is to be given to the tourists to minimise visitor’s impacts on the environment. The briefing can also be offered to the tourists beforehand.
- The travellers are to be prepared for their encounter with local cultures also as it is a proven fact that even local cultures can also have a negative impact.
- One very important point is that tourists should be visiting any eco destination in smaller groups as mass tourism can lead to the direct negative impact on the destination. And also those areas which are under-managed and over-visited should be avoided.
- The tourist contact employees should also know how to prevent negative impacts on the environment and local cultures.
- Infact, the various employees should also be provided with the adequate training to enhance their skills which will upgrade their ability to handle tourists in sensitive natural and cultural settings, not only that after training, they will be in a better position to communicate the tourists about the conservation of the environment.
- The tourists should be taught in a way that they should become a contributor to the conservation of the region being visited.
- This is very important to offer site-sensitive accommodations to the tourists that do not waste local resources or do not destruct the natural environment,
- The local communities should also be provided with a great opportunity for learning about the environment and also should be sensitised to interchange with tourists.
- The eco tourism guidelines focus the visiting up of those natural areas which provide personal experience in ways that lead to greater understanding and appreciation of the natural environments and local cultures.
Check Your Progress 3
1) Define Ecotourism.

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2) Discuss the principles and guidelines of ecotourism.

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4.11 LET US SUM UP

In this unit, we have explained the classification and typology of tourism. As tourism industry is becoming huge, the new forms of the same viz. eco-tourism, adventure-tourism, alternative tourism, etc are also emerging. These new paradigms along with the detailed concepts have also been discussed. Although the list of the emerging concepts in tourism is endless, yet an attempt has been made to elaborate the important concepts in this unit.

4.12 ANSWER TO CHECK YOUR PROGRESS

Check Your Progress 1
1) Please refer Sub-section 4.3.1
2) Please refer Sub-section 4.3.2

Check Your Progress 2
1 and 2) Please refer Section 4.7

Check Your Progress 3
1) Please refer Sub-section 4.10.1
2) Please refer Sub-section 4.10.2
4.13 TERMINAL QUESTIONS

1) Why is Business tourism a more preferred activity by tourism professionals?
2) Discuss the concept of leisure tourism in brief.
3) Define alternative tourism.
4) Describe the new paradigms in alternative tourism.
5) What do you understand by adventure tourism?
6) Mention the various adventure tourism activities.
UNIT 5  TRAVEL MOTIVATIONS

Structure
5.0 Objectives
5.1 Introduction
5.2 Motivation
  5.2.1 Types of Motivation
    5.2.1.1 Motivation Process
    5.2.1.2 Motivation and Behaviour
5.3 Travel Motivation
  5.3.1 Application of Motivation Theory to Tourism
    5.3.1.1 Maslow’s Need Hierarchy Theory of Motivation
    5.3.1.2 Expectancy Theory
    5.3.1.3 Dann’s Theory of Push and Pull Factors
    5.3.1.4 Gray’s Travel Motivation Theory
    5.3.1.5 Cohen’s Types of Tourist Theory
    5.3.1.6 McIntosh and Goeldner Categorisation of Travel Motivation
    5.3.1.7 IsoAhola’s Motivation Theory
    5.3.1.8 StanleyPlog’s Psychographic Model
5.4 Let Us Sum Up
5.5 Key Words
5.6 Answers to Check Your Progress
5.7 Terminal Questions

5.0 OBJECTIVES

After studying this unit, you should be able to:
- understand motivation;
- describe what is travel motivation;
- list the various attributes of travel motivation; and
- explain the various tourism motivation models.

5.1 INTRODUCTION

Human beings are complex organisms that can desire and involve themselves in various activities. For instance, a student reading a book, a man looking for a job for his sustenance and livelihood, a nomad travelling in search of shelter, and even all the actions that Hamlet commits in the play (Hamlet) were the result of his motivations! The word “motivation” is derived from the Latin term movere meaning- to move. Travel is an activity essentially driven by motivational forces. Some of the early accounts of travel available with us today, point towards the interest of the then travellers in exploration, particularly driven by the motivation to discover new lands, procure resources and search for treasure. However, the pre-historic travel has undergone significant changes with time, resulting in a shift from the search of food and shelter to pilgrimage to trade and then to recreation, leisure, health and rejuvenation etc. The above discussion also highlights an important feature of motivation, which is, they are interest-based.
We shall discover more of the inherent features of motivation and study attributes of travel motivation in this unit.

## 5.2 MOTIVATION

Motivation is derived from the term *motive*. The motive may be defined as an inner state of mind that activates and directs our behaviour. Inspiration is the essential mental cycle. None would reject that it is the most significant measure in a way to deal with authoritative conduct. Numerous individuals compare the reasons for conduct with inspiration. Reasons for conduct are a lot more extensive and more intricate than can be clarified by inspiration alone. Consequently, inspiration ought to never be under-evaluated.

Alongside Perception, Personality and Learning, Motivation is a significant cycle in understanding a conduct. It must be recollected that inspiration ought not be taken for conceded as the main clarification of conduct. It acts and connects related to other interceding measure and the earth. It should likewise be recollected that like some other interceding cycles or condition, inspiration can not be seen. Inspiration is undetectable. What all can be seen is the conduct. Inspiration is the theoretical build that is utilised to help clarify conduct.

### The term motivation has been defined as:

“A process that starts with a physiological or psychological deficiency or need that activates a behaviour or a drive that is aimed at a goal or incentive.”

*Fred Luthens*

“Motivation means a process of stimulating people to action to accomplish desired goals.”

*William G Scout*

“Motivation refers to the way in which urges, drives, desires, aspirations, strivings or needs direct, control and explain the behaviour of human beings.”

*McFarland*

The various examples as described above lead us to the categories of motivation, which are: Intrinsic Motivation and Extrinsic Motivation.
**Intrinsic motivation**

Intrinsic motivation is a type of motivation wherein motives originate from inside the human body. It is a behaviour that is triggered by internal rewards. In other words, intrinsic motivation arises from within the individuals as it is satisfying to them. These are activities done for innate happiness and not for some separable outcome. Example: Hunger, sleep, etc.

**Extrinsic Motivation**

On the other hand, in Extrinsic Motivation, motives originate from outside the human body. It refers to a stimulus that is driven by external rewards such as money, fame, respect, recognition, ego enhancement etc. Thus, it is fundamentally a reward driven behaviour.

5.2.1 Types of Motivation

a) **Primary Motives:**

Psychologists don’t absolutely concede to how to explain different human thought processes yet they would recognise that a few intentions are untaught and physiologically based. Such intentions are differently called physiological, natural, untaught or the essential. The last term essential is utilised here in light of the fact that it is more exhaustive than the others. The utilisation of the expression “Essential Motives” doesn’t infer that the said gathering of intentions consistently overshadows “General” and “Auxiliary” gathering of thought processes.

Despite the fact that the priority of Primary intentions is inferred in some inspiration speculations and there are numerous circumstances where General and Secondary thought processes prevail over essential intentions. Basic models incorporate abstinence among ministers and fasting for a strict, social or a political reason. In both of these cases learned Secondary thought processes are more grounded than untaught Primary intentions.

Primary motives are generally related to our wants and needs for survival, which consists of needs like thirst and hunger, warmth, love, sex and avoidance of pain and other general motives that may affect or influence human behaviour at a greater level.

b) **General Motives:**

A separate classification for general motives is not always given. Yet such a category became necessary because there are a number of motives which lie in a grey area between the Primary and Secondary classification. To be included in a general category, a motive must be unlearned but not physiologically based. Although not all psychologists would agree, the motives of Competence, Curiosity, Manipulation, Activity and Affection seem to best meet the criteria for said classification. An understanding of these general motives is crucial to the study of human behaviour, especially in organisations. These are more relevant to Organisational Behaviour than the Primary Motives.
c) **Competence Motive:**

Robert W White is most closely associated with the competence motive. White built an entire theory of competence motive, he was convinced that people strive to have control or competence over their environment. People need to know what they are driving to be able to make things happen. White determined that critical time for competence development is between the ages of six and nine. During this period children cut strings and venture into world on their own.

They develop needs to cross the street by themselves, ride a bicycle, play base-ball, roller skates and read. These needs are manifested by the drive for competence or mastery over the environment. The experiences of success and failures that youngsters come across, during the critical period, have a lasting impact on the intensity of their competence motive. This motive has interesting implications for job design in the organisation. It suggests that people may be motivated by the challenges of trying to master the jobs or to become competent in the jobs. But once the highly specialised jobs are mastered in the modern organisations, shortly after that the competence motive would disappear.

d) **Secondary Motives:**

Secondary motives are totally connected to learning concepts. A motive should be learned to be added in the secondary category. Many crucial human motives meet such criterion. Few of most important include Achievement, Affiliation and power and those are commonly referred to as Ach, Aff & Pow. In total, Specially with reference to organisational behaviour, Status and Security are also important secondary motives.

e) **Power Motive:**

The main promoter of the force rationale was Alfred Adler. In the year 1911, Adler formally broke his nearby binds with Sigmund Freud and proposed a contradicting hypothetical position. Though Sigmund Freud focused on the effect of the past and of sexual oblivious inspiration, Adler subbed the future and people overpowering drive for predominance of intensity.

Adler stated: - “Presently I start to see plainly in each physical wonder the making progress toward predominance. Every one of our capacities follow its headings, properly or wrongly they make progress toward victory, guarantee, increment. Whatever guarantees every one of our thinkers and therapists long for are Self safeguarding, joy guideline, adjustment, all these are nevertheless ambiguous portrayals, endeavours to communicate the incredible upward drive”. The crucial truth of our life.

To clarify the force need – the need to control others or the drive for predominance over others. Adler built up the ideas of feeling of inadequacy and pay. He felt that each little youngster encounters a feeling of inadequacy. At whatever point this sentiment of mediocrity is joined with what he detected as a natural requirement for predominance, the two standards all the conduct. The individual’s way of life is portrayed by endeavouring to make up for sentiment of inadequacy which is joined with the natural drive for power. The force intention has noteworthy ramifications for hierarchical initiative and conduct and for the casual political parts of associations. It has risen as
one of the most significant elements in the investigation of hierarchical conduct.

f) **Affiliation Motive:**

The affiliation motive though very complex, plays a very vital role in human behaviour. Sometimes affiliation is equated with the social motive and / or group dynamics. The affiliation motive is neither as broad as is implied by the definition of social motives nor as comprehensive or complex as is implied by definition of group dynamics. According to Hawthorn studies, the importance of affiliation motive in the behaviour of an organisation’s participants has been very clear. Employees especially rank and file employees have a very intense need to belong to and be accepted by a group. This affiliation motive is an important part of group dynamics.

g) **Status or Prestige Motive:**

Dr. Saul W Gellerman is a renowned psychologist and a member of the American Psychological Association. He is Manager of Personnel Research IBM World Trade Corporation. In one of his books “MOTIVATION & PRODUCTIVITY” he says: - “A man’s prestige in other words is how he expects to be treated and it has therefore a definite effect on how comfortably, conveniently and efficiently he can expect to get along in the life. Prestige is conferred by the society and not elected by an individual to suit his taste. High prestige is often as much a matter of low status people wanting to put someone on a pedestal or platform”.

5.2.1.1 **Motivation Process**

The key to understanding motivation leads us to the Motivation Process which is a relationship between needs, drives, and goals. No matter which theory of motivation we follow, the process remains the same.

The motivation process traverses through a series of discrete steps which have been presented as below:

1) **Unsatisfied Need** : It is the first step in the motivation process. The unsatisfied needs are triggered by an internal stimulus such as hunger and thirst. But they can also be activated externally such as through advertisement and display boards.

2) **Tension** : An unsatisfied need creates tension amongst the individual. The tension varies from physiological to sociological and psychological. The tensions subsequently stimulate drive.

3) **Drive** : A drive is essentially a strong stimulus created by tensions that call for action. During this stage, individual indulges in activities to satisfy the identified needs.
4) **Search behaviour**: The drive generates search behaviour to satisfy the needs identified in the first process. The search behaviour is vital to the motivation process.

5) **Satisfied Need**: After successful conduct of search behaviour, the next step in the satisfaction of a need. The need may be satisfied through rewards and punishments. These may be internal or external.

6) **Reduction of tension**: This is the last step in the motivation process. This can also be interpreted to be the realisation of our ultimate goal—the satisfaction of need and subsequent reduction of tension. However, if needs are left unsatisfied, it can become the foundation for the commencement of another cycle with different needs and goals.

**Check Your Progress A**

1) Define Motivation.

2) Describe Motivation process.

5.2.1.2 **Motivation and Behaviour**

Motivation causes goal directed behaviour. Need is the base for the motivation which is a kind of mental feeling in an individual that he needs something. This lack of something created tension in the mind of the individual. The individual tries to overcome this by engaging himself in a behaviour through which he satisfies he needs. This is goal directed behaviour and it leads to goal fulfilment and individual succeeds in fulfilling his needs and thereby overcoming his tension in the favourable environment. Behaviour ends the moment tension is released. However, satisfaction of one need leads to feeling of another need, either same need after some time or different need and goal directed behaviour goes on. Thus, goal directed behaviour is a continuous process.
However, if the need is not satisfying because of some reasons, the person may feel frustration which can be defined as accumulation of tension due to non-fulfilment of needs. At this stage the individual will try to modify his behaviour to eliminate factors for non-fulfilment of his needs. For example, putting more force need satisfactions.

5.3 TRAVEL MOTIVATION

Tourism motivation research’s history dates back to the first study conducted by Plog in 1972, followed by Dan in 1977, Crompton in 1979 and IsoAhola in 1980-1982. All the aforesaid mention theories suggest different categories of tourists, however one single thought that runs through each is that Tourists undertake travel for leisure, learning, socialise or for religious purposes.

Tourist motivation as cited in Pearce, Morrison & Rutledge 1998 has been defined “as the global integrating network of biological and cultural forces which gives value and direction to travel choices, behaviour and experience.”

Tourism is a potential tool to assess changes in social, economic and psychological attributes when people leave and return to their usual place of residence. From the businessmen’s perspective, tourism is a response to certain need-based actions/drives.

With the gradual expansion of this industry, arose a necessity to assess the factors with vital impact on tourists’ motivation to travel. Understanding and assessing these factors assist service providers to develop the appropriate package for the tourists.

5.3.1 Application of Motivation Theories to Tourism

5.3.1.1 Maslow’s Need Hierarchy Theory of Motivation

There is an array of theories available to describe the nature of the motivation process. But owing to its complex nature, not one theory could be used to illustrate what exactly motivates people and activates their need directed behaviour.

Nevertheless, Maslow’s need Hierarchy is believed to be closest to accurate to back the theory of Motivation process.

Characteristics of Maslow’s Need Hierarchy Theory of motivation:

- One of the peculiar characteristics of this theory lies in the fact that an individual’s needs move in a hierarchical order, i.e. from bottom to top.
- An individual can shift from a lower-level need to the upper level only after the former is satisfied.
- Once a given level of need is satisfied, it loses its ability to motivate the individual further.

*Maslow’s theory is based on a hierarchy of five basic needs:*
**Basic Physiological Needs:** The needs which are the most basic, constitute this category. For example, hunger, sleep, thirst, etc. This concept can also be applied to the tourism industry. A tourist while undertaking travel ensures the availability of appropriate accommodation, potable water, and restaurants providing good quality food.

**Safety/Security Needs:** These needs protect individuals from physical and emotional harm. For example, job security, the stability of income, etc. In the case of the tourism industry, destinations can attract tourists only if they provide sufficient security and hassle-free vacation experience. Thus, in case of a tourist destination safety and security could be ensured by providing assistance and ensuring repatriation of travellers in case of any emergency (Natural calamity, etc.)

**Affiliation/belonging needs:** The third need relates to the desire of formulating and/or building relationships with people to create a sense of belongingness. To tourists, this need is essential to become familiar with communities and to ultimately immerse in the travel experience.

**Esteem Needs:** After the fulfilment of affiliation and belonging needs, the fourth need arises which is, esteem needs. This includes self-respect, recognition, and attention. This phenomenon is very much evident in the tourism industry as a large part of the tourists’ community travel to boast among friends and family, and to gain higher social status.

**Self-actualisation Needs:** This is the final need in the pyramid. It includes growth and self-fulfilment. In the context of tourism, travellers are seen to be traveling to improve a specific skill set like hiking, trekking or even undertaking activities like scuba diving, caving, etc which results in increased stamina, improving their risk-taking abilities and many more.

5.3.1.2 **Expectancy Theory**

The expectancy theory of motivation was propounded by Victor Vroom of Yale School of Management in 1964. This theory in simple words, means how much an individual wants a reward. It is based on the belief that more effort will lead to better performance. Vroom used the variables Expectancy, Instrumentality and Valence to describe the same. This motivational relationship is expressed in the form of formula:

\[ E = I \times V \]
Travel Motivations

\[ M = V \times E \times I \]

Where,

\( M \) = Motivation
\( V \) = Valance
\( E \) = Expectancy
\( I \) = Instrumentality

- **Expectancy**: It is an individual’s perception about the extent to which his/her effort will result in a certain level of performance. If expectancy is high, people believe that the harder they try, better would be their performance.

- **Instrumentality**: It is related to the level to which the performance at a certain level will result in attainment of outcomes. In situation of high instrumentality people often believe that greater level performance leads to realisation of certain outcomes (which may/may not be desirable).

- **Valence**: It is the last step in the process and directs to the desirability of each of the available outcomes. In this stage, they desire the outcomes that result from their performance (higher here).

5.3.1.3 Dann’s Theory of Push and Pull Factors

Dann unambiguously explains this theory through two different levels of socio-psychological motivation. The first level, i.e. push factors are the motives that drive people away from home. For example, Novelty, education etc.

The second level being pull factors which are the motives that attract tourists towards a destination.

The levels have been described in detail as follows:

- **Push Factors**:

As described above, push factors are intrinsic or internal desire or needs that urge people to travel. Push factors are socio-psychological in nature as they arise from within the individuals and are associated with factors like yearning for rest, leisure, recreation, spending time with family and friends or even a weekend getaway are all examples of Push factors. Psychological and physiological imbalances in particular play an important role to motivate people.

- **Pull factors**:

Pull factors, on the other hand are based on a destination’s attractiveness, specifically the facilities and amenities it has to offer to the tourists, for example appropriate accommodation, restaurants, entertainment facilities, etc. Despite the fact that pull factors are largely stimulated by external forces and are destination specific but they can help set off the push factors.
On the whole, both push and pull coincide for the ultimate travel decision and experience.

<table>
<thead>
<tr>
<th>Push factors</th>
<th>Pull Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escape</td>
<td>Natural Beauty</td>
</tr>
<tr>
<td>Self Discovery</td>
<td>Cultural attractions</td>
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<tr>
<td>Leisure</td>
<td>Accomodation</td>
</tr>
<tr>
<td>Adrenaline rush</td>
<td>F&amp;B services</td>
</tr>
<tr>
<td>Spending time with family and friends</td>
<td>Recreation Facilities</td>
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</tbody>
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Check Your Progress B

1) What are push and pull factors in tourism motivation?

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2) What is expectancy theory of motivation?

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5.3.1.4 Gray’s Travel Motivation Theory

Gray’s Travel motivation theory constitutes two main motives for travel: Wanderlust and Sunlust.

- **Wanderlust**

Wanderlust is a strong desire or urge to travel. It is fundamentally a connate trait i.e. arising from within the individual and may be induced by socio-psychological imbalances. One of the peculiar characteristics of wanderlust is the desire to explore the undiscovered places; to leave from a familiar environment to an unfamiliar one. Curiosity also plays an important role here.
• **Sunlust**

Sunlust is related to travel for particular facilities or amenities that do not exist at the place of residence of the tourist. For example, recreation and leisure facilities, shopping, gaming arenas, cultural or historical interest and many more. Sun-lust also includes travel for adventure activities like trekking, rafting, mountaineering etc. The duration of this travel is of longer term as compared to wanderlust.

5.3.1.5 **Cohen’s Types of Tourist Theory**

Cohen, a sociologist of tourism has in his theory, classified tourists on the basis of their travel behaviours and on the basis to which they aspire familiarity and novelty.

The following table describes the characteristics of the identified types of tourists.

<table>
<thead>
<tr>
<th>Type</th>
<th>Familiarity</th>
<th>Novelty</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Drifter</td>
<td>Lowest</td>
<td>Highest</td>
<td>Highly adventurous, interacts and lives with the local community</td>
</tr>
<tr>
<td>The explorer</td>
<td>Lower</td>
<td>Higher</td>
<td>Prefers solo travel, congenial accommodation and dependable mode of transport</td>
</tr>
<tr>
<td>The Individual Mass tourist</td>
<td>Higher</td>
<td>Lower</td>
<td>Undertakes lone travel, follows a fixed schedule or itinerary (to some extent)</td>
</tr>
<tr>
<td>The organised mass tourist</td>
<td>Highest</td>
<td>Lowest</td>
<td>Follows a guided tour and a fixed itinerary.</td>
</tr>
</tbody>
</table>

5.3.1.6 **McIntosh and Goeldner Categorisation of Travel Motivation:**

McIntosh and Goeldner (1984) in their theory have summarised all the former studies on travel motivation.

They have broadly classified tourist groups into four categories:

- **Physical Motivators:** Physical motivators are concerned with health and well-being. It includes rest, sports and recreational activities like climbing, hiking, swimming, undergoing treatments, attending yoga camps etc. In short, they are directly related to one’s health.
• **Interpersonal Motivators:** Human beings are complex social animals that have the ability to exchange ideas, thoughts and values through language or other means of communication. Thus, interpersonal motivators include visiting friends and relatives, spending time with family etc.

• **Cultural Motivators:** The ardent desire to explore ideas, customs or social behaviour of another community or society fall under this category. For instance, tourists interacting with local community and learning about their dance forms, folk lore, history etc.

• **Status and Prestige Motivators:** The need for fame, recognition, respect amongst peers and society, self-fulfilment, ego enhancement, personal development and desire for continuation of education are covered under this category. It also includes travel for business or professional purposes.

### 5.3.1.7 IsoAhola’s Motivation Theory

Iso-Ahola’s theory states seeking (Inherent rewards) and escaping (from routine/familiar environments) motivates people to travel. Iso-Ahola suggested that tourists tend to keep away from extreme situations like over-stimulation (mental or physical fatigue) and very little stimulation (boredom) and looking out for internal rewards and getting away from mundane routines.

IsoAhola’s (1983) term, “recreational travel is a process of continuous interplay of two forces: to avoid one’s daily environment and to seek novelty and other psychological rewards”. Both these components have interpersonal and personal elements. They also act as a push force for the tourists meaning to break away from the usual place of residence.

The theory also suggests that people, at one point of time, interact with another community to achieve a desired level of satisfaction. This also involves cutting themselves from others or the people they already know.

The understanding of the theory has brought about two key words:

**Escape:** Meaning breaking away from the monotonous routine of everyday life.

**Seeking:** The desire to receive innate psychological and physical rewards from others or through solo travel.

### 5.3.1.8 S.C. Plog’s Psychographic Model

In Plog’s psychographic model, tourists are segregated on the basis of personality traits along a continuum, with Allocentrics on one end of the gamut and psychocentrics on the other. In the middle of the gamut lies the mid-centric. Apart from these three categories, tourist might fall into near-allocentrics or near-psychocentrics, without falling completely in any of the extreme categories. Plog’s model makes a specialty of describing the everyday evolution in a destination due to its recognition in the tourism marketplace stated as below:

A destination development moves through the model gamut from allocentrics to mid-centrics and then ultimately to psychocentrics.
Allocentrics are the first to discover a new tourist destination, explore it and then recommend the destination to the fraternity through word of mouth (or social media).

Near-allocentrics would be the first one to follow their lead.

After near-allocentrics, the next set of potential tourists are Mid-centrics, who visit at a time when the destination has started to popularise and, on the path of becoming a mass tourist destination.

By this time, allocentrics have developed somewhat an aversion for the destination, since it has lost its novelty and uniqueness. But some near-allocentrics might keep visiting the destination.

Next group of tourists visiting the destination would be near-psychocentrics, who, by their nature, are willing to travel to popular places or the places they have heard of previously or been to before.

The psychocentrics will be the final group to visit the destination, which has now become a mass tourism destination. The psychocentrics are safe travellers, who seek to travel to destination with suitable infrastructure facilities, accommodation, food and beverage services, entertainment facilities, etc.

Gradually, as the destination’s popularity declines, the number of tourists visiting the area also declines, resulting in disrupting destination economy and ultimately its demise.

Some of the characteristics of the tourist types are as follows:

i) **Allocentrics:**
- A vacationer who seeks new studies and journey in a huge variety of sports. This person is outgoing and self-assured in behaviour.
- An Allocentric person prefers to explore new and uncommon regions before others achieve this.
- Allocentric experience meeting humans from overseas or one of a kind cultures.
- They prefer suitable lodges and food, however not necessarily contemporary or chain-kind inns.
- They are not committed to a structured itinerary. They make their personal preparations instead.

ii) **Psychocentrics:**
- A traveller falling on this category is typically non-adventuresome.
- They opt to go back to acquainted journey locations wherein they could loosen up and know what kinds of food and pastime to count on.
- Such travellers opt to drive to locations, stay in standard hotels, and eat at circle of relatives-kind restaurants.
iii) **Mid-centrics:**

- This category of tourists covers those who swing among the above stated kinds. In other words, they swing among the Allocentric and Psychocentric.
- Such forms of Tourists are placed in the middle of the continuum in Plog’s Psychographic Model.
- They have a balanced mixture of both persona based psychographic trends.
- They lean in neither the tried-and genuine course of the ‘Psychocentric’ nor the variety-seeking route of the ‘Allocentric’

iv) **Near-allocentric and near-psychocentric:**

- In addition, vacationers may fall into Near-Allocentric Near-psychocentric without falling absolutely into the extreme types of this model.

- After a vacation spot has been explored by the Allocentric, Near-Allocentric are some of the first major wave of adopters, while the Near-Psychocentric are most probable to try a vacation spot that has been visited numerous times.

*source: plog (2011)*

**Uses of the model:**

- Plog’s model focuses on describing the standard evolution in a destination as a result of its popularity. As an area becomes extra crowded and industrial, it appeals to an exclusive target market with distinct tastes and choices. However, Plog also noted that such styles can be stimulated or changed via the intervention of planners, stakeholders, and choice-makers at the destination. For example, new points of interest or infrastructure improvement may additionally add a sense of freshness to an area, repositioning it in the journey marketplace.

- The idea of allocentrism-psychocentrism has been effectively employed within the components and layout of tourism development plans.
• The model has also been used as the basis for tourism promotional and communication strategies.

• Lastly, it has been utilised as a conceptual basis for developing marketing campaigns for various destinations.

5.4 LET US SUM UP

The unit discusses about the inherent characteristics of motivation and motivation process. Along with that, it reviews the various theories relating to travel motivation propounded by authors like Plog, Dann, Iso-Ahola et al. Human beings are complex organisms and their needs and aspirations vary from one another. Therefore, not one particular theory could suffice their behaviour analysis. Also, the purpose of undertaking travel varies across tourists like visiting friends and family, developing a skill, seeking education or just to break away from Mundane routine. Thus, we also got insight into the advantages of using models and how can they be beneficial for formulating tourism policies.

5.5 KEY WORDS

**Communication:** Process of exchange of information (verbally or non-verbally).

**Drives:** An urgent basic need pressing for satisfaction, usually rooted in some physiological tension, deficiency, or imbalance.

**Goals:** The object of a person’s ambition or effort; an aim or desired result.

**Hiking:** An outdoor activity consisting of walking in natural environments, often in mountains and other terrain.

**Motivation:** Motivation is the experience of desire or aversion.

**Motive:** Inner state of mind that activates and directs our behaviour.

**Need:** A motivating force that compels action for its satisfaction.

**Trekking:** Trekking involves a long robust walk (hike) in wilderness for several days usually on non-designated paths.

**Scuba diving:** Scuba diving is a mode of underwater diving where the diver uses a self-contained breathing apparatus (SCUBA) for swimming underwater.

**Stakeholder:** Any group or individual who can affect or is affected by the achievement of the Organisation’s objectives.

**Tourism:** Activities of people travelling to and staying in places outside their usual environment for not less than 24 hours and not more than one consecutive year for purposes such as leisure, business and recreation.

**Tourists:** A temporary visitor, intending to stay overnight at a destination away from his usual place of residence for purposes such as leisure, business or recreation.
5.6 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress A

1) Kindly refer Section 5.2
2) See Sub-section 5.2.1.1

Check Your Progress B

1) See Sub-section 5.3.1.3
2) See Sub-section 5.3.1.2

5.7 TERMINAL QUESTIONS

1) Explain the meaning and steps of Motivation process.
2) Highlight the main points of Maslow’s Need Hierarchy Theory of motivation.
3) Explain the attributes of allocentric.
4) Explain the S.C. Plog’s Psychographic Model.
5) Explain the Expectancy Theory.
UNIT 6   TOURISM SYSTEM: COMPONENTS, ELEMENTS AND MODELS

Structure
6.0  Objectives
6.1  Introduction
6.2  System
6.3  Tourism as a System
   6.3.1  Components of tourism system
   6.3.2  Leiper’s Tourism System Model
   6.3.3  Mill and Morrison’s Consumer Behaviour Model
   6.3.4  Mathieson and Wall Model of Travel-Buying Behaviour
6.4  Let Us Sum Up
6.5  Key Words
6.6  Answers to Check Your Progress
6.7  Terminal Questions

6.0  OBJECTIVES

After studying this unit, you should be able to:

- understand the various components of Tourism system;
- describe the different models of tourism system; and
- apply the model at numerous forms of tourism.

6.1  INTRODUCTION

Travel and tourism are one of the oldest activities known to human kind. During the pre-historic times, man used to travel in search of food and shelter. However, with the passage of time, travel had become a leisure activity largely undertaken to break away from mundane routine. The concept of paid holidays during the time of industrial revolution played a crucial role in popularising leisure tourism and weekend getaways leading to development of mass tourism destinations. However, with time, the concept of mass tourism has had a damaging effect to the destination owing to factors like pollution, over-crowding etc. which paved way for emergence of alternate forms of tourism like sustainable tourism, green tourism, heritage tourism, eco-tourism, which not only offer tourism opportunities but also cause less (or almost negligible) damage to the destination. This provides for a win-win situation for all tourism stakeholders viz. tourists, government, local community, businesses, etc. Nevertheless, development of any industry or activity requires a streamlined and systematic approach. Thus, the above factors led to development of theory of tourism system, to go into the depth of this phenomenon, specifically, considering factors like drawing power or pull force offered by a destination, push factors or what motivates people to undertake travel and finally what tourists do in the intermediate time frame. We shall study this concept and allied theories in this chapter.
6.2 SYSTEM

As per the Merriam-Webster dictionary, system can be defined as “a regularly interacting or interdependent group of items forming a unified whole.”

A pioneer theory to explain the systems approach has been penned by biologist Ludwig von Bertalanffy. He noted that all the systems are closed, i.e. do not interact with the outside environment.

Despite being aware about the veracity of above theory, he also believed that it was practically impossible. For instance, a human cannot survive upon separation from his environment (say, atmosphere which provides oxygen).

Thus, he declared that organisms are open systems; they interact with the outside environment or the systems outside of themselves. He further added that this system has two elements- input and output. Input is what comes from the outside and output is what leaves from the inside.

A system consists of several parts that are interconnected and interrelated, each part influencing each other through its dynamic nature while responding to the external influences as well. All the components within the system work to attain a common goal or purpose. An influence in one part of the system will be felt throughout the system. It can be also referred to a spider’s web. Ludwig von Bertalanffy, a biologist has defined ‘General system theory’ as a set of elements that experience interrelationship among themselves and with their external environments. A system is an assemblage or interrelated combination of things or elements or components forming a unitary whole (Hall 2008). Tourism can be referred to as a system as it reacts to the external environments like the social, political, technological and ecological. Elements like attraction, transport, accommodation, facilities interact with each other while it interacts with the external environment too.

6.3 TOURISM AS A SYSTEM

Systems theory proved to be a revolutionary hypothesis. Realising this fact, tourism researchers were quick to adapt and apply this to tourism. Thus, various scholars came up with their unique interpretations. As of today, theories given by Lepier, Mill and Morrison and Mathison and Wall are considered a pioneer work in this field.
The travel industry is by and large deliberately seen as a structure in which the hypothesis and practice interface up with one another to address the fulfilment of every one of those worried about the working of the framework.

The dynamic component of the travel industry framework is its recorded potential for advancement and coming about advantages. Notwithstanding, the framework works inside a worldwide monetary condition alongside public needs. These are regularly not perceived in a typical viewpoint. The various discernments can go about as requirements on the formative capability of an objective.

Tourism as a system is not only made up of hotels or restaurants or cultural attractions but is a combination of various elements intertwined and woven together to form an interdependent relationship.

This means that the tourism system must estimate the carrying capacity so that slogans to promote destinations will not have exclaimed. The system therefore has to be managed so that expectations are able to be realised. The way in which is managed will point to the degree of impacts of tourism on the industry. The larger objectives can be categorised into three economic, social and political.

### 6.3.1 Components of Tourism System

The five vital components of tourism system are **Attraction, Accessibility, Accommodation, Amenities and Activities**.

#### a) Attraction:

Tourism activity starts with the attractions. At a place or destination there has to be some attraction only then people or tourists will visit that area. Attractions are believed to be the greatest influencers of all the components. They can make or break a destination. Attractions are of two types: Natural Attractions like lakes, rivers, mountains, etc. and Man-made attractions like monuments, museums, shopping areas, etc. The ultimate motive of any tourist is to experience the attraction, though accessibility and accommodation also partake in this phenomenon. But it can be said that without attraction there shall be no tourism, however transport, hotels, activities and amenities can also act as attraction. Attractions are at the first step of tourism supply chain.

- Attractions are one of the most important component and element that attract people to travel from one place to another.
- Attractions consist of archaeological sites, cultural sites, historical buildings and monuments or scenery like beach, flora and fauna, mountains, resorts, wildlife sanctuaries, national parks and zoological parks.
- Attractions also includes events like exhibitions, trade fairs, festivals, sports events etc.
- Attractions are the preconditions of travel. It attracts more and more people and offers pleasure.
- Attractions also attract and connect people to enjoy and involve in various tourism activities.
Mainly there are two types of attractions:

**Natural Attraction**: Natural attractions are places made by nature itself for e.g. natural beauty, climate, mountains, landscape, flora and fauna, water resources, beaches, wild life, caves, safari etc.

**Man-Made Attraction**: Man made attractions are those attractions made or developed by humans for e.g. monuments, historical buildings, festivals, music, churches, temples, Disney lands, leisure parks, museums, casinos, discos club etc.

b) **Accessibility**:

Accessibility or otherwise said as transportation is an essential component of tourism system as it creates linkage between market source and destination. If there are attractions then those has to be visited by the tourists. Transportation is not a target usually but a mandate for the conduct of tour. But in some cases, transport can also become an attraction, for example, tourist trains run by IRCTC like Maharajas’ Express, Royal Rajasthan on wheels, etc. There are various modes of transportation available like roadways, airways, waterways and railways. Ideally, transport should be comfortable, reliable, affordable and appropriate for the traveller; whichever mode it may be.

- Transportation is a crucial/important key factor that has a huge impact on the growth and development of tourism industry.
- Attraction may be manmade or natural but without accessibility tourists cannot reach a destination from his origin or place of being.
- There is different mode of transportation that helps a tourist to reach his destination in any part of the world.

There are mainly three type/modes of transportation:

**Surface transportation**: Surface transportation includes both roadways and railways through land. It is one of the cheapest means of transportation as compared to other modes of transportation.

**Air Transportation**: Air Transportation is one of the fastest and costliest means of transportation; air transport is mainly used for travelling to long distance destination/places.

It has helped a lot, as people can travel long journey as well as they can travel through high mountains.

**Water Transportation**: Water Transportation is one of the oldest modes of transportation through water. It made important contribution to travel in 19th century after the innovation of shipping technology.
c) **Accommodation:**

Accommodation is one of the most crucial aspects of a destination. Any traveller choosing to visit any destination would firstly look for accommodation suited to his/her needs. It should provide him/her food and beverage services, resting facilities, etc. up to his satisfaction level. Accommodation units itself act as tourist attractions for a large number of people. There are few places, which are being visited by tourists only for their hotels. Palace Hotel Chail, Umaid Bhawan Palace, Jodhpur are some of the example of hotels, where tourists have to pay just for visiting the hotel property. In this way there are several places throughout the world where accommodation units are being treated as tourism products.

- Accommodation includes food and lodging facilities to different types of guest.
- Accommodation should be comfortable and Good quality of services & facilities should be provided to the guest by the accommodation unit.

**Mainly there are two types of accommodation:**

**Serviced Accommodation:** It refers to the services provided by the hotel, resorts, guest houses, motels, boutique hotels, home stay, star category hotels, heritage hotels, lodges etc. Different hotels are established to provide service of lodging and food to the guest.

**Self-Catering or Supplementary Accommodation:** It refers to the premises which offer accommodation but not the services of hotel. It provides food and accommodation in return of cash per day. E.g. Youth Hostel, Dharamshalas, Pati-Pauwa, Tourist holiday villages, etc.

d) **Amenities:**

Every tourist travelling to a new destination desires for world class facilities and services. In order to fulfil their demand huge efforts are made by the industry. High quality facilities are important aid to every tourist destination or centre. For a coastal resort, services like swimming, boating, yachting, surf-riding and other amenities like recreation, dancing and other entertainment and amusement services are very essential for each and every tourist destination. Facilities can be of two kinds’ natural, i.e. sea-bathing, beaches, possibilities of fishing, opportunities for trekking, climbing or viewing etc. and man-made, i.e. different kinds of entertainment facilities that can cater to the unique requirements of the various tourists. Outstanding beaches, sheltered from sunshine with palm and coconut trees and providing good bathing conditions makes a very good tourist centre. Various other natural facilities like large water for the purpose of cruising or the chances for hunting and fishing are equally very significant.

Amenities are the services required by the tourist to facilitate his travel. Amenities generally include infrastructure facilities like roads, sewage system, power grids, phone lines etc. and other facilities like police station, ATMs, Forex booths, hospitals etc. Although most of them are primarily developed for the residents but these amenities are utilised by the tourists also. In the terminology of tourism products these facilities are known as ‘Resident Oriented Products’.

- Amenities include various extra services and facilities required to the guest while travelling to different destination.
Amenities are those Facilities that complement to the attraction.

Amenities also include facilities like providing visa, flight ticket, train ticket etc.

**Mainly there are two types of amenities:**

a) **Natural**: Seashores, sea bath, fishing, rock climbing, trekking, sightseeing, river, sunrise etc.

b) **Man-made**: Dance, Music, Drama, Cinema, Swimming Pool, Fair and Festivals, and Internet etc.

c) **Activities:**

Attractions are often assisted by various activities that enhance tourist experience. For example: a lake in Nainital may have boating and cruise facilities, a monument in Agra may offer a guided tour by a tour guide or a light and sound show in Khajuraho, hiking in a mountain, skiing in the snow slopes in Himalayas, white water river rafting in Ganges river, fishing in Manalsu river, paragliding in Bir, Trek in Hamta pass et al.

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<td>1) Define System.</td>
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2) What is general systems theory? Also name its founder.

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3) What are the components of tourism system?

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6.3.2 Leiper’s Tourism System Model

The Leiper’s model was given by Neil Leiper, who was an Australian scholar and his model is considered to be a very popular model in tourism literature. Leiper’s model is considered to be a very powerful model for the understanding of tourism as a system. Earlier tourism was considered as a simple single industry but later it was found that it is a very complex industry so it cannot be treated as a single entity. This industry has to be considered as a complete system in holistic nature. This model is helping scholars to understand the interconnections amongst the various other smaller systems amongst the larger aspects of the tourism system. In layman language, in Leiper’s model, there are three main elements. In other way they can be called as the main players in tourism system. It is the tourist at first place, at second place it is the geographical features and at third place it is the tourism industry itself.

According to Leiper (1990) a tourist attraction system is defined as an empirical connection of tourist, nucleus, and marker with tourists being travellers or visitors seeking leisure-related experiences, which involve nuclear and marker elements. Leiper in his model, has taken tourism as a system with five interrelated components which must occur in a consecutive manner for tourism to occur.

- Human components (tourists)
- Industrial components (Tourism industry)
- Geographical components (Traveller generating region, transit route region and tourist destination region)
- Environmental Component.

The above elements are likely to be affected by their external environment (environmental, social, legal and political).
i) **Human Component:**

Human element comprises of tourists. UNWTO has defined tourists as “a temporary visitor, intending to spend overnight at a destination, away from his usual place of residence for purposes such as leisure, business or recreation. A key difference between tourist and visitor is that in the case of former, the length of stay cannot exceed a period of 12 months.

According to Gunn, a tourist must be motivated to undertake travel. Those who do not have the interest, incline or desire would not be counted as tourists.

People who arrive at a destination to
- engage in any business activity,
- undertake education
- or any traveller traversing a country or region, without having any intent to stay there will not be considered as tourists.

Another category is excursionists, who are temporary visitors for a period of less than 24 hours in the country visited (including travellers on the cruises).

ii) **Industrial Component:**

*Tourism industry is fundamentally a synergy between its four sectors*

- **Transportation:**
  Transportation is a crucial element of Tourism Industry. Transportation has made travel possible. It is also noteworthy to mention that advances in transportation have made travel quicker and comfortable.

  Transport is divided into
  - Air
  - Land (Roadways and Railways)
  - Water

Tourists require travel at three destination points. Firstly, to and fro the point of origin and destination region. Secondly, to travel in between two destinations (in case of tourists travelling to more than one destination) and lastly, within a destination.

- **Accommodation:**
  Accommodation sector comprises of establishments providing lodging facilities to the tourists at a particular price. This includes hotels, Bed and breakfast inns, motels, resorts, homestays and the like. The accommodation varies in terms of amenities (Budget hotel or resort), location (city centre or airport hotels) and many more.

- **Ancillary Services**
  A destination’s ancillary services include activities and attractions. Besides this, shopping, F&B services and Wi-Fi facilities are also included. Some of the ancillary services have been explained as below:
Tourist Publication (Online and Offline): Knowledge about destination both before and during the visit is pivotal in tourism phenomenon. The information should give details about the dos and don’ts at the destination, lodging facilities, attractions (both natural and man-made), local community (their language, culture, food, traditions, et al) and many more. This will help in familiarising tourists with the destination beforehand.

Public Services and Amenities: A destination’s infrastructure should suffice the requirements of the tourists. It includes well-built roads with accurate signage, sewage facilities, availability of potable water, communication facilities (Phone booths, secured network) medical facilities (hospitals, dispensaries, etc.) and many more.

Financial Services: Tourists require funds to arrange for their travel. Foreign exchange becomes important in case of inbound tourism. Besides this, availability of ATMs and banks at various locations in a destination is very important.

Entertainment: It includes facilities for recreation and enjoyment such as gaming arenas, theatres, casinos, etc.

d) Sales and Distribution:
Tourism product, similar to other products is separated from its customers owing to some geographical constraints. Thus, Sales distribution system was developed to bridge the gap between the two. Tourism sales distribution, similar to its counterparts is carried out through service providers like hotels, airlines, travel agents, tour operators, etc.

iii) Geographical Component:
Geographical component is composed of three elements:

a) Traveller Generating Region:
Traveller Generating Regions (TGR) represents that part of tourism system from where human beings undertake journey to any other area of their choice. It is the generating market for tourism and acts as a push force to stimulate and inspire journey.

It is from here that the traveller searches for information, makes reservations and departs from.

b) Transit Route Region:
Evidently, there is a distance between the TGR and TDR. This region is called as Transit route region. It comprises of lodging facilities (like motels), F&B services (restaurants) etc. It may also include intermediate attractions which may be visited en-route the final destination.

c) Tourist Destination Region:
Tourist destination region is the place which traveller ultimately seeks to visit. It acts as a pull force for the tourists, offering variety of attractions, rejuvenation and leisure opportunities. It is at the Tourist Destination Region that the ultimate impact of tourism is felt. Thus, a systematic approach towards development of tourism is a requisite.
iv) The Environmental Component:

The last element/component in the Leiper’s model of tourism system is the environment component which is surrounded mainly by three geographical regions. There is interaction between tourism and external environment since tourism is an open system. Tourism system is affected by environment and vice versa. These forces either induce positive or negative influences on the tourism system.

There are various environmental components which affect the tourism system, which are as follows:

1) Economic Factors
2) Political Factors
3) Technological Factors
4) Social/Cultural Factors
5) Legal Factors
6) Environmental Factors

- Economic Factors

Economic factors have a huge impact on tourism system as tourism as an activity is directly linked to the economy or the per capita income of the tourist generating area, standard of living and disposable income of the locals. On the other hand, if different tourist destinations across the globe offer/ provide cheap or affordable tourism services or tourism products to the various tourists travelling to such destinations automatically there will be a growth in tourism development and new opportunities will be created for tourism activities. Therefore, the income and expenditure of the tourists will be balanced ensuring tourist flow. Economic factors are also directly related to the general global financial situation. The financial depression that was prevalent in the year 2008 had severely affected the tourism industry as the per capita income decreased all over the world.

- Political Factors

Current political situation and political stability has a huge impact on tourism system, an instable situation at a particular destination hampers the tourism growth and development. Political harmony and law and order if executed in a proper way it helps tourism system to function an effective and efficient manner. If government in power comes up with proper planning for tourism and encourage more investment in tourism projects and give tax benefits to the stakeholders, there will be enough growth in the tourism industry. Government policies and relationship with foreign countries of tourist destination region and tourist generating region will growth at a very good speed and will also flourish in times to come. Otherwise tourism growth will be adversely affected.

- Technological Factors

Technology is another important factor that affects the tourism system. Technology has been developing swiftly and it has spread its wings in all the sectors especially in tourism. It has changed the travel behaviour of the tourist of the generating region and the organisations of the tourism industry are using technology to market their services and products of the tourist destination region. Internet is
used by the tourists to gather information about the destinations, the transit routes and the attractions to decide on their travel. They make reservations online instead of approaching the travel agents and tour operators - traditional methods of distribution system. The suppliers of the destination region and the transit route region like the airlines, hotels, and tourism attraction operators make direct contact with the tourists generating region and create great challenge to the intermediaries.

- **Social/Cultural Factors**

Social or cultural factors spell significant influences on the tourism system. Based on the attitude of the local people in the tourism destination region the tourists of the generating region will be pulled towards it. The experience of the tourists depends upon the receptive nature of the hosts of the destination. If aversion prevails over the behaviour of the tourists in the minds of the host people, loyal tourists cannot be pulled by the destination region. The tourists will not prefer to visit a destination which is not tourist friendly.

- **Legal Factors**

The legal factors refer to the prevalent law and order in the tourist generating region, transit route region and the tourist destination region. These laws act as a framework to protect the tourists and the organisations of the tourism industry. It leads to the proper development and management of tourism and the components of the tourism system. There are laws pertaining to tourism infrastructure, conservation of natural rich biodiversity and the cultural resources.

- **Environmental Factors**

The environmental factors are related to the rich biodiversity existing in the tourist destination region. The more the pressure given to the environmental chasteness more will be the impact on the biodiversity. The ecosystem of the destination region is affected by the tourists of the generating region and the tourism industrial operators. Negative impacts like pollution, loss of greenery, congestion, over utilisation creates the imperatives for making tourism sustainable for the future. Therefore, such negative impacts have to be eliminated or reduced by the government creating awareness about sustainability of tourism resources in the minds of the stakeholders otherwise severe loss will be exerted on the tourism system.

**Check Your Progress B**

1) Define Traveller Generating Region.

2) What is human component in Leiper’s model of Tourism system?
6.3.3 Mill and Morrison’s Consumer Behaviour Model

The Tourism System
(Mill and Morrison 1985)

This Mill and Morrison’s Consumer behaviour model is cyclical in nature. The version suggests that every component of the tourism system reinforces and affects the subsequent. The key elements of the system are the market, travel, the destination and marketing. Market demand, in this model is determined by a number of internal and external influences which affect the travel purchase.

This, in turn, affects the tour element of the tourism system for the reason that demand for a product encourages the improvement of transportation networks to meet this demand. This in turn influences the type, nature and level of tourism infrastructure at a destination. This consequentially influences the marketing method for a vacation spot and the market segments. The way in which a destination markets itself and communicates its product can stimulate the level and type of patron demand, which is prompted by way of a number of internal and outside elements.

The model can have certain general uses like total demand of the market can be studied by taking into account the external and internal factors. The model can particularly be used by the tourism promotional agencies and travel intermediaries (tour operators and Travel agents) for comparing the numerous levels of purchasing behaviours of tourists. The model can also guide the destination development and promotion agencies to undertake research and development for the tourism industry.

This model can also be adopted by tour operators, travel agents, transport operators, entertainment agencies, lodges and inn businesses, leisure companies, and so on as a framework to evaluate the purchasing behaviour of tourists. Accordingly, they can put into effect marketing strategies to function the product in the marketplace. This model, in short, explains about the levels via which tourism intermediaries can reach in the marketplace place with no trouble. In essence, this approach displays a marketplace-oriented view of the tourism device wherein the figuring out factor is patron behaviour.
### 6.3.4 Mathieson and Wall Model of Travel-Buying Behaviour

Mathieson and Wall (1982) suggested a five-stage linear model of travel buying behaviour as shown in the diagram.

a) **Felt Need/ travel desire**: A travel desire is felt amongst the tourists, mostly caused by intrinsic factors such as spending time with friends and family, rejuvenation, relaxation, developing a particular skill set (say, hiking, trekking, cycling) and many more. All the aforesaid reasons are assessed in this process.

b) **Information collection and evaluation image**: In this stage, information regarding travel information is collected from various formal and informal sources. The information received is evaluated against each other.

c) **Travel decision**: It involves the decision regarding destination to be visited (amongst array of choices available), accommodation, activities to be undertaken, attractions to be visited, et al. In the decision-making process tourist expectations and the benefits sought relate to a core tourism product.

d) **Travel preparation and experience**: It involves travel booking (including travel documents like visa and passport) and commencement of travel. It fundamentally includes the appropriation of travel decisions undertaken in the former step.

e) **Travel satisfaction evaluation**: After undertaking the desired travel (or vacation) the next step is to evaluate the post trip satisfaction taking into consideration a total tourism product that encompasses the attraction, transport, accommodation, food, hosts, weather and many other elements which form the total tourism experience. This also influences further travel decisions. Although all the stages of decision-making process by tourist are equally important, it is the endmost stage that is crucial to securing recurring visits to the destination.

#### Check Your Progress C

1) What is Travel decision?

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<table>
<thead>
<tr>
<th>Felt need/ travel desire</th>
<th>Information collection and evaluation image</th>
<th>Travel decision (Choice between alternatives)</th>
<th>Travel preparation and experience</th>
<th>Travel satisfaction outcome and evaluation</th>
</tr>
</thead>
</table>

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93
2) Describe travel information.

3) List the documents required in travel booking.

4) Complete the following diagrams:

a)

b)

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6.4 LET US SUM UP

All industries fall under the gamut of a system to keep them as a unified whole and to help them function efficiently. With the world-wide acceptance of the Systems theory propounded by biologist Ludwig von Bertalanffy, many tourism researchers started to explore the horizons of this theory and were anxious to apply this concept to tourism. The systems and models given by Leiper Mill and Morrison and Mathieson and Wall are the most widely acclaimed as of today.
Drawing from the above models, we realise that tourism as a phenomenon involves careful analysis, owing to the ambiguous nature of tourists. In other words, tourists’ expectations, behaviours, needs and motivations are different due to various geographical, political and socio-cultural factors. However, if the businesses (mainly service providers) and government put conscientious effort in inspection of the aforesaid variables, it could help curate the right policies and framework for future planning and development.

### 6.5 KEY WORDS

**Demand:** Quantity of commodity buyers are willing to purchase at a given price and given point of time.

**Industry:** Activities engaged in the production of goods and services by utilising available material resources.

**Leisure:** Use of available time for enjoyment.

**Market:** The sum total of all the buyers and sellers in the area or region under consideration.

**Stakeholders:** Any group or individual who can affect or is affected by the achievement of the organisation's objectives.

**System:** A set of things working together as parts of a mechanism or an interconnecting network; a complex whole.

**Tourists:** A temporary visitor, intending to stay overnight at a destination away from his usual place of residence for purposes such as leisure, business or recreation.

### 6.6 ANSWER TO CHECK YOUR PROGRESS

#### Check Your Progress A

1) A system consists of several parts that are interconnected and interrelated.

2) General system theory is a set of elements that experience interrelationship among themselves and with their external environments. This theory was given by Ludwig von Bertalanffy.

3) There are five components of tourism system and these are as follows - **Attraction, Accessibility, Accommodation, Amenities** and **Activities**.

#### Check Your Progress B

1) The part of tourism system from where human beings undertake journey to any other area of their choice is known as Traveller Generating Region.

2) Human component in Leiper’s model of Tourism system comprises of tourists.

#### Check Your Progress C

1) It is the decision regarding visiting a place.

2) The information, which is required to complete a tour is known as travel information like transportation, climate, hotels, activities, facilities etc.
3) The documents required in travel booking are passport and Visa.

4) Complete the following diagrams:
   a) Marketing, Travel
   b) Information collection and evaluation image, Travel decision, Travel preparation and experience

### 6.7 TERMINAL QUESTIONS

1) Explain the meaning of tourism system with suitable examples.

2) Mention the major elements of tourism system.

3) Highlight the major points of Leiper’s Tourism System Model.

4) Explain the concept of five-stage linear model of travel buying behaviour.
UNIT 7 TOURISM INDUSTRY- STRUCTURE AND COMPONENTS

Structure
7.0 Objectives
7.1 Introduction
7.2 Structure and Components of Tourism Industry
7.3 Accommodation
7.4 Transportation
7.5 Destination and Attractions
7.6 Travel Intermediaries and DMOs
7.7 Linkages and Integrations in the Tourism Industry
7.8 Let Us Sum Up
7.9 Key Words
7.10 Answers to Check Your Progress
7.11 Terminal Questions

7.0 OBJECTIVES

After studying this unit, you should be able to:

- understand the concept of industry in general and tourism industry in specific;
- understand the structure and components of tourism industry;
- understand the role of accommodation, transportation and various tourism intermediaries in functioning of tourism industry;
- describe the Destination Management Organisations; and
- describe various linkages and integrations of tourism Industry.

7.1 INTRODUCTION

In the previous unit we have studied the tourism system. The present unit will deal with another important aspect i.e. tourism industry. Before, we move on to explaining tourism industry, let us try to understand the term industry. What does an industry means? How you define an industry? In layman terms, an industry is the group of business organisations producing same/similar products or services. For example, group of business organisations producing leather items i.e. foot wear, leather apparels etc. will be called leather industry. Group of organisations producing various kinds of automobile like Maruti, Tata Motors, Ashok Leyland etc. represent automobile industry. Tourism product is not a single item rather it’s an amalgam of various services which then makes the final tourism product. Hence, group of organisations which deals with various components of tourism product constitutes tourism industry. Over the years tourism industry has arisen as an important driver of growth among the service sector in the world by

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providing lot of benefits in terms of improved infrastructure, employment, per capita income, better standard of living, foreign exchange earnings etc. As per World Travel and Tourism Council economic impacts report for the year 2019, tourism industry accounted for 10.3% of global GDP and 330 million or 1 in every 10 jobs globally.

7.2 STRUCTURE AND COMPONENTS OF TOURISM INDUSTRY

As we are aware that tourism product is an amalgam of various services, which collectively offers the final product to the end user i.e. tourist. Before we move further, let us have a quick recap of various components of tourism product, which will help us in conceptualising the tourism industry. In case of tourism product, various components (attraction, accessibility accommodation, amenities, activities, local residents, tourist etc.) work closely together to give desired results. But, these components also require the backing of infrastructure, superstructure, sound information and good governance to manage the tourism successfully. The six main components of tourism product are:

1) Attraction
2) Accessibility
3) Accommodation
4) Activities
5) Amenities
6) Available package

1) Attraction : are the main pull factors which draw tourists to travel to the destination. They may be natural or man-made and add to cultural or social aspects of a destination.

2) Accessibility : comprises the modes of transportation (land, air or water) and facilities present at the tourism destination.

3) Accommodation : provides the lodging, food and other services to the tourist. They may comprise the hotel property or other supplementary types of accommodation.

4) Activities : cover a range of actions a tourist can get involved in a tourism destination such as mountaineering, trekking, rock climbing, caving, camping, fishing, bungee jumping, mountain biking etc. These activities in tourism have reached great levels owing to enhanced awareness in health and fitness.

5) Amenities : are the various services and facilities a visitor needs at a tourism destination. It is vital for the tourism and include very basic to advance facilities such as convenience facilities, signage, emergency facilities, postal services, shopping, theatre, parking etc. It at sometimes is also referred to as “pleasantness” of a destination.
6) **Available package** : comprise the sum total of tourist services arranged individually or in combination by the travel agent or tour operator. Depending upon the various types of tourism the packages also can be of different types and variably priced depending on the tourist services included.

This complexity of tourism product gives rise to an industry which is equally complex in structure and encompasses a wide array of organisations. A schematic representation of tourism industry can be portrayed as per below diagram.

![Structure of Tourism Industry](image)

**Fig. 7.1: Structure of Tourism Industry, Bhatia (2006)**

Let us have a look at each component of tourism Industry.

1) **Private Sector Support Services** : This includes the guiding and escorting services, travel insurance and foreign currency services, travel trade press and tourism marketing service, travel trade publications etc. These are the services which though not the part and parcel of final tourism product in every case but these are essential for the execution and operation of tour package effectively. This aspect of tourism industry is primarily dominated by the private organisations.

2) **Public Sector organisations** : It consists of national or regional tourism organisations (NTO’s or RTO’s) that primarily decides the broader objectives, strategy and play a leadership role in the overall growth of tourism. These organisations, primarily work for providing basic infrastructure, general guiding principles and broader level marketing and image making services for a destination. For example, Ministry of Tourism, Govt. of India runs Incredible India marketing campaign, similarly each state have its own State Tourism Development Corporation which runs and operates state specific marketing and promotional campaigns.

3) **Carrier & Transport Organizations** : Movement of people from place of origin to destination is the basic perquisite for tourism phenomenon. Carrier
and transport organisations are the ones which deal with movement of people. There can be varied mode of transport like Road, Rail, Air and Water etc. Transport organisations can be private as well as government organisations. The modes of transport to a destination depend on the geographic location of the destination.

4) **Accommodation Establishments:** Once a person is out of his usual place of residence for more than 24 hours, most important thing he requires is a place to stay i.e. the boarding and lodging arrangements. Accommodation establishments like hotels, motels, resorts, B&B establishments etc. are the one which caters to boarding and lodging arrangements of tourists and without which the tourism product cannot be formed. This segment is primarily dominated by private organisations and a miniscule of organisations belongs to public sector as well.

5) **The Intermediaries (Travel Agents & Tour Operators):** This is one of the most important parts of tourism industry. It is these intermediary organisations like travel agencies and tour operators which actually combine various ingredients of tourism product and offer it to the end use i.e. the tourists. It is these organisations which ensure the execution and performance of tourism product. This segment is primarily dominated with private organisations and that too with small and medium size enterprises. Though, the stakeholders such as the local community and tourists are also the important components in the modern terminology of tourism. The success of any tourism destination depends on the footfall and demand of the tourists. Further, we shall have a detailed view of some important components of tourism industry i.e. Accommodation, Transportation, Attraction, travel intermediaries and DMOs (Destination Management Organisations). But before that, let us have a small quiz on what we have learnt so far.

**Check Your Progress A**

1) What are various components of tourism product?
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2) What are private sector support services in tourism industry?
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3) Classify following activities in the various components of tourism.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Component of Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Hotels</td>
<td></td>
</tr>
<tr>
<td>b) Kayaking</td>
<td></td>
</tr>
<tr>
<td>c) Water transport</td>
<td></td>
</tr>
<tr>
<td>d) Postal services</td>
<td></td>
</tr>
<tr>
<td>e) Rural tours</td>
<td></td>
</tr>
<tr>
<td>f) Youth hostel</td>
<td></td>
</tr>
<tr>
<td>g) Zip-lining</td>
<td></td>
</tr>
<tr>
<td>h) Telecommunications</td>
<td></td>
</tr>
</tbody>
</table>

7.3 ACCOMMODATION

Accommodation is an essential component of the tourism industry. It is very important and fundamental of all the attributes of the tourism supply. It plays an important function both in the context of urban and rural tourism by providing lodging and dining opportunity for the visitors. The two broad categories of accommodation are the hotel proper and the supplementary type of accommodation. Hotel proper comprise of hotels, guest houses, downtown hotels, airport hotels, boutique hotels, condominiums etc. On the other hand supplementary types of accommodation consists of camping sites, caravans, motels, bed and breakfast establishment, tourist holiday villages etc.

In Early times, the guest room were part of main private dwellings and travellers were just treated as part of the family (Goeldner and Ritchie, 2007). Though, hospitality is nearly as old as humanity. In ancient times, when man lived in caves, then also members of other tribes were accommodated, the classical example is of Lascaux cave in France as early as 15,000 BCE. In ancient as well as middle ages, you will find numerous examples of establishments offering hospitality to the travellers such as hospitals, spa, rest houses in Persia and Greco-Roman civilizations; thermal baths in England, Switzerland and Middle east; caravanserais along middle eastern routes; Ryokans in Japan; religious orders offering accommodation for travellers at monasteries and abbeys; staging posts for visitors and stations for couriers or message carriers in China and Mongolia and inns opened in Europe (Kendall College, 2018).

In India, the hotels were constructed before the World War II at various locations which were very frequently visited by British and Indian aristocracy. Very few companies and Indian entrepreneur were involved in the hotel business such as East India hotels of Oberoi group owned by Rai Bahadur M.S. Oberoi and The Taj group owned by J.R.D Tata (Devendra 2001, Sufi, 2015). Some of the well-known hotels during British period in India were (Devendra, 2001):

- The Rugby Matheran (1876)
- The Taj Mahal Hotel Mumbai (1900)
- The Grand Kolkata (1930)
- The Cecil hotels Shimla and Murree (1935)
- The Savoy Mussoorie (1936)
In order to promote the tourism and hospitality sector, the Indian Tourism development corporation (ITDC) was set up in 1966 and ministry of Tourism and civil aviation was created in 1967, after separating it from the ministry of transport and shipping. In 1975, ITDC started its hospitality business by purchasing a hotel in Chennai and naming it as Hotel Chola. Subsequently, between 1975 and 1977, the Welcome Group of Hotel constructed 3 hotels. Then, after seeing the success in hotel business many individuals became entrepreneurs leading to construction of hotels in secondary cities and deserts in 1970’s. Government also granted licences to large hotels in 1982 owing to Asian games. Further, the government realised the importance of tourism and in 1986, established independent ministry of Tourism and also got the industry status. In 1998, the tourism got the “export house” status. This all subsequently led to the growth of the tourism and hospitality sector and enhanced investment trends in the sector.

7.4 TRANSPORTATION

Transportation is also an important component of tourism product. It involves movement of individual from one place to another and makes the tourist destination accessible to the tourist. The transportation can be done by air, sea and surface. Transportation not only facilitates movement of tourist but also enhance the overall experience of the visitors. The various factors taken into account before selecting any mode of transportation is time available for travel, distance to be covered, status of the tourist, comfort, geographical position, benefit, competition, status, security and price involved. Each mode of transport has its own advantages and disadvantages.

1) **Land Transport:** It is also known as ground or surface transport and it insures the movement of people, goods and various types of cargo from one location to another over surface. It may involve pathways, roadways, tramways or railways. A pathway mainly involves a path, way or a route in remote rural areas which are forested or mountainous where a human being or animals can only travel. It is known as Head loads (or human transport) or Pack animals (or animal transport like horse, mule, donkey, yak etc.). These are used in tourism to explore treks, passes or even to explore mountain peaks and ranges. Roadways involve roads for transportation of goods and people (including tourists). These may be metalled (paved) or non-metalled (unpaved). These roadways in India are also classified into national, state, district or village roads. Road transport may also be known as vehicular transport (involving bus, truck, auto rickshaw, bicycles etc) or non-vehicular transport (involving humans who acts as Porter’s or carry passengers on palanquins, rickshaw or animals such as horse, mule, donkey, camel, elephants etc. to carry loads or pull carriages, Tanga or carts). Roadways are important means of transport in mountainous regions and rural areas. The advantages of Road transport are that they are suitable for short distances, ensure service at door, allow flexibility of service, ownership of motor vehicles allows travel at time of need and even they act as feeder to other modes of transport. But even there are some disadvantages associated with it such as it is less organised, not good for long distance transportation, less safe and more dependent on the adversaries of nature.
Tramways are tracks which ensure running of rail like vehicle without locomotives and also known as the lightly laid railways or electric street railways. They ensure fast and rapid transport of people in Urban or suburban areas and mostly use electric power. In olden days, Trams were also pulled by animals mainly horses or even had a small steam locomotive or Diesel or even run by gas, naphtha gas or coal gas. Some of world’s popular trams located in Lyon (France), Paris (France), Dijon (France), Zurich (Switzerland), Vienna (Austria), New York (USA), London (England), Petersburg (Russia), Melbourne (Australia), Prague (Czech republic) and Tours (France). They act not only as means of transport but also as tourist attractions. Railways also known as train or rail transport is a means of transport to transfer people and goods on wheeled vehicles which run on steel rail tracks. The railway system in Great Britain is the oldest railway a in the world built by George Stephenson and his son Robert. Also, the world’s first Inter-city railway line was built by George Stephenson between Liverpool and Manchester in 1830.

The main advantages of rail transport system is that it is fast, comfortable, safe, most energy efficient transport, suitable for long distance travel and whose carrying capacity can be increased or decreased to a certain limit by adding or reducing boggies. However, it has also some disadvantages such as it provides less service in the rural areas, its routes and timing are fixed and it is inappropriate for short distances. The Amtrak (2,50,000 km); China’s rail network (1,00,000 km); Russia (85,500 km); India (65,000 km); Canada (48,000 km); Germany (41,000 km); Australia (40,000 km); Argentina (36,000 km); France (29,000 km) and Brazil (28,000 km) are some of the largest rail networks in the world. And, all of them are an extravaganza for the tourists visiting these countries. Also, some of these rail networks run tourist trains such as Golden Eagle in Russia, Venice Simplon-Orient Express (between Paris and Istanbul), Golden Eagle Danube Express (Budapest, Vienna, Prague and Sarajevo), Ravos Rail (luxury train of South Africa), Royal Scotsman luxury train (UK), Chepe train of Mexico and Ghan luxury train of Australia (Adelaide, Alice Springs, Darwin).

Indian railway network is also the world’s fourth largest railway network in the world with the route length of 68,155 kilometers. India’s first passenger train ran between Mumbai and Thane for a distance of 34 km carrying 400 people in 14 carriages on the broad gauge track. In order to promote tourism in India, Indian Railway run special tourist and luxury Tourism trains in India which covers not only religious, but leisure destinations across the country. Some of the popular trains are Bharat Darshan tourist train, Steam Express, Buddhist Circuit Tourist train, Gangtok Darjeeling Holiday special train, Palace on Wheels (Rajasthan), Golden Chariot (Karnataka), The Royal Orient (Gujarat and Rajasthan), Fairy Queen (New Delhi and Alwar), Deccan Odyssey (Maharashtra) etc. Maharaja Express is run by Indian Railway Catering and Tourism Corporation (IRCTC) on five circuits of Rajasthan and is the most high-priced luxury train in the world. Also, in the present context, the Indian railways have taken several initiatives to upgrade its infrastructure and improve its quality of service through research, Design and standardisation.

2) **Water Transport:** Water transport or waterways is an important mode of transportation for both passenger and cargo. It requires watercraft such as
boat, ship or barge which moves over the water body such as River, Lake, Canal, Sea or Ocean. It is one of the oldest and cheapest modes of transport which requires water and do not requires use of capital investment for construction and maintenance of tracks like railways. The operational cost of water transport is very less and it is very suitable for transporting heavy cargo over long distances. The majority of the world cargo is transported through water transport and it has the largest carrying capacity in the world. It is commonly subdivided into inland waterways or water transport (Rivers, Canals and Lakes) and ocean transport (sea, ocean). The benefit of water transport is that it is cheap, requires no construction and maintenance of tracks, very beneficial for heavy goods and also is very useful when transporting materials in the time of natural calamities like flood. The main disadvantage of water transport is that it is comparatively slower than air and rail. Also, certain amount of risk is involved in transporting goods as there is always danger of sinking of ships or large boats in water.

3) Air Transport: Air transportation is fastest means of transportation from one place to another. It is an important enabler and facilitator at global level to achieve economic growth and development. It provides vital connectivity on national, regional and international level and helps to generate trade, promote tourism and create employment opportunities. Air travel is facilitated by public and private sector airlines which may have scheduled or non-scheduled operations. Advent of jet planes and jumbo jets has greatly revolutionised the international tourism scenario over the years. Air travel has the inherent advantages of being the fastest mode of travel, though it lacks the flexibility unless significantly high amount is invested in charter flights. In India, the air transport was dominated by government sector airlines i.e. Indian Airlines for domestic routes and Air India for international routes, however after the economic reforms of 1990-91, the airlines business was opened for private players. Emergence of low cost air lines like Air Deccan transformed the air transport sector in India. Recognising the potential of air transport in growth and development of tourism, Govt. of India has upgraded many airports to international standards as well as started the Udaan scheme to start flight operation on routes which are not profitable initially or less profitable. Under this scheme, private airlines are invited to operate flights on the routes not yet fully commercialised and government gives the subsidy to promote them. Khajuraho and Varansai have witnessed a significant improvement in international tourism to these destinations, after improvements in air connectivity. At present, some airlines offer their own tour packages by combining their commercial flights with hotel stays and other destination amenities.

Check Your Progress B

1) Explain:

a) Ground transport

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b) Head loads
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c) Roadways
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d) Tramways
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e) Railways
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f) Inland waterways
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g) Ocean waterways
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2) Match the following Tourist trains with country:

a) Golden Eagle Between Paris and Istanbul  
b) Venice Simplon-Orient Express Russia  
c) Golden Eagle Danube Express Australia  
d) Ravos Rail UK  
e) Royal Scotsman luxury train South Africa  
f) Ghan Luxury train of Mexico

7.5 DESTINATIONS AND ATTRACTIONS

The attractions of a destination play an important role in pulling tourists. More is the diversity in attractions, more is choice available for tourists and more is the variety of tourism activity available. According to UNWTO (1992), “Destination is a geographical area consisting of all the services and infrastructure necessary for the stay of a specific tourist or tourism segment. Destinations are the competitive units of incoming tourism. Destinations are therefore an important part of a tourism product.” Burkart and Medlik (1974) defined destination as the geographical unit which can be a city or a town or a village or an island or a nation or a region or a continent. This geographical unit can be known as a tourist destination which would help in convenient focus for the understanding of tourist, tourism, stakeholders involved and the impact of tourism on the local community. However, the potential of a tourism destination can be judged by three main factors such as attractions, accessibility and amenities. These factors may also be termed as the tourist qualities of a destination.

Mill and Morrison (1992) defined tourism destination as a part of tourism system where a mix of interdependent elements produce an experience. But, in order to have a memorable and long lasting experience, all elements should be present and interact with each other positively. These interdependent elements are attractions, facilities, infrastructure, transportation and hospitality.

We can sum up all the above aspects to form a universal definition of tourism destination as “a geographical unit or physical space where a tourist stays for at least one night and where a mix of interdependent elements such as attractions, facilities, infrastructure, transportation and hospitality interact to give a memorable experience to the tourists.” In tourism destination, there are boundaries which are physical or administrative, so that its various aspects such as management, images, and perceptions can be defined which also lead to market competitiveness. Local tourism destinations can be on a massive or smaller scale such as a continent (Asia), or a continent region (South Asia), or a country (India) or a region (south India), or a state (Himachal Pradesh) or an island (Lakshadweep) or a city (Shimla) or a town (Dharamshala) or a village (Pragpur) or a self-contained unit (water park). Tourism destination comprises numerous elements such as Attractions, Amenities, Accessibility, Accommodation, Activities, Package price, Image & character and Human resources. Attractions are the main motivating forces which pull tourists. The attraction is any entity (object), someone (person), place, or conception (concept) which attracts visitors either geographically or else through
Tourism Industry: Structure and Components

Generally, attractions are divided into two broad categories such as cultural and natural, but according to the world heritage centre, they can be divided into Geophysical-landscape-aesthetic (mountains, rivers, gorges, caves etc.), Ecological-biological (organisms, communities, ecological events such as migration, predation etc.), Cultural-historical (archaeological remains, human construction, human practices, human evolution etc.) and Recreational (include man-made attractions such as theme parks, museums, theatre’s, botanical garden etc.). Also, these attractions are noticeable at a variety of scales which again are dependent on market observation. Some attractions draw local crowds (a statue), domestic tourists (religious event) or international tourists (Mt. Everest).

7.6 TRAVEL INTERMEDIARIES AND DESTINATION MANAGEMENT ORGANISATIONS (DMOS)

Intermediaries are the organisations which makes a link between the producers of goods/services and end users/buyers. There can be multiple layers of intermediary organisations depending on the nature of goods/services and nature of industry. In case of tourism industry following travel intermediaries are there:

- Tour Operators
- WholeSale Travel Agencies
- Retail Travel Agencies
- Specialised Agencies
- Destination Management Organisations
- Ground Operators/Ground Handling Agents.
- Personal Selling Agents / General Selling Agent (PSA/GSA)

Tour operator is basically an organisation or firm which buys independent travel components separately from their suppliers like air tickets from airlines, rooms nights from hotels etc., combines these components to form a tour package which is sold with their own price tag either directly to the public or through other intermediaries like wholesale travel agencies or retail travel agencies or other specialised sales channels like GSA/PSA. Based on their area of operations tour operators can be further classified into inbound tour operators (catering to incoming tourists), outbound tour operators (catering to outgoing tourists), domestic tour operators (catering to domestic tourists) or ground operators (providing ground arrangements services on the destination).

Wholesale travel agencies purchase the packages from tour operators or may make its own packages by purchasing various components from suppliers. Wholesale travel agencies further sell the tour packages either through the network of retail travel agencies or directly to the clients. Retail travel agencies on the other hand sell tourism products directly to the public on behalf of product suppliers and get the commission in return. In case of some destinations there are specialised travel agencies selling specific kind of tourism products only. For example a travel agency at some wild life destination selling tourism services like game drives etc specific to that destination only. There we may have GSA/PSA which are travel organisations authorised by specific suppliers to sell their products on their behalf in the areas where they don’t have their own presence.
For example, Thomas Cook can appoint some local travel agency in a city like Karnal or Kurukshetra as their PSA to sell their packages in return of commission. Apart from above, we have the Destination Management Organisation (DMOs) which manages the tourism activity at destination level. The role of these destination management organisations is to provide leadership for the management of tourism at destination level and to co-ordinate various activities under a rational strategy (Bornhost, Ritchie & Sheehan, 2010 in Chand, 2018). According to Inkson and Kolb (1998), DMO are “formal entities in which a complex interaction of people, materials and money are used for the creation and distribution of goods and services”. Hence, these DMO cover a wide array of issues big or small related to external and internal environments such as governance, leadership, management ethics innovation human resource Management communication networks outsourcing and organisation learning (Kaurav, Prakash and Singh 2017 in Chand, 2018).

DMOs may have many functions depending on the nature of the destination but five main areas of activity are:
1) Coordination of sub sectors of tourism.
2) Help local community understand the importance of travel and tourism industry.
3) Helping development of tourism facilities and image of a tourism destination.
4) Assisting tourists through visitor service centres.
5) To establish liaison role in order to boost external organisations such as tour operators, travel agents, event planners, hoteliers, resorts etc.

These DMO function at various levels and can be categorised into three types:
1) NTO or NTA: known as national tourism organisation or national tourism authority. This is the highest level of DMO or at country level. For example, Ministry of Tourism, Govt. of India, ITDC etc.
2) RTO or STO: Known as regional tourism organisation or state Tourism organisation which operates at Regional or State level. For example, MPSTDC (Madhya Pradesh State Tourism Development Corporation Limited), HPTDC (Himachal Pradesh Tourism Corporation).
3) LTA/ LTO: Known as local tourism association or local tourism organisation functioning at local, city or town level. For Example, Kurukshetra Development Board (KDB), GMC (Gwalior Municipal Corporation), MCGM (Municipal Corporation of Greater Mumbai).

7.7 LINKAGES AND INTEGRATIONS IN TOURISM INDUSTRY

As we have seen that tourism industry has a complex structure which is owing to the peculiar nature of tourism product. In order to perform its functions effectively travel organisations like travel agency or tour operators need to work in closely with many other organisations. Below figure shows various linkages that exist in tourism industry. As we can see the travel agency need to have close ties with not only the accommodation and transportation establishments but also with government organisations like Ministry of Tourism, Ministry of External Affairs, Banking & Insurance Companies etc.
Now, before discussing the integration in tourism industry, it is necessary to have an idea of supply chain in general and tourism supply chain in specific. Supply chain in general is the movement of goods or services from the producers to the end users. In case of tourism, since there is no tangible product, rather it is the amalgam of various services, in view of new age distribution channels, tourism supply chain can be depicted as per below diagram.

Fig. 7.3: Tourism Supply Chain, Basic of Tourism (2004)
As we can see in the above figure the end user i.e. tourist have the option to purchase the tourism product from any member of the supply chain based on the information and resources available with him. Integration in business parlance means that one of two members from the supply chain collaborate by means of mergers, acquisitions or any other in order to have the economic benefits of reduced number of intermediary and economies of scale and scope. Integration can be of three types i.e. vertical integration, horizontal integration and diagonal integration. Whereas the vertical integration can be further classified into two types bases on the direction of integration i.e. forward vertical integration and backward vertical integration. Let us have a better look at various types of integration with special reference to tourism supply chain.

A) **Horizontal Integration** – This type of integration occurs when the organisations at the same level of supply chain collaborate with each other for reaping the economic benefits of scale. So, in tourism supply chain if two or more wholesale travel agencies or two/more retail travel agencies or two/more destination companies collaborate with each other by way of mergers/acquisitions etc in order to have benefits of economies of scale in their business operations then it is called Horizontal Integration.

B) **Vertical Integration** – In vertical integration organisations at different levels of supply chain collaborate with each other in order to have the economic benefits of economies of scope. For example, a wholesale travel agency takes over a retail travel agency or an airline or hotel taking over a retail/whole sale travel agency. The direction of integration if its towards customer i.e. downwards in the supply chain it is called forward vertical integration and if the integration is towards producers then it will be called as backward vertical integration.

C) **Diagonal Integration** – This is the integration that takes place between the organisations which are not the part of same supply chain but they offer products complimentary to each other. For example, a wholesale/retail travel agency may collaborate with any banking or insurance company to cater the foreign exchange and insurance needs of its customers, then it will be the case of diagonal integration. A restaurant chain may collaborate with petrol marketing companies to open its outlets at selected petrol pumps and then both can have the benefits of economies of scope by extending the product line.

7.8 **LET US SUM UP**

Tourism product has its unique characteristics which further makes tourism industry a complex one. Main components of tourism industry being private and public sector support organisations, carrier and transport organizations, accommodation organisations, travel intermediaries etc. play an important role in overall performance to tourism product. Accommodation being an essential component of the tourism industry is very important and fundamental of all the attributes of the tourism supply. It plays an important function both in the context of urban and rural tourism by providing lodging and dining opportunity for the visitors.

Transportation also being an important component of tourism product has its own relevance in ensuring the movement of individuals/groups from one place to another thus making the tourist destination accessible to the tourist. The
transportation can be done by air, sea and surface. Transportation not only facilitates movement of tourist but also enhance the overall experience of the visitors. The various factors taken into account before selecting any mode of transportation is time available for travel, distance to be covered, status of the tourist, comfort, geographical position, benefit, competition, status, security and price involved. Each mode of transport has its own advantages and disadvantages. Apart from these, we have destination and attractions which are primary pull factors for tourists. More the diversity of attractions at a destination, more it will have the appeal for perspective tourists. Travel intermediaries like tour operators, wholesale travel agencies, retail travel agencies etc. too play their role in bringing the tourism services closer to end users. The complexity of tourism product, further makes to have linkages with many other government, non-government organisations necessary. Also, like other industries, travel organisations go for various kinds of integrations in order to have the benefits of economies of scale and scope.

7.9 KEY WORDS

Accessibility: Comprises the modes of transportation (land, air or water) and facilities present at the tourism destination.

Accommodation: It provides the lodging, food and other services to the tourist. They may comprise the hotel proper or other supplementary types of accommodation.

Amenities: Amenities are the various services and facilities a visitor needs at a tourism destination. It is vital for the tourism and include very basic to advance facilities such as convenience facilities, signage, emergency facilities, postal services, shopping, theatre, parking etc. It at sometimes is also referred to as “pleasantness” of a destination.

Hotel Proper: It is a conventional type of Hotel facilities and provides all facilities of hotel such as lodging and boarding. Example- All suite hotels, Airport hotels, Boutique Hotels etc.

Supplementary Type of Accommodation: There are additional categories of accommodation which are different from conventional hotels. They basically provide lodging facilities’ for e.g. Dharamsala, youth hostel, Dak bungalow, sanatoria, youth hostel etc.

Land Transport: It is also known as ground transport and it insures the movement of people, goods and various types of cargo from one location to another. It may involve pathways, roadways, tramways or railways.

Water transport: Water transport or waterways is an important mode of transportation for both passenger and cargo. It requires watercraft such as boat, ship or barge which moves over the water body such as River, Lake, Canal, Sea or Ocean. It is one of the oldest and cheapest.

Pathways: It mainly involves a path, way or a route in remote rural areas which are forested or mountainous where a human being or animals can only travel. It is known as Head loads (or human transport) or Pack animals (or animal transport like horse, mule, donkey, yak etc.).
Inland waterways: It was the main dominant mode of transport before the arrival of railways and development of road transport.

Air Transport: Air transportation is fastest means of transportation through air. Examples are Helicopters, airplanes, hot air balloons; blimps, gliders, hand gliders, parachute, and jet aircraft are all vehicles for Air travel.

Tourism destination: A geographical unit or physical space where a tourist stays for at least one night and where a mix of interdependent elements such as attractions, facilities, infrastructure, transportation and hospitality interact to give a memorable experience to the tourists.

Attraction: It is any entity, historic monument, individual, someone (person), location, or conception (concept) which attracts visitors either geographically or otherwise to enable them tourism experience.

DMO: DMOs are known as destination management organisations. They are formal units/bodies in which an intricate interface of people, materials and money occurs and which is used for the creation and distribution of tourism services.

NTO or NTA: known as national tourism organisation or national tourism authority. This is the highest level of DMO or at country level. Example- ministry of Tourism, ITDC etc.

RTO or STO: Known as regional Tourism organisation or state Tourism organisation which operates at Regional or State level. Example: MPSTDC (Madhya Pradesh State Tourism Development Corporation Limited), HPTDC (Himachal Pradesh Tourism Corporation).

LTA/ LTO: Known as local tourism association or local Tourism organisation functioning at local, city or town level. Example: GMC (Gwalior Municipal Corporation); MCGM (Municipal Corporation of greater Mumbai).

Linkages: A linkage industry is in tourism are industries which are associated with Tourism in such a way that the existence of one is dependent on the other,

Integrations: Involves approach of accomplishing things collectively. It is a way of merging general or generic talent and resources to yield products or delivery quality services.

Horizontal Integration: Occurs when one company/business offering the similar products overtakes the other company/business.

Vertical Integration: It is when one company enhances its business into another area by overtaking another company. However, it is on a different level of the chain.

7.10 ANSWER TO CHECK YOUR PROGRESS

Check Your Progress A

1) See Section 7.2

2) This includes the guiding and escorting services, travel insurance and foreign currency services, tourism marketing service and travel trade publications etc.
Tourism Industry : Structure and Components

3) Activities in the various components of tourism:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Component of Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Hotels</td>
<td>Accommodation</td>
</tr>
<tr>
<td>b) Kayaking</td>
<td>Activity</td>
</tr>
<tr>
<td>c) Water transport</td>
<td>Accessibility</td>
</tr>
<tr>
<td>d) Postal services</td>
<td>Amenities</td>
</tr>
<tr>
<td>e) Rural tours</td>
<td>Package Available</td>
</tr>
<tr>
<td>f) Youth hostel</td>
<td>Accommodation</td>
</tr>
<tr>
<td>g) Zip-lining</td>
<td>Activity</td>
</tr>
<tr>
<td>h) Telecommunications</td>
<td>Amenities</td>
</tr>
</tbody>
</table>

Check Your Progress B

1) See Section 7.4

2) Match the following Tourist trains with country:
   a) Golden Eagle in Russia,
   b) Venice Simplon-Orient Express (between Paris and Istanbul),
   c) Golden Eagle Danube Express (Budapest, Vienna, Prague and Sarajevo),
   d) Ravos Rail (luxury train of South Africa),
   e) Royal Scotsman luxury train (UK),
   f) Chepe train of Mexico and
   g) Ghan luxury train of Australia

7.11 TERMINAL QUESTIONS

1) What is the structure of the tourism industry?
2) What are the components of the Tourism Industry?
3) Write a note on Accommodation.
4) What are the various modes of transportation?
5) What is a Tourism destination?
6) What are Intermediaries in Tourism?
7) What are various linkages in tourism industry? Explain with suitable examples.
UNIT 8  TOURIST DESTINATION –  
ELEMENTS AND LIFE CYCLE

Structure
8.0 Objectives
8.1 Introduction
8.2 Tourist Destination – Concept and Evolution
8.3 Elements of Tourist Destination – 7A
8.4 Destination Life Cycle( Tourist Area Life Cycle)
  8.4.1 Exploration Stage
  8.4.2 Involvement Stage
  8.4.3 Development Stage
  8.4.4 Consolidation Stage
  8.4.5 Stagnation Stage
  8.4.6 Decline Stage
8.5 Tourist Destination Life Cycle Implications
  8.5.1 Conceptual Framework
  8.5.2 Forecasting
  8.5.3 Strategic Planning
8.6 Let Us Sum Up
8.7 Key Words
8.8 Answers to Check Your Progress
8.9 Terminal Questions

8.0 OBJECTIVES

After studying this unit, you should be able to:
• understand the concept and evolution of a tourist destination;
• know the elements of a tourist destination;
• comprehend the meaning of tourist destination lifecycle;
• various stages of destination life cycle; and
• understand the implications of destination life cycle in tourism management.

8.1 INTRODUCTION

In the previous unit, we have learnt about tourism industry, its structure, components, linkages and integrations prevalent in this industry. In present unit we shall be discussing an important component of tourism phenomenon i.e. Tourist Destination. We shall be discussing about the concept of a tourist destination, how a tourist destination evolve over the period of time, what are the components of a tourist destination and destination life cycle and its implications in managing tourism. Every country has many cities, towns or villages but does the tourist visit every city, town or village of that country. What makes some locations more popular among tourists and some locations are not preferred by the tourists. In other words, what are the aspects that make a place “tourist destination?”
And, a place, once a tourist destination will always remain so or vice versa. These are the aspects of tourism phenomenon that we are going to look into detail in present unit.

**8.2 TOURIST DESTINATION – CONCEPT AND EVOLUTION**

All the destinations are places but not vice versa. So what differentiates a “destination” from a “place”. A place can be defined as a separate geographical entity with distinct boundaries, when this place has an attraction which one or more segments of human populace consider worth visiting for reasons that may include but not limited to religion, leisure, pleasure, adventure, study etc. and also the place have available means to access and facilities for an overnight or more stay, then the place becomes a destination.

Tourist Destination-place with some attraction, backed with accessibility and accommodation.

In order for a place to become tourist destination two sets of interrelated activities are required. One being the local development of tourist facilities like accommodation, local transportation and other necessary tourism infrastructure, this aspect mainly deals with the supply side of the tourism phenomenon. The other being marketing efforts undertaken in the areas and locations of potential tourists, deals with the demand aspect.

In a more technical sense, a tourist destination can be any place having natural or manmade attraction features, with accessibility and accommodation infrastructural facilities, attributes of host population supportive of tourists and known to adequate number of potential visitors to justify its consideration as an entity and identity. A destination can also be defined as a place or group of places to which tourists prefer to go and in which they stay as primary objective of their visit. Over the period of time the concept of a tourist destination has come over a long
process from traditional concepts of a destination to emerging concepts via contemporary concepts i.e. visitor and developer’s perspectives.

A) The traditional concept

Destination is a place where people spend or prefer to spend their holidays. The basic elements of traditional concept are place (the location, infrastructure, superstructure and development of tourism regions), the people (demographics of tourists and hosts, motivation, tourism intensity in terms of number of visitors, destination service personnel etc.) and the holidays (i.e. tourist holiday activities)

B) Contemporary Concepts

a) Visitor’s Perspective- An area so chosen by people to spend their holidays and the resulting impacts of their activities. Here the scope of the destination concept has been widened in relation to the traditional notion of place. Here the notion of choice has been incorporated which implies availability of alternative places and activities. Also it takes into account the ensuing impacts of tourism. The typical elements of this concept are area (city, wilderness, isolated regions, seaside, mountains, lakes etc.), choice (individual motivations, holiday companions, alternative areas and activities) and impacts (economic, socio-cultural and environmental)

b) Developer / Manager’s Perspective - Managing the demand for tourism as well managing the impacts of tourism on destination. In this context, scope has been widened to include the management concept. Management of tourism demand on one side and management of tourism impacts on the destination on the other side. Concepts like carrying capacity, visitor expectation and resource protection helps in managing the fine balance between tourist expectations, tourism demand and consequences for the destination.

C) Emerging destination paradigms

Role of local community in tourist destination development, guiding and modifying tourist behaviours for minimisation of impacts, delivering unique destination experiences, synchronizing the public private partnerships and managing the conflicting interests of various stake holders are some of the emerging destination paradigms.

As we know that in case of tourism product it is not possible to shift the destination from one place to another like in case of other products. So during peak time of the day or peak season of the year destination may be over occupied and in lean season it may be under occupied. Tourist destinations evolve over a considerably long period of time, normally. However, there may be sudden emergence of destination as well, for example in case of any strange natural / religious/cultural happening at any erstwhile non-descript place can turn it into a tourist destination provided it has basic tourist infrastructure. Increase in the numbers of tourists make a destination healthy in terms of earning like hotels, taxies, travel agencies, guides etc., earn good money but it puts pressure on destination’s socio-cultural and physical environment too. Mass tourism or mismanaged tourism may result in problems like mass construction, traffic jams, over charging of large number
of commodities, drug abuse, deforestation, host and guest conflicts etc among others. A planned destination can be the best for long term development where all stake holders get benefits for longer periods and guests enjoy the healthy tourism services at reasonable prices. For long run tourism growth, it is very important to develop a destination in well planned manner. Tourist destination planning therefore becomes an important dimension of overall tourism planning and management at a specific place. In the next sections we shall be discussing about the elements of a tourist destination and one very important concept i.e. destination life cycle. But before that, let us have a small quiz on what we have learnt so far.

**Check Your Progress A**

1) What is traditional concept of destination?

2) What are emerging concepts in tourism destination?

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**8.3 ELEMENTS OF TOURIST DESTINATION - 7A**

As we have understood that tourist destination is not a single product identity, rather it is a complex mix of various elements, main of which can be described as 7A framework mentioned below:

- Attractions at the destination (Primary and Secondary)
- Accessibility of destination
- Amenities / Ancillary Services
- Activities
- Authenticity
- Ambience / Atmosphere
- Availability of Package

Let us have a detailed look at each of the destination elements.
Attraction

It is the most important element of a tourist destination, it is the basic or say prime element of a destination. Without any attraction, a tourist destination cannot exist or with loss of attraction, the existing tourist destination also ceases to exist. Attraction can be broadly categorised into two categories i.e. natural and manmade. Natural attraction further can be land based like hills, mountains, valleys etc., water based like sea, rivers, lakes etc. or air based like air based adventure activities. Manmade attractions can be of cultural, religious, aesthetic nature or events and other tourism specific attractions like amusement parks etc. Another categorisation of attraction at the destination can be Primary and Secondary attractions. Primary attraction is the core attraction at the destination like Taj Mahal, Agra Fort and Fatehpur Sikri in Agra are the primary attractions. Then, there are secondary attractions which generally are not the primary motivators for visiting tourists, however help in better experience at the destination. For example the local cuisines, handicrafts, sound and light shows etc. can be secondary attractions. So, we can safely say that the attraction is basis element of a tourist destination.

Accessibility / Transport

Accessibility means ease of reaching the destination. It refers to the transportation options available to reach the destination. Accessibility can be via road, rail, water or air. Destinations having multiple modes of accessibility available to them are more likely to perform better as against the destinations having single mode of accessibility available to them. Improved accessibility always helps a destination to perform better. Another dimension of transport is “local transport” at the destination itself. Sometimes, the local transport at the destination acts as a secondary attraction, for example rikshaw rides in narrow lanes of old Delhi or tonga rides in Agra, Bikaner or Camel rides in Jaisalmer or Yak rides in higher hills. So, the accessibility comes out as an integral part of tourist destination.

Amenities / Ancillary Services

Amenities/ancillary services refers to services and facilities which though not basic requirements but they play an important role in overall satisfaction of tourists visiting a particular destination. It includes the services like availability of local tour guides, local vendors speaking tourist’s language, banking and forex services, postal services, tourist police and other security services, shopping and souvenir availability, mobile network and internet connectivity services, availability of tourist information and facilitation centres, facilitation services at airports and railway stations, que management services at the monuments, availability of online tickets and reservation for monuments etc. These are the services, which plays an important role in deriving the overall satisfaction at the destination.

Activities

Availability of activities at the destination is an important element of tourist destination. Once at the destination, a tourist would like to have full value of his money by indulging and experiencing as many activities as possible. The destinations having broader span of activities available there are more likely to be popular among tourists. For example, out of two hill stations, the one having more activities available like adventure games, local tracks etc. is likely to be more popular among tourists.
Authenticity

Authenticity means the quality of being genuine or not being copied. In case of tourist destination this element means the tourist’s destination experience being genuine and not a fake one or copied one. This is the element that can make or mar the tourist’s over all tour experience. Each of the successful tourist destinations strives to have its own authenticity and genuineness. Tourist destination having element of authenticity in them, be it in terms of local cuisines, local handlooms, local handicrafts or even local customs/culture are always more popular among tourists.

Ambience / Atmosphere

Ambience / atmosphere at a destination is another important element of tourist destination. It encompasses not just the physical environment but also the socio-cultural and economic environment of the destination. While physical environment at the destination accounts for general aesthetics, absence of any kind of pollution etc, the socio-cultural environment is about the general perception of host population with regard to tourists and activities being undertaken by them. On economic front, though tourism brings benefits but mass tourism may also result in negative economic consequences like leakages and higher prices, with the later having implications for tourism also. So, favourable ambience at a destination helps growth of tourism.

Availability of Packages

Tour package means combination of various services in order to offer destination experience to the tourists. It covers all required services from the moment one thinks to undertake a tour until he actually took a trip and return back to his home. It is that one element that combines all other elements and offers to the end user i.e. tourists in a manner that can be purchased. It is of no use if the destination have all the elements but there are no available packages that can combine those elements in a marketable and sellable form.

8.4 DESTINATION LIFE CYCLE (TOURIST AREA LIFE CYCLE )

The notion of life cycle is borrowed from biological science wherein each living organism goes through specific phases during his existence, birth and death denoting the start and end respectively. Later, this concept has been applied in management and marketing realms, by way of tracking a product/service’s journey in terms of sales and profitability figures. Life cycle concept for tourist destination was introduced by Butler (1980) to explain the progress of a tourist destination over time. This progress is estimated with the number of tourists coming to a destination and their view about the destination. At the very beginning the numbers of tourist to a particular destination are very low but with the change in the time it grows up and at the end the destination loses its importance and tourist try to find out some near substitute.

According to Butler (1980), Destination life cycle also known as Tourist Area Life Cycle i.e. TALC, a destination undergoes an evolutionary cycle of six stages as shown below.
These different stages are the part of any destination and are defined as follows:

### 8.4.1 Exploration Stage

In the exploration stage, the destination is remote with a shy or unknown look, with little or no touristic development. During the exploration stage, there are a few adventurous tourists visiting sites with few public facilities. Prior to the beginning of tourism development, a settlement, perhaps a village, which is nature or agricultural orientated is present. A very limited number of businesses exist and that too provided facilities are used and owned by locals. The visitors or tourists are primarily attracted to the destination because of some natural features like silent nature, no mass tourism, village life, pleasant people, honest life etc. At this point, the destination only attracts a very specific type of visitor which can be termed as ‘allocentrics’.

Tourists are controlled by lack of access and facilities. Because if there will be more tourist to that place all will not get the accommodation and ancillary facilities at a single time. There is lack of transport facilities at the beginning. There is only a road that connects the settlement with an urban centre and some smaller roads for access to that particular place. Very few numbers of adventure tourists (explorers, allocentrics, thinkers, writers,) discover the destination for making themselves comfortable with limited resources but adequate time to perform their desire of learning and exploration, making their arrangements without the help of any professional tourism service provider and having limited impacts on the area because of their less number and limited desire from that destination.

These tourists are welcomed by the locals as locals see them as a source of earning. In the starting explorers may stay in the accommodation of locals which they constructed for their own use, or in locals fields by pitching up tents, or in any inn because of non-availability of paid accommodation. Under the exploration stage, there are chances of non-availability of food and beverage services in newly explored destination but soon host communities learn about the benefits of tourism, and it leads to the development of that destination in terms of construction of accommodation, improvement in travel connectivity, improvement in the quality food and beverage service and other travel related services.
8.4.2 Involvement Stage

Involvement means interaction between host and guests and exchange of ideas, money, services and many more. Under the involvement stage, visitors/tourist from the congested city centres are fascinated by the calm, and unspoiled landscape of the destination. They got the information about the new destination from those visitors who already visited the destination. Local entrepreneurs realise the economic significance of tourism and begin to provide facilities and services to tourists. Under this stage, people from different groups work together for the betterment of the tourism. With the increasing numbers of tourist, host community start to develop tourist facilitation centres like best category hotels, restaurants, entertainment centres etc. Under this stage, the host community find out tourists as an opportunity for money earning. Some people from host community built a good hotel in comparison to the local standard. It can be termed as pioneer hotel and its opening represent as an event of joy because it capitalised the potential of tourism into reality. New restaurants specially designed for the tourists developed around the tourist’s destination. Some more jobs are created for the stakeholders and due to the demand of tourists leads to production of locally made articles, handicrafts, wines, clothing etc.,.

With the increase in the number of tourists a seasonal pattern emerges at the host destination where during a particular time of the year tourists comes and enjoys. At this stage host community demands for the better transportation and infrastructure facilities from their respective government (Public sector). From the success of one entrepreneur, other people start the business of tourism. It is a kind of neighbourhood effect where people influenced with the idea of other stakeholder which leads to increase in the number of accommodation, travel agencies, guides, commercial complexes, recreational activities and many others. As a result, the area of the destination expands to facilitate the tourist.

8.4.3 Development Stage

At the stage of development the number of tourists increases and at peak periods it is more than the size of the local population. Many locals appear to bear tourism unwanted effects because of its substantial economic benefits. The increase in tourist arrivals is helped by the improvement of accessibility to the resort through the extension of the road network. Now in this stage, the work of tourism trade is not limited up to the hands of locals but it passes up to the national and international chains. Now, the destination becomes well known place among the tourists and most of its booking are done online. All these agencies are well known for providing high end quality services to the clients at any time of the day or year. Advertising of many available tourist products are on its peak as most of the stakeholders sell the same kind of product or with little bit difference. For stakeholders it is more profitable to sell their land for the construction of hotels, home stays, camping sites, recreation centres than doing their traditional activities like agriculture. Many outside agencies come to the destination for land, hotel, restaurant or any other infrastructure related to tourists use. Host community focuses on the construction at mass level for getting the monetary benefits from tourists. The number of workers increases and more residences are constructed to accommodate the imported workforce. Local agricultural and cattle production cannot provide the quantity and perhaps the quality of food demanded by enterprises and many food item are imported. As a result many outsiders
came into the business of food and beverage and provide high end quality services to the tourists. With the increase of tourist arrivals, most traditional houses are converted for business purposes. At this stage, and the earlier stage of involvement, community initiatives for tourism and sustainable development strategies are most appropriate in order to guide the destination for the future development.

8.4.4 Consolidation Stage

With the increase in the number of tourists now destination reaches in the stage of consolidation. In this stage, one can see huge change in the destination. Stakeholders and other outsiders continue their infrastructure development work because day-by-day the number of tourist’s arrival increases. Due to the mass construction, availability of open space for the tourist starts shrinking day by day. Locals who are earning good amount from tourism try to carry on the activities at its regular speed. Local efforts are made to extend the visitor season and market area.

They do large scale advertisement of their destination through various associations like hotel association, taxi operator association, guide association etc. Now the destination becomes a full fledge known destination among the tourists. With huge number of tourist arrival, many new accommodation of international standard are established at the destination. There may be conflict between traditional architecture and newly adopted architecture. With the increase in the number of tourists the native of that region cannot get enough space for their day to day activities. The road network expands further in order to provide access to the accommodation establishments, businesses and residences. A major part of the local economy is tied to tourism, but native residents may find themselves excluded from major attractions. The rate of increase in the number of visitors declines, though total numbers are still on the rise and exceeds permanent residents during the peak season or during the year too. As a result of oversupply of hotel rooms and other tourist facilities, prices fall and the market cannot generate as much money as expected. The community perceives some negative effects and anti-tourist sentiment may emerge. The host community which is earning good money from tourism start to depends on tourism business only. There may be loss of tradition business because of tourism activities like loss of agriculture or horticulture yield, shifting of business from traditional to tourism, etc. There are chances that there may be lack of formal education too because host community earning good money from tourism hence no one want to jump in any other business or job where some special educational skills are required.

In consolidation stage some good part of the destination are managed by the foreign tour operators only. In this stage almost all natives of the destination are engaged in any kind of tourist activity.

8.4.5 Stagnation Stage

Stagnation stage means a very little chance of future development of the destination. When any destination reaches at this stage, the tourism landscape becomes overriding and little scope is available for further expansion. The destination has become the centre of mass tourim and its capacity levels have reached or exceeded to the extent that it looses the local original quality that made it attractive in the first stage.
Tourism related developments such as (accommodation, food and beverage, travel agency operation, money exchange counters, entertainment centres, shopping complexes, etc. at the destination and the nearby areas, as well as the increasing tourist activities have led to the degradation of the destination. Although the destination now has a well-established image among the tourists but it is no longer in fashion and overall destination turnover is high. Repeat visits (non active, non adventurer) tourists dominate, but generally major promotional and developmental efforts are needed to maintain the number of visits. Now the destination becomes a centre of non activities only as there is no upgradation in the tourists activities and there are very few chances of newer developments. Now amenities decline in value and local ownership of tourist facilities increases as outsiders which are in business start quitting and jump to new destinations.

8.4.6 Decline Stage

If the tourist market continues to diminish and the destination is not able to compete with newer destinations, through the development of an artificial attractions which may result in decline. In this stage, the destination looses its charm and tourist find out some newer destination of same choice. Now, the destination needs innovative ideas for growth. Development of new tourist related activites can occur in this stage and tourists may feel fed up with already existed system. Now, destination is visited by very few tourists and that too on weekends or on some special occasions only. There are chances of two more events in the declining stage and these are:

A) **Stagnation (in declining stage)** - Under this situation, the business of the area will be stand still for long term but the chances of this situation or stage is very less because each destination has a life and with the passage of time it will lose. So there is very less chances for the long term stagnation stage in any destination. But if the destination works on strict action plan like provision of adequate services to the tourists at reasonable rate, adopting purely traditional architecture (which is unique in entire region), limiting the number of arrival of tourist during the involvement and consolidation stage (like Bhutan Model of Tourism) this stagnation in declining stage can be stopped.

B) **Rejuvenation (in declining stage)** - Under this stage, there are chances of reconstruction of the destination by adopting the new ideas and doing it by best available sustainable methods.

But the chances are slightly low in comparison to stagnation stage. At the time of stagnation, any destination can do many practices like developing new tourism product, developing nearby area (but main centre must be the same), sustainable tourism activities for the long run growth of destination and many other.

C) **Declining (in declining stage)** - Now if the destination has no option to retain the flow of the clients, the destination declines. Tourists walk away to a new destination and the present destination which is in declining stage can be visited weekly or very few tourists. Now the stake holders which are already engaged with the tourism business either move to new destination (whose chances are very less) or they will come back to their traditional business.
But this model of destination development by Butler is not applicable or appropriate for each destination as Choy (1992) suggested that it is better to treat each destination individually. Each destination has its own charm, it is a unique entity, and if authorities decide to control development and limit the construction of tourist facilities before the destination reaches the stagnation stage, the destination can live for longer time.

8.5 TOURISTS DESTINATION LIFE CYCLE IMPLICATIONS

Some studies examined the physical and psychological factors that affect the life cycle and the eventual decline of the destination. Carrying capacity, location, tourist base, and destination management were cited as important factors related to decline. Carrying capacity means the available area of any destination for operating tourism activities; location means the distance of host destination from big city centre from where tourist will come and destination management means how the host community manages the destination so that the revenue till long run can be managed from it. The effect of cultural patterns on the life cycle of a destination is also important to understand during the destination management. Carrying capacity and government policy were found to have an impact on the life cycle of a destination. It means that if at the time of first stage of destination life cycle a strong government policy related to the construction of tourism infrastructure, carrying capacity, rates of related commodities will be managed then these steps can ensure the long run of the destination.

The debate on the issue of long term utility of any tourists destination is there in tourism industry. Haywood (1986) made a detailed study to find out how long run sustainability of any destination can be achieved. Cooper and Jackson (1989) suggested three basic use of destination life cycle approach to tourism studies as:

A) As conceptual framework.
B) As a tool for forecasting.
C) As a guide to strategic planning and development.

These are the basis of development process of any destination or resort of tourist’s importance. These all must be planned in well manner so that high end profitability of the destination can be ensured.

8.5.1 Conceptual Framework

The life cycle provides a useful and well acceptable framework for the understanding of the dynamics of destination evolution. In the early stage of the development, the destination is adopted by more adventure tourists which is replaced by the laggards or those which are more concerned about their comfort as destination passes through future stages of development. Acceptance of the destination depends upon certain element like market structure, the competition in the present market, pricing policy, the number of the tourists visiting the destination and the location of the destination.
With the change in the time and increase in the number of the tourists the destination become more and more popular and the centre of mass tourists too. Destination life cycle approach is good conceptual framework to describe relationship between market and product.

### 8.5.2 Forecasting

Forecasting is based on certain strict assumption like confines about the long run growth of the destination, homogeneity of the customers and gives no explicit consideration of the competition. For ensuring the success of forecasts, a destination needs the long run data of the tourists or customers. In the case of domestic tourists the data is mostly unreliable. There are some measures to find out the reliable data like to check the official website of concern department for the arrival of the tourists, checking of hotel register of the concern area for the number of tourists, but these are not reasonable for comprehensive work on any destination life cycle.

### 8.5.3 Strategic Planning

Destination life cycle have the utility in strategic planning. All tourism destinations have the distribution of share among all stakeholders, profitability, competition and many marking option based on personal and institutional efforts. For the long run growth of the destination a different marketing mix and strategic option will be there at different stages of the life cycle. There is a process of strategic Planning which includes the following steps:

**A) Defining the Mission Statement**

Mission statement means that how the tourism destination is run and managed. Mostly this part is done by the official government bodies of the tourist destination because there are many private entrepreneurs who work at the destination. There are hoteliers, travel agency operators, restaurants operators, guides and many others. Hence the official public bodies of the destination coordinate all the sector of tourism industry. These mission statements are invisible hand which guides that how a destination can be planned.

**B) Business Portfolio Analysis**

Based on the mission statement each segment of the tourism industry decides about that what kind of tourism product will receive less or more emphasis. Different products are available at a tourist destination and which product is good for log run is offered to the tourist. The advantages of many opportunities are known as the strength of tourist destination. This analysis make destination more attractive among the tourists and it make a positive change in the longer stay of the tourists at the destination.

**C) Growth Strategies**

Strategic planning tries to determine the future markets and product of any destination. Based on the available data of tourist arrival the future possibilities can be traced. There are a number of indicators about the growth of the destination like growing numbers of tourists, expenditure per head, length of the stay, visitor’s profile, and ratio of repeat tourists and growth of travel agency operation. Based upon the competition and available tourism resources different type of growth can be applied.
1) What do you understand by Mission Statement?

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2) What is forecasting?

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8.6 LET US SUM UP

Destination life cycle tells about the different phases or stages of any destination. Destination is a place where tourist visit for leisure, learning, adventure, relaxation, or any other activity related to tourism. Life cycle of any product represents the different stages of any product. According to Butler (1980), under destination life cycle, an area undergo an evolutionary cycle of six stages. These stages are exploration, involvement, development, consolidation, stagnation and decline. Mostly all tourists’ destinations passes through all these mentioned stages. During exploration a new tourist’s destination emerges on the tourism map of any region; during involvement stage many resident of that destination starts tourists related avenues for money earning; during development stage many tourist visit the destination and sometimes these are more than the host population too; during consolidation stage, the arriving number of tourists reaches very high and very less area is there for future development, in consolidation stage the destination starts to loose its charm as there is no fascination in the destination for tourists and finally in declining stage the number of tourists to the destination becomes very less because tourist shifted to any other destination of their choice. Tourist’s destination life cycle find out the long term profitability of any destination by using it as a conceptual framework, as a tool for forecasting and as a guide to strategic planning and development.
8.7 KEY WORDS

**Destination**: Destination is a place where tourist comes for the purpose of tourism.

**Product life cycle**: It represents the different phases of any product which can be a normal product or tourism product.

**Destination life cycle**: There are six stages of any tourism destination; there are exploration, involvement, development, consolidation, stagnation and decline.

8.8 ANSWRES TO CHECK YOUR PROGRESS

**Check Your Progress - A**

1) See Section 8.2 (A)
2) See Section 8.2 (C)

**Check Your Progress B**

1) See Sub-section 8.5.3(A)
2) See Sub-section 8.5.2

8.9 TERMINAL QUESTIONS

1) What do you understand by a tourism destination?
2) What is Destination life cycle?
3) Discuss the main stages of a Destination Life Cycle?
4) Write short note on the following:-
   A) Exploration Stage
   B) Declining Stage
   C) Forecasting
   D) Consolidation Stage
   E) Business Portfolio
UNIT 9  ANCILLARY SERVICES IN TOURISM

Structure
9.0 Objectives
9.1 Introduction
9.2 Concept of Ancillary Services in Tourism
9.3 Ancillary Services in Tourism Industry
  9.3.1 Tour Guides
  9.3.2 Tour Escorts
  9.3.3 Theme Parks
  9.3.4 Cruise
  9.3.5 Souvenirs and Shopping
  9.3.6 Travel Insurance
  9.3.7 Chauffer Service
  9.3.8 Car Rental
  9.3.9 Tourist Publication and Information Centres
  9.3.10 Travel SIM Card
  9.3.11 Airport Related Services
  9.3.12 Hotels Based Services
  9.3.13 Forex
9.4 Let Us Sum Up
9.5 Key Words
9.6 Answers to Check Your Progress
9.7 Terminal Questions

9.0 OBJECTIVES

After studying this unit, you should be able to:

- know the concept of Ancillary Services in Tourism;
- understand various Ancillary Services in Tourism Industry;
- know the importance of Ancillary Services in Tourism Industry; and
- comprehend the role played by Ancillary Services in Tourism Industry.

9.1 INTRODUCTION

Tourism is one of the largest and the fastest growing industry in the world and it accounts for one third of the total service trade. The industry is highly labour intensive and is one of the major sources of employment for people especially in remote areas. It employs all type of people from the unskilled to the major master planners. Tourism as an industry employs people both directly and indirectly. As tourism is related to income level, its demand at both domestic and international level leads to an increase in the global wealth. In present unit, we shall discuss the concept of ancillary services in tourism and various types of ancillary services such as tour guides, escorts, theme parks etc.
Ancillary Services are facilities and secondary services that support the primary amenities in tourism sector. These are important for the success of the tourism business. These services are the ‘Extras’ that form the part of tourists experience and make them all more comfortable and enjoyable.”

These services are the things that are needed to make any trip complete. Apart from doing the regular bookings in hotels or resorts, one needs these ancillary services to make the holiday a success as these are the small important things that are needed while being on the road. One may not recognise these services in the first place but these services are needed to have a comfortable trip and also to be secured and safe while being outside the home town.

Sometimes the travel agent receives much higher commission on these services rather than selling holiday packages and flight tickets. Hence, they are an important source of money to the agents. A number of companies are now becoming specialised in selling these services to the travel agents and also directly to the travellers too.

9.3 ANCILLARY SERVICES IN TOURISM INDUSTRY

We will discuss various types of Ancillary services in tourism industry such as Tour Guides, Escorts, Theme Parks, etc. in detail.

9.3.1 Tour Guides

In the simplest of meaning a tour guide is a person who guides the tourists around the destination and tells them about the culture, architecture, history etc of the place to enhance their experience. These guides are the first people to meet a tourist and the last one to bid them goodbye when they leave.
Now the official definition by organisation such as “World Federation of Tourist Guides Association (WFTGA) states that a tourist guide is the person who guides visitors in a language of their choice and interprets the culture and natural heritage of an area, which a person may possess as an area specific qualification. Such specifications are usually issued and/or recognised by the appropriate authority.”

Tour guides can be divided into various types. A tour operator may employ a variety of tour guides or only one type depending on their need. Individual guides can also choose to be self-employed or work with a company to promote themselves. So, the tour guides are divided into following types:

**On-site Attraction Guides**

These guides are the one who do guiding of a specific or a limited number of venues, historical place, attraction, garden or destination. They are required to have an in-depth knowledge of the place and need to meet and greet the tourists on arrival. Also, they must know how to manage tourists and visitors while they all are on the site.

**City Guides**

City guides are the one who are specialised in touring one or more cities. They show tourists the main attractions of the city and may conduct city walks, bicycle tours and now-a-days special buses known as ‘HOHO’ buses have also started. These are Hop On Hop off buses that are meant for tourism only and are under the public transportation. City guides often work closely with the tourism bodies and semi government bodies.

**Government Guides**

The government guides are those who are employed by the government or agencies and bodies that are funded by the government. Although these guides are hired by the government, but it is not necessary that they may be designated as government officials.

**Specialised Guides**

These tour guides specialised in certain type of tours such as action and adventure tours, historical tours, cultural tours, eco tours, nature tours, etc. These guides must have an in-depth knowledge about the areas they specialise in and also must be ready to answer any question and solve any problem the tourist face.

**Independent Guides**

Independent guides are those who are self employed and may work under tour operators or under the government agencies or operations on a contractual basis. These guides must register themselves under the local authority for guiding in order to function. Also, they need to meet certain standards that are set by the law or the government authorities such as:

- Advertising and promoting the place
- Conducting ethical practices
- Covering insurance
Business and Industry Guides

These guides are specialised guides whose main job is to lead the tourists to the business houses and specific places fit for business profit. These could be employed by the businesses or may be self-employed. They can also work partially with the business companies on commission basis which is based on sales made by the guide while taking the group or tourists on a tour.

Duration Based Guides

These guides are with the tourists with a specific amount of time which may range from one day to multiple days. These guides may need to drive the tourists to different places or may work with an employed driver also; they may sometimes be required to cook food or work with a cook.

Driver Guide

From the above-mentioned types of guides a driver guide may be any of the above and just the addition is that the guide must know to drive a vehicle. They need to hold a driving licence for the type of vehicle they drive which may be a car, van, bus or a coach.

9.3.2 Tour Escorts

Tour escorts are the people who accompany the tour groups while being on their trips known as “package tours”. Being on tour and having an escort gives people a sense of security and the convenience of a transport facility, accommodation, and sightseeing being already arranged for them. For different tour groups different types of facilities are provided which varies according to the budget, taste, age and money of the group. Some tours are based on themes too like religious tours, cultural tours, historical tours, reunion tours, professional tours, special interest tours etc.

Mainly the escorts under tour companies are of different types. Each escort specialises in one or two different kind of speciality, for example one may take people interested in mountain climbing and other may specialise in market such as students and youths. The tour companies may also be varying as some may be long established, and international based while others may operate at their head office which may be near the escort field.

Basic requirements needed by a tour escort includes excellent intra personal and communication skills, organisational ability and financial responsibility. The escort must always have a backup plan and should always be calm under circumstances such as airline strike, bad weather conditions and bus breakdowns. An escort is expected to be both a leader and a friend.

Tourism escorts are required to have at least high school degree and must have experience in this field. Many colleges and universities offer degree in tourism but mainly escorts learn their skills on the job. Many companies provide training to the escorts and teach them the skills required. Trainees are made to work together with experienced escorts till they learn the skill and become familiar with the job. A fluency in english and any foreign language is of great help to the escort and may give them an extra edge.
The working condition of escorts are highly demanding and could also require them to work for days without taking an off and requires lifting heavy luggage and arranging such tours to keep everyone happy.

But the job is of extreme help to the foreign internationals who want to explore a distant land in few days and enjoy as many places as possible. The escorting not only helps in increasing the employment opportunities among the destination people but also helps in uplifting the economy of the host country with earning foreign exchange money.

So giving the tourists an escort with their tour package is surely going to attract them more and help them getting an easier and more joyful, educational, and experienced tour.

### 9.3.3 Theme Parks

The best way to define theme parks is to describe them as artificially created parks built and designed for the purpose of offering visitors entertainment and whole lot of new experiences. These parks have a notable impact on the economy and the tourism of an area and over the years many famous theme parks have been built across the entire world. The most notable ones being the Disney lands. The main reason why theme parks are so famous and have the ability to generate so many tourists is that there is basically no on or off season and also these parks offer thrill and joy which is made for people of all ages from children to adults.

Theme parks have many types and operate under an umbrella term containing various sub categories. The subcategories include parks such as zoological and botanical parks, water parks with many different water activities and rides, science-based parks, amusement parks, shopping centres and many others. These parks provide a fun and thrilling experience for both the locals and the domestic and international tourists and that is why they are known as amusement parks.

These parks have a direct impact on the tourism of the destination. For example, in countries like the Czech Republic, France and Spain, the tourism sector got a great thrust because of the amusement parks found all around those countries. This happened due to the fact that these parks are made in such a way that they align with the already existing tourism scene and compliment it. Also, the environment in those countries favour the existence of these theme parks as it provides unique scenery and sustain parks such as botanical and zoological.

To get an image of how much theme parks actually boost tourism let’s take the example of Disneyland in America which is one of the most famous and tourist famous theme park in the whole world. The theme park is a very important and beneficial pull factor for the American economy. The tourism boosted there after the opening of Disneyland as the place had a unique concept and was something that could be enjoyed by people of every age. Disneyland enjoys a great recognition and reputation in the global market and has helped in expanding the US’s tourism market to grow far and wide.

Other than that, theme parks have the ability to generate employment for a large number of people. These parks generate many employment opportunities both directly and indirectly. If the amusement parks and tourism sector joins and work in perfect collaboration it would help the industry to grow a lot and also increase the economy in a great way.
9.3.4 Cruise

Cruise can be defined as a holiday taken on a large luxury vessel that takes the passengers on a voyage from one destination to another. The part of being on the ship is as much as enjoyable as the part of exploring the destination. The time spent on the cruise varies from one trip to another and can be from days to weeks too, but in the end; it promises a luxurious trip to its passengers. The cruises are different from ocean liners as these liners are used for transporting passengers from one place to another which is often far away from each other, a cruise ship takes the passengers on a round trip dropping and picking then from various tourist destinations and then again coming back to the original point.

Cruise provides many different luxurious facilities like food and beverage, casino, pubs, shopping centres, clubs, accommodation, recreation, and many other services to attract the tourists. Cruise clubs with air travel to make the trip all more comfortable and enjoyable for the tourists.

Now a days some cruises are also based on unique themes for example, yoga, dancing, classical music, Ayurveda, astronomy, pop culture etc. These cruises take the passengers to the destinations that compliment with their themes.

9.3.5 Souvenirs and Shopping

The concept of shopping while being on a tour to other county or destination is very old, but nowadays it is becoming more mainstream and the concept to tour for shopping only has begun recently. For many years shopping while being on a vacation was considered as a luxury but now almost every tourist is interested in buying something from the destination. Sometimes, it is the main motivation for travelling too as people prefer to buy the products from their original and authentic destination rather than buying it from their own city.

Shopping has become one of the biggest activities that tourist does around the world. It has become a travel experience in itself in which the customer prioritises both the quality of the shops and the time they are ready to spend on the activity. Shopping can be a main interest as well as is compatible with other types of tourism also, for example cultural tourism. While exploring, the tourist might want to buy the traditional handcrafted clothes or products of that area and take it with him or her. So, travellers are always looking for something to buy while being on their trip.

So, shopping can be both attraction and a basic facility which tourist wants in a destination. The shopping can range from as little as shampoos to buying traditional and famous handicrafts. Products identifying with the tourist destinations are the most famous.

9.3.6 Travel Insurance

Travel insurance is a type of insurance that will cover any unfortunate and unexpected losses that may happen during travelling either while being on a domestic trip or on international trip. The basic policies cover only medical expenses while other comprehensive policies include coverage for the trip cancellation, lost luggage, delays or flight cancellation, public liabilities etc.
While buying a tour package, tourists get a chance to buy travel insurance too. Some policies cover personal property damage, rented equipment and rental cars or even the cost of paying the ransoms. Types of coverages included in these policies are: trip cancellation, medical coverage, accidental death or flight accident coverage.

Also, these policies may include emergency services like replacing lost passports, cash wire assistance and re-booking the cancelled flights. Some travel insurances also include duplicating existent coverage from other providers and give protection for costs that are refundable.

### 9.3.7 Chauffer Service

Chauffeur service includes providing tourists with a driver to drive them from one place to another while being on a trip in a foreign land or in other state. The chauffeur may drive a luxury vehicle and may be available for either the whole day or a specific period of time.

The service is highly helpful as chauffeur are professional drivers and may help a tourist being at ease at the tourist destination considering the chauffeur knows the streets of the tourist destination. Whether one may be a business professional or a youth just exploring a destination, the drivers would take them to the desired destination on time. Hiring a cab and visiting every destination would be time consuming and tiring, so it is best to hire a chauffeur who would know all the streets and the short cuts to a place.

### 9.3.8 Car Rental

A car rental agency’s main aim is to rent automobiles to people for a short period of time ranging from anywhere between few hours to few days. They often collaborate with various tour operators for increasing their business and making the tours more comfortable for a customer.

Many tourists are more comfortable having to drive on their own while visiting a destination, for them car rental is the perfect option. Not only cars but other type of automobiles such as vans, buggy’s, motorbikes, and scooters are also available for rent.

Along with the basic rent of the vehicle the agencies also offer extra features such as insurance, GPS system, entertainment systems, mobile phones, Wi-Fi etc.

Some of the advantages of having car rentals are as follows:

- With car rental tourist have the freedom to move anywhere at any time they want. One does not have to worry about taxi prices, wait for bus or cabs at the stops, or schedule the cabs beforehand.

- With car rentals tourist can save money by spending it once and then travelling as much they want.

- Having your own car for travelling gives a type of comfort that many tourists would want while going on a trip. They may want some personal and alone time with their partner, friends or family while being on the road.
Also, if a car is rented for travelling the cost of travelling would be low and hence a tourist would be able to save money too.

So covering a car rental in the tour package would definitely give the tour package an edge and the tourist does not have to be worried about travelling in the other nation or state.

### 9.3.9 Tourist Publication and Information Centres

Tourist publication and information centres are a very important part of the tourism sector. Traditionally the information used to be in the forms of brochures but now because of the advancement and development, internet is becoming the leading source of information for the tourists and for tourism operators.

The availability of the current information is very important for the tourist as they need to know about the weather, local transportation, attractions, currency etc. Travel magazines and travel guides like the lonely planet publications are very popular among the tourists and help in keeping the tourist up to date and getting them informed about the newly discovered places, festivities, season, celebrations, famous places etc.

Now a day blogging is becoming very famous and famous travel blogs have an immense importance in increasing the number of tourist and informing the tourist about the culture and some destinations that may not be that famous but worth visiting. Also, when a tourist knows about the experience of other tourists, it is of great help in planning a trip to that destination.

Podcasts are now new ways to get information about the destination. These are the audios that can be downloaded over the internet and can be listened from a portable audio player or on mobile phones.

Having tourist help centres placed at the tourist destination can help the tourist if they face any problem while being on the tour. These help centres can provide tourist the necessary information about the hotels, accommodation, transportation, accessibility, attraction and can also help them if they have any problems.

Almost every country has their own tourist site for informing the tourist and getting them to know about the destination. They have helpline numbers if the tourist has any queries too which are working 24x7 to solve the queries.

So, having such options can be of an immense help to the tourists.

### 9.3.10 Travel SIM Card

Travel SIM card also known as International Sim cards are prepaid Sim cards which can be for specific countries or can be for many different countries all together. These SIMs are very useful for those travellers who are on the road frequently, and visit different countries many times in a year. These SIMs can help then in reducing the roaming charges and getting some benefits too.

Having a Travel SIM card can immensely help in reducing the roaming and bill charges while calling and using the internet. If one uses a domestic SIM the roaming fee and the calling charges can skyrocket and can add to the bill. So, it is better to have an International SIM with which one can stay in contact with the
family members too and also use internet whenever they can even when Wi-Fi is not available.

9.3.11 Airport Related Services

Airport related services include Airport hotels, Airport Parking, Baggage Handling Systems, etc. Now we will discuss these services in detail.

Airport Hotels: Airport hotels offer fantastic services at minimal rates, with or without vehicle parking. These hotels provide access to any or all terminals sometimes or are at close enough distance from the airport so tourists may reach the airport in no time.

Airport Parking: Airports provide parking spaces for vehicles. For example, the cars are put safely at Indira Gandhi International airport in Delhi on an hourly basis whereas the tourists fly to any place within the world. They provide a secure parking facility for guests and frequent fliers in all terminals. All parking locations are well connected to the Terminal buildings. These parking areas are well maintained and operational 24x7. Convenient and time-saving Valet Parking Service is there at Terminal 3, IGI airport. The vehicles are firmly put by chosen personnel in specialised parking zones reserved for Valet Parking services and brought back once one leave from the airport.

Baggage Handling Systems: A baggage handling system primarily consists of various areas that aid various roles comprising inputs of baggage, screening area, makeup area, and claim area. Furthermore, the support areas for the baggage handling system are necessary which contains space used for motor control rooms, control rooms, Programmable Logic controller vaults and supplementary non-conveyor components of the baggage handling system. And the support areas of the BHS may vary greatly depending on the air terminal cost, design, and functions. The input areas to insert baggage into the baggage handling system are ticket counter areas, baggage check-in areas and any other conveyor lines.

9.3.12 Hotels Based Services

Hotel based services include All-Day Breakfasts, Pick-Up and Drop-Off services, provide one thing for free of charge, Bags Forwarding, etc. Now we will discuss these services in detail:

i) All-Day Breakfasts

Many hotels provide complimentary breakfasts to their guests. Some have even started extending the timeframe to make it more accessible.

ii) Pick-Up/Drop-Off Service

Some hotels, particularly those outside town centres, provide a complimentary pick-up and drop-off service for guests. Sometimes, there are centrally situated hotels that offer this service.

iii) Provide one thing for free of charge

“Free” may be a powerful psychological trigger. Giving a present to your guests, is going to be appreciated by them. It may be a bottle of water, a tiny low pack of mints, or a puzzle.
iv) **Personalisation**

A lot of customers expect personalisation from the companies they interact with. From contest give aways to personalised candy wrappers, there are some ways to let your guest apprehend that you simply appreciate them.

v) **Bags Forwarding**

One of the most things which will make travel inconvenient is bags. If you provide a bags forwarding service, your guests will travel worry-free, and proceed as per their convenience while not having to hold their non-essential belongings with them while travelling.

vi) **Rental Vesture**

At times, guests might need vesture for an occurrence they didn’t arrange for. Some luxury hotels provide a short-lived closet to such guests so that they will attend their social events or business conferences without concerning their looks.

9.3.13 **Forex**

Foreign exchange, or FOREX, is the conversion of one country’s currency into another. In a free economy, a country’s currency is valued according to the laws of supply and demand. In other words, a currency’s value can be pegged to another country’s currency, such as the U.S. dollar, or even to a basket of currencies. A country’s currency value may also be set by the country’s government. However, many countries float their currencies freely against those of other countries, which keep them in constant fluctuation. Foreign tourists need Forex services at the airport to exchange their currency which facilitates their travel.

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**Check Your Progress A**

1) Ancillary services are primary motivations for a tourist to travel – True/False.

2) Tour Guides are most important ancillary services – True/False.

3) Which one is not an essential characteristic of Tour Guides?
   i) Strong Communication Skills
   ii) Punctuality
   iii) Passion for their City
   iv) Financial Sound

4) An illiterate person with experience can also apply for becoming a tour guide – True/False.

5) Tour Escorts and Tour Guides are terms used interchangeably – True/False.

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9.4 **LET US SUM UP**

All the ancillary services are an indispensable part of tourism. Although not being a primary part of this industry, they have a huge role in making this industry work and making the tour or a tourist more enjoyable and comfortable by providing the value for money. One may not notice all these services at first but
Concept and Impacts of Tourism

at the micro level these services are very important. Services like Travel insurance policy, cruises, Amusement park tickets, International data SIMs help the tourist to enjoy their vacation free of tension. Not only they make the tourism more valuable but also provide employment opportunities for many people. By providing the employment these facilities help in increasing the economy of the country and help the tourism industry to grow.

If all these facilities are provided by the tour operators at the time of selling the tour packages, chances are there that the tourist will come back again to that same operator for other trips as their previous trips was comfortable. The travel and tourism industry is focussing on providing the best hospitality services to the customers and these ancillary services play an important role in keeping that mark up.

Therefore, it is very important that these ancillary services as always being developed and are kept up to the mark. What makes a same tour package better than the other is because of these ancillary services. The government or the tourism sector should always thrive to search for new ways to make these services better and develop them.

9.5 KEY WORDS

Business Plan: An action plan that entrepreneurs draw up for the purpose of starting a business; a guide to running one’s business.

City Guide: A person who has a speciality of guiding in the city only.

Guide: A person qualified to conduct tours of specific localities or attractions (many reliable guides are licensed).

Packager: An individual or organisation that coordinates and promotes the package tours and establishes operating guidelines for the tour.

Service Provider: A person or company that supplies a particular service.

Stakeholder: Any person, group or organisation with an interest in, or who may be affected by, the activities of another organisation.

Step-On Guide: An independent guide who comes aboard a motor coach to give an informed overview of the city or attraction to be toured.

Suppliers: Individuals, companies or other organisations which provide goods or services to a recognisable customer or consumer.

Tour Escort: The tour company staff member or independent contractor who conducts the tour. Often called the tour manager or tour director. It is technically a person that only escorts the group and does not have charge of the commentary portion.

Tour Manager: A person employed as the escort for a group of tourists, usually for the duration of the entire trip, perhaps supplemented by local guides. The terms tour director, leader, escort are used for him.
9.6 ANSWERS TO CHECK YOUR PROGRESS

1) True
2) True
3) (iv) Financial Sound
4) False
5) True

9.7 TERMINAL QUESTIONS

1) Define Ancillary services in tourism. Why they are important?
2) Enlist the various responsibilities of a Tour Guide.
3) Write an essay on the Cruises as ancillary services.
4) Enlist all main Ancillary services in tourism.
5) What are various services available at Airport for the tourist?
UNIT 10  TOURISM DEMAND AND SUPPLY

Structure
10.0  Objectives
10.1  Introduction
10.2  Tourism Demand and Supply
   10.2.1  Characteristics of Tourism Demand
   10.2.2  Characteristics of Tourism Supply
10.3  Concept of Tourism Demand and Supply
10.4  Definitions of Tourism Demand and Supply
10.5  Indicators of Tourism Demand and Supply
10.6  Measuring Demand for Tourism
10.7  Let Us Sum Up
10.8  Key Words
10.9  Answers to Check Your Progress
10.10  Terminal Questions

10.0  OBJECTIVES

After reading this unit, you should be able to:

- know the concept of tourism demand and supply;
- comprehend the tourism demand and supply;
- identify the indicators of tourism demand and supply; and
- understand how tourism demand can be measured.

10.1  INTRODUCTION

What is the very first thing that comes to your mind while considering a business venture? The very first thing that one needs to consider is “whether there will be any demand for the product/service being planned to offer and will that demand be enough to financial and otherwise survival of the business” Before answering this question, one need to understand “what is demand”. In economic sense demand is supposed to be there when there is the desire among the potential customers for the product/service being on offer along with the willingness and ability to pay. In more technical sense, “Demand is the quantity/volume of product or services that the potential buyers are willing and able to pay at a given price in a given time frame.” In present unit, we shall apply the concept of demand to tourism business and understand various facets of tourism demand.

On the other hand, supply refers to the availability of goods/services. It refers to the availability of goods/services at a given price in the given time frame. Imagine a scenario, you are trying to book a flight and it is shown that on a particular price no seats are available but on the next higher price, seats are available. This explains the relevance of price in supply. At one price, there was no supply of air seats, but on the higher price, supply was available. Present unit, will also discuss the concept of tourism supply and various factors affecting it.
10.2 TOURISM DEMAND AND SUPPLY

Demand and supply act as two sides of same coin. In order to develop an effective business strategy, it is very important to understand the dynamics of demand and supply in the business under consideration. In case of tourism, this becomes all more difficult on account of complexity of tourism product which not being a single entity rather complex mix of various intangible services.

Tourism demand: Requirement of variety of tourism products (Goods and services) at a particular place / market in a given time on a given price is known as tourism demand. In short, requirement of tourism products is called as tourism demand. Tourism demand involves following requirements by the tourist / consumer:

1) Transport services (Hotel transfers and local sight-seeing)
2) Accommodation facilities (Stay in hotels, residential hotels, resorts, camp sites, tree houses, house boats, luxury trains and cruises etc.)
3) Ancillary services /amenities (Banking services, medical aids, security services, escort and guide facilities, foreign currency exchange and entry tickets to variety of events and cultural performances etc.).
4) Tour components together as tour packages.

Tourism supply: The provision of variety of tourism products (Goods and services) to tourists / consumers at a particular market / destination in a given time is called as tourism supply. Tourism supply also refers to variety of supply channels. These channels may be wholesale, retail on the basis of distribution. These may also be direct or indirect channels on the basis of interaction between the seller and buyer. Tourism supply can also be online and offline depending upon the mode of purchase of tourism products. Tourism supply involves following provisions:

1) Tour packages.
2) Tour components.
3) Supplementary services including visa facility.
4) Creative tourism products.

10.2.1 Characteristics of Tourism Demand

Tourism demand exhibits various characteristics enlisted as follows:

- Tourism demand depends upon requirements of variety of tourism products in a particular market.
- Tourism demand depends upon supply of tourism products.
- Tourism demand is generally continuous except upon certain situations like global lockdowns and administrative failures of countries across the world.
- Tourism demand varies at different markets.
- Tourism demand is flexible.
- Tourism demand is sensitive to different internal and external factors.
- Tourism demand exhibit variations due to numerous dependent and independent variables.
Tourism demand depends upon numerous factors i.e. Socio-cultural, psychological, geographical, climatic, seasonal, political and international factors.

10.2.2 Characteristics of Tourism Supply

Tourism supply has various characteristics stated as follows:

- Tourism supply depends upon provision of variety of tourism products in a particular market.
- Tourism supply is directly related to tourism demand.
- Tourism supply is generally continuous except upon certain situations like global lockdowns and administrative failures of countries across the world.
- Tourism supply varies across different markets.
- Tourism supply is flexible.
- Tourism supply is sensitive to different internal and external factors.
- Tourism supply varies due to numerous dependent and independent variables.
- Tourism supply depends upon numerous factors i.e. geographical, climatic, seasonal, political and international factors.

10.3 CONCEPT OF TOURISM DEMAND AND SUPPLY

Tourism business is all about demand and supply in broader sense. However, business ethics in tourism demand and supply are important. Demand and supply of tourism products has been enhanced to a larger extent since few years. Both demand and supply are interlinked and affect each other directly. Let’s understand the concept of demand first.

Tourism demand

Tourism demand may be defined as requirement of various tourism products (Goods and services) at a particular place or market in a given time period at a given price. More precisely, demand of tourism products is called as tourism demand. It involves demand of tour packages, tour components and variety of services like escort and guide services, catering services and foreign currency exchange etc.

Types of tourism demand: Tourism demand is of following types depending upon its existence:

1) Active demand.
2) Potential demand.
3) Deferred demand.
4) Suppressed demand.
5) Future demand.
6) Creative demand.

Various types of tourism demand can be further understood as follows:
1) **Active demand:** It refers to total number of people, who are actually utilizing different tourism products in current time at a particular place / market.

2) **Potential demand:** It refers to total number of people, who are currently not utilising any tourism product but may utilise or undergo any tour in near future at a particular place / market.

3) **Deferred demand:** It refers to all those individuals, who have potential to undergo any tour but they have delayed their plan due to some reasons. These reasons may be lack of leisure / free time, health issue or any family problem etc.

4) **Suppressed demand:** It refers to all those people, who can undergo tours but are not utilising any tourism product because of lack of motivation and sufficient information. This demand can be converted into active demand through variety of motivational efforts.

5) **Future demand:** It refers to requirement of different tourism products in near future / coming days. It may increase or decrease depending upon changes in lifestyles of people.

6) **Creative demand:** It refers to requirement of new types of tourism products with lots of creative aspects. It may involve new tourism trends and exploration and development of new tourism destinations.

**Supply in tourism**

Supply in tourism refers to provision of different tourism products (*Goods and services*) at a particular place / market in a given time at a given price. The supply of tourism products includes provision of tour packages, individual tour components, variety of services like escort and guide services, catering services, insurance services, security services, FOREX services and passport as well as visa services etc.

** Suppliers in tourism:** There is following types of supply in tourism sector depending upon supplier:

1) **Wholesale (Tour Operator).**

2) **Retail (Travel agent).**

The wholesale and retail are two main modes of supply in tourism sector, which are described as follows:

1) **Wholesale (Tour Operator):** Here, the supplier supplies tourism products (*Tour packages and tour components*) in large quantity at a particular market/place in a given time. The bulk selling is common practice with comparatively less prices of tourism products.

2) **Retail (Travel Agent):** Here, the supplier supplies tourism products (*Tour packages and tour components*) in small quantities as per demand of the customers. The retailer works as middleman and remains in contact of both, the wholesaler as well as customer.

*Other modes of supply include following:*

1) **Direct selling**- (*Online sale by parent organization or through wholesale and retail stores*).
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2) **Indirect selling** - through affiliates, resellers, independent sales representatives and system integrators (*Different sellers both online stores- Amazon and Flipkart etc. and offline stores other than the parent organisation*).

3) **Personal selling** - *(Door to door selling)*, can also be considered as part of direct as well as indirect selling.

Factors Affecting Demand and Supply in Tourism

Tourism demand as well as supply does not exist in isolation, rather the demand and supply for a specific tourism service is resultant of interplay between various micro and macro factors. These factors can be socio economic factors like purchasing power, paid holidays etc, psychological, geographical, technological or any other.

1) **Factors affecting demand in tourism:** Different factors like psychology, economic condition, technology and geography affect tourism demand at large. These may be discussed as follows:

   - **Socio-economic factors:** These factors include income, purchasing power, disposable income, standards of living, economic status, paid holidays availability, organisational incentives. Competitive prices of tourism products, increase in leisure time, and demographic structure of population (*Gender, age, religion, affiliation and type of family*) also affect tourism demand.

   - **Psychological factors:** These factors include personal motives, personal attributes / perceptions / biases, awareness, education, personality type and physiological well-being etc.

   - **Technological factors:** These factors include mobile phones, TV’s, computer with internet, electronic displays, mobile apps like Yatra.com, Goibibo, oyo rooms and make my trip etc.

   - **Geographical factors:** These factors include geographic location of destination, landscapes, snowy peaks, rivers, climate, seasons and natural hazards etc.

   - **Factors at destination:** It includes development level, quality of product, tourist / travel formalities, tourism policy of the destination, creative tourism trends, destination image and branding etc.

2) **Factors affecting supply in tourism:** There are following factors that affect supply of tourism products at destinations:

   - **Geographical location:** Accessible markets have better supply of tourism products at reasonable prices. The geographical harsh areas / markets have generally poor supply of tourism services.

   - **Technology:** Markets that are empowered with better electronic gadgets are able to receive better supply of tourism products. Consumers can easily access different tourism products through mobile applications and websites of different tour operators. Moreover, consumers can easily remain aware of regular discounts and offers on special occasions.

   - **Service providers:** Presence of service providers i.e. tour operators as well as travel agents given markets affect supply directly. The more service providers generally lead to better supply of tourism products and more competitive prices of different tourism services.
10.4 DEFINITIONS OF TOURISM DEMAND AND SUPPLY

After having gone through various conceptual dimensions of tourism demand and supply, it will be prudent enough now to have a look at some of definitions given by some noted academicians of this field. After having understood the concepts, the definitions will further enhance the understanding of these concepts.

Definitions of Tourism Demand

1) **According to Mathieson and Wall, 1982**, “Tourism demand is the total number of persons who travel or wish to travel to use the tourist facilities away from their places of work and residence.”

2) **According to IGI Global Dictionary**, “Tourism demand is defined as the number of people that plan to buy tourism products supported by sufficient purchasing power and spare time in order to meet tourism needs of people.”

3) **According to Cooper et al, 1993**, Tourism demand is, “The total number of persons, who travel or wish to travel and use tourist facilities and services at places away from their places of work or residence.”

4) **According to Professor H.P. Gray**, tourism demand can be discussed under two sub-parts as:
   - **Wanderlust**: The desire to exchange the known for the unknown, to leave familiar things and to seek new experiences, places, people and cultures.
   - **Sunlust**: A desire to travel and enjoy sunny places.

5) **According to Song et al. 2010**, **Demand** is made of all those travelling to some place (tourists and destination). It can be **measured** by taking into account four elements: people (tourists), money (expenditure, receipts), time (stays and travels durations) and space (distances, lengths of trips).

Definitions of Tourism Supply

1) **According to Cooper et al, 1993**, Tourism supply has been defined as, “The supply of all assets, services and goods to be enjoyed or bought by visitors and occasioned by the journeys of visitors.”

   “Tourism supply consists of an amalgamation or mix of attractions. Tourism supply shapes the demand for tourism in a country.”

2) **According to Sinclair & Stabler (1997)**, “Tourism supply is a complex phenomenon because of both the nature of the product and the process of delivery.”
“Principally, it cannot be stored (i.e. it is perishable product), it is intangible in that it cannot be examined prior to purchase, it is necessary to travel to consume it, heavy reliance is placed on both natural and human made resources and a number of components are required, which may be separately or jointly purchased and which are consumed in sequence.”

&

“It is a composite product involving transport, accommodation, catering, natural resources, entertainment and other facilities and services such as shops and banks, travel agents and tour operators.”

**Check Your Progress A**

1) Write two definitions each of tourism demand and tourism supply?

.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................

2) Tourism demand includes:
   a) Requirement of medicines
   b) Requirement of tour packages
   c) Requirement of hotel room
   d) Both (b) & (c)

3) Tourism supply includes:
   a) Provision of notebooks
   b) Provision of laptops
   c) Provision of tour packages
   d) Provision of mobile phones

**10.5 INDICATORS OF TOURISM DEMAND AND SUPPLY**

There are many indicators that help in understanding the status of tourism demand and supply in a particular market. Various indicators of tourism demand and supply are enlisted as follows:

**Indicators of tourism demand –**

1) **Economic indicators:** The financial status of people in a market is a major indicator of tourism demand. If the economic condition of people in a market is in growing phase then the demand for tourism products will increase most probably. On the other hand, if the economic condition of people in a market is poor, then the demand for tourism products will decrease at large. The economic indicators are:
   - Employment of people, who are part of a market.
• Income of people, who are part of a market.
• Local entrepreneurship in a market.
• Local investment in different ventures.

2) **Socio-cultural indicators:** There are certain social factors that affect the movement of local people for tourism activities. However, the social effect may be positive or negative depending upon multiple aspects (Financial structure of people, lifestyles etc.). The cultural factors that involve exploration and provide ample space for creativity enhance local movement to new places, thereby increase the tourism demand. Contrary to this, cultural restrictions lead to decrease in tourism demand. The socio-cultural indicators are:

• Beliefs and lifestyles of people.
• Social freedom.
• Availability of holidays / leisure time.
• Cultural exploration.
• Cultural exchange.
• Educational tours to different states.
• Research assignments to different destinations.

3) **Psychological indicators:** Psychological aspects of people at any place / market constitute tourism demand in a given time. Educated and motivated people indicate increase in tourism demand and contrary to this less educated and least motivated people indicate decrease in tourism demand. Various psychological indicators are:

• Awareness level of people for tourism activities.
• Motivational atmosphere for tourism activities.
• Family structure and support.
• Marital status.
• Working environment.
• Social status.

4) **Geographical indicators:** Geography of any place / market also indicates demand for tourism products. The places that are well connected through variety of modes of transportation and are easily accessible, generally receive better services and are up to date with current tourism trends. Thus, such places show an effective demand for tourism. Contrary to this, the places located in remote areas lacking multiple modes of accessibility or are not easily accessible, generally receive selective services and are lesser up to date with current tourism trends, show lesser demand for tourism products. Various geographical indicators are:

• Terrain of place / market (Plain region, mountain region, desert or coastal region).
• Ease of accessibility up to or within the place / market.
• Distance of the place from a bigger market.
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- Availability of multiple modes of transportation (Roadways, railways, airways and waterways).

5) **Climatic indicators:** Climate of any place or market is also an important indicator of tourism demand. The place having better climatic conditions shall lead towards better inflow of tourists to the place and least outflow of people to other destinations, thereby decreasing the demand of local people for tourism products. Contrary to this, the place having harsh / adverse climatic conditions shall lead towards less inflow of tourists to the place and more outflow of people to other destinations, thereby increasing the demand of local people for tourism products. Various climatic indicators are:

- Seasons (Summer, winter, monsoon and spring season).
- Calamities like cloudbursts, hot winds, landslides and floods etc.

6) **Technological indicators:** Technological development of a place / market is an important indicator of demand for tourism products. Technological empowerment of local people helps them to utilise available tourism products and new tourism trends in the market, thereby increasing the tourism demand. Contrary to this, lack of technological support, prohibit people from availing tourism products, thereby leading towards decrease in demand for tourism products. Various technological indicators are:

- Availability of smart mobile phones.
- Availability of internet facility.
- Availability of mobile applications.
- Availability of online service providers like MMT, YATRA, OYO rooms, Go ibibo, Taj hotels, Oberoi hotels, Indigo airlines, Air India etc.

**Indicators of tourism supply —**

1) **Geographical indicators:** Geography of any place / market also affects the supply of tourism products. The places that are well connected through variety of modes of transportation and are easily accessible, generally provide better services and are up to date with current tourism trends. Thus, such places show an effective tourism supply. Contrary to this, the places located in remote areas lacking multiple modes of accessibility or are not easily accessible, generally receive selective services and are lesser up to date with current tourism trends, show less effective tourism supply. Various geographical indicators are:

- Terrain of place / market (Plain region, mountain region, desert or coastal region).
- Ease of accessibility up to or within the place / market.
- Distance of the place from a bigger market.
- Availability of multiple modes of transportation (Roadways, railways, airways and waterways).

2) **Technological indicators:** Technological development of a place / market is an important indicator of supply of tourism products. Technological empowerment of local people helps them to utilise available tourism
products and new tourism trends in the market, thereby leading towards effective tourism supply. Contrary to this, lack of technological support, prohibit people from availing tourism products, thereby leading towards decrease ineffectivetourism supply. Various technological indicators are:

- Availability of smart mobile phones.
- Availability of internet facility.
- Availability of mobile applications.
- Availability of online service providers like MMT, YATRA, OYO rooms, Go ibibo, Taj hotels, Oberoi hotels, Indigo airlines, Air India etc.

3) **Infrastructural indicators**: Status of basic infrastructure at a place / market is an important indicator for supply of tourism products. Developed infrastructure helps in easy provision of tour packages and hotel room etc., thereby facilitating better tourism supply. Contrary to this, least developed infrastructure affects easy provision of tourism products, thereby deteriorating the tourism supply. Various infrastructural indicators are:

- Hotels and resorts.
- Restaurants.
- Roads.
- Recreational parks.

4) **Service provider indicators**: Service providers at a place / market are important indicators of tourism supply. Service providers maintain better supply of tourism products in a market, thereby leading towards effective supply of tourism products. Contrary to this, lack of service providers or limited service providers, provide only limited tourism supply, thereby leading towards poor supply of tourism products. Various service indicators are:

- Tour operators.
- Travel agents.
- Transporters.
- Hoteliers.
- Escorts and guides.
- FOREX (Foreign currency exchange) providers.
- Travel insurance companies.

10.6 **MEASURING DEMAND FOR TOURISM**

Tourism demand is a continuous phenomenon and it must be measured properly in order to craft tourism infrastructure and thereby providing world class tourism services at various destinations. Tourism demand can also be referred to as travel propensity (*measure of percentage of population engaged in tourism activities*). You might have gone with the basic concept of tourism demand that it is requirement of variety of tourism services at a destination / place / market in a given time. The people who are currently utilising tourism services constitute active tourism demand. Those, who may travel in near future constitute potential
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Tourism demand. Likewise, tourism demand can be easily categorised into different types as follows:

1) On the basis of its origin, the tourism demand can be broadly categorised as:
   - Inbound tourism demand.
   - Outbound tourism demand.
   - Domestic tourism demand.

2) Further, on the basis of status (Actual position) of tourism demand, it can be categorised as follows:
   - Actual tourism demand.
   - Potential tourism demand.
   - Deferred tourism demand.
   - Suppressed tourism demand.
   - Creative tourism demand.
   - Future tourism demand.

The determinants of tourism demand are the factors that determine the nature and type of tourism products required at a place / market. These are of following two types broadly:

1) Long term determinants.

2) Short term determinants.

These determinants are further elaborated as follows:

1) Long term determinants of tourism demand: These are the factors that affect the tourism demand in a long run. Long term determinants are enlisted as follows:
   - Economic status.
   - Availability of leisure time.
   - Demographic factors.
   - Legislative scenario.
   - Availability of trained manpower.
   - Sources of financial support.
   - Extent of local involvement.
   - Development level of people.
   - Status of communication development.
   - Status of fundamental and basic education.
   - Status of language barriers.
   - Infusion of business planning skills.
   - Status of trained tourist escorts and guides.
   - Status of communication skills in employed tourism man-power.
2) **Short-Term Determinants of Tourism Demand:** Short term determinants affect the tourism demand in small proportions and in short run. These are enlisted as follows:

- Decreasing income level of tourists leading towards less disposable income.
- Opportunities of employment especially in developed countries.
- Changing rates of currency exchange across the world.
- Absence of developing business limiting the level of earnings, thereby decreasing the confidence of consumers.
- Uncertainty on the future dimension of viruses like H1N1 influenza virus, Corona virus and their spread. It is indeed a cause for concern as still there are cases of infection being reported across the world.
- Advanced booking in proportions to numbers of seats available with the airlines.

**Levels of tourism demand:** Concept of tourism demand measurement involves following three levels:

1) Product level (total product and tourism items).
2) Geographical level (world, country or destination).
3) Time level-(present, short, medium and long term).

**Statistics of tourism demand:** While measuring tourism demand, following three aspects are taken into consideration. These are:

1) Volume statistics.
2) Value statistics.
3) Visitor profile statistics.

1) **Volume statistics** refers to following aspects:

- Total number of individual tourist arrivals and the total number of tourist departures. It is added by following equilibriums:
  - No. of trips\(=\) (No. of individuals) (Number of trips per individual)
  - Total tourist nights\(=\) (No. of trips) (Average length of stay)
- Arrival in accommodation establishment.
- Business trip.
- Country of residence.
- Domestic tourist.
- Inbound tourist.
- Outbound tourist.
- International tourist.
- Duration of trip.

Various travellers not included in tourism statistics are border workers, immigrants, nomads, transit passengers, refugees, members of armed forces, consulates and diplomats.
2) **Value statistics:** Value statistics while measuring tourism demand includes following:
   - Measurement of economic value of foreign visitors and outgoing visitors (expenditure).
   - International tourism expenditure.
   - International tourism receipts.
   - Leisure trip.

3) **Visitor profile statistics:** Visitor profile includes following details:
   - Visitor name.
   - Age.
   - Sex.
   - Group type.
   - Occupation.
   - Income level.
   - Origin and destination.
   - Mode of transportation.
   - Purpose of visit.
   - Length of stay.
   - Accommodation used.
   - Activities.
   - Tour package / independent travel.

While measuring tourism demand, following broad spectrum are taken into consideration:

\[ D = f(\text{Propensity, resistance}) \]

In which \( D \) stands for tourism demand.

**Propensity** = Person’s predisposition to travel
   = How willing is the person to travel.
   = What types of travel experiences he / she prefer.

**Resistance** = Relative attractiveness of various destinations.
   = Economic crunches (Time and cost involved in travelling).
   = Cultural distance - extent of cultural differences.
   = Cost of services.
   = Quality of service.
   = Seasonality.

Now the question arises that how we can measure tourism demand at a particular place in a given time? The answer can be surely sought in following description:

Tourism demand can be measured as travel propensity, with emphasis on population study. We know that travel propensity is effective measure of tourism demand. It is further of two types as net travel propensity and gross travel propensity. Net travel propensity refers to the percentage of population that has taken at least one trip in a year or given time. On the other hand gross travel
Tourism demand and supply

propensity refers to average number of trips undertaken by people in a year or given time. The travel movement of people depends upon many factors like economic, geographic, climatic, cultural, psychological, health, political as well as cross border ties between countries. Travel movement is also determined by the status of supply of tourism products (goods and services). Urbanisation of any place / market leads towards development of local economy, thereby enhancing employment opportunities, income, standard of living and leisure time. With enhanced income people utilise their free time in exploring new places for recreation and enjoyment. The educational development makes people much aware about latest tourism trends and urges them to utilise tour packages across the country and even throughout the world. With enhanced medical facilities, the average age of people also increases, which enable aged people to utilise their earned money and time in experiencing tourism products. Tourism demand assessment is an important aspect in order to determine the share of tourism business in economy of any place.

The travel propensity is measured as:

1) **Net Travel Propensity**: Net travel propensity refers to the percentage of population that has taken at least one trip in a year or given time.

2) **Gross Travel Propensity**: Gross travel propensity refers to average number of trips undertaken by people in a year or given time.

3) **Travel Frequency**: It is the ratio of gross travel propensity to net travel propensity.

Based upon, various factors, determinants and available feedback from market, the tourism demand at a particular place / market in a given time frame can be calculated more accurately and effectively.

**Check Your Progress B**

1) What are various indicators of tourism demand?

2) What are various indicators of tourism supply?

3) Indicators of tourism demand is / are:
   (a) Geographical    (b) Economic indicators
   (c) Both            (d) None

4) Travel propensity measures:
   (a) Tourism supply     (b) Tourism demand
   (c) Foreign currency exchange (d) Tourism trends
10.7 LET US SUM UP

After reading this unit, you must have understood the meaning, concepts and characteristics of tourism demand and supply. Requirement of tourism products (goods and services) at a place / market is known as tourism demand. Likewise provision of tourism products at a given place / market is known as tourism supply. You might have also gone through the definitions of tourism demand and tourism supply narrated by various social scientists, tourism entrepreneurs and organisations. Various indicators of tourism demand and supply have also been discussed in the unit comprehensively. Indicators of tourism demand are geographical, climatic, socio-cultural, economic, psychological and technological aspects. Likewise, indicators of tourism supply are geographical, technological, infrastructural aspects and service providers. Moreover, you might have been familiar with measurement of tourism demand including types of tourism demand on the basis of origin and current status (actual position); determinants of tourism demand (long and short term determinants); level of tourism demand (product, geography and time level); statistics of tourism demand (volume, value and visitor profile statistics) and travel propensity comprehensively including net travel propensity, gross travel propensity and travel frequency.

10.8 KEY WORDS

Various words that are relevant and used comprehensively in the unit are described briefly as follows:

Tourism: The word tourism is comprised of two sub-words ‘Tour’ and ‘ism’. The sub-word ‘Tour’ means movement of individual / group of individuals from one place to another in order to explore new places, least explored places and popular places. Sub-word ‘ism’ means to know. So, tourism means to know about each and every technical aspect about the movement of individual/ s for exploration of places.

Tourism product: Tourism product means bundle of goods and services. It involves both the tangible (touchable) as well as intangible (untouchable) components. Tourism product involves dominating part as service part i.e. transportation, accommodation, catering and sight-seeing. Tourism industry is also known as service industry,because of dominating service components in tourism products.

Tourism demand: Tourism demand means requirement of tourism products (goods and services) at a particular place / market in a given time.

Tourism supply: Tourism supply refers to provision of variety of tourism products at a particular place / market in a given time.

10.9 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress A

1) Refer to section 10.4
2) d.
3) e.
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Check Your Progress B

1) Refer to section 10.5
2) Refer to section 10.5
3) c.
4) b.

10.10 TERMINAL QUESTIONS

1) Describe the significance of analysing tourism demand status for drafting tourism business model for a particular destination?
2) What are various strategies that can be adopted for betterment of tourism products supply at a particular place or market?
3) What are various types of tourism demand on the basis of its status or current position?
UNIT 11  TOURISM STATISTICS

Structure
11.0  Objectives
11.1  Introduction
11.2  Historical Development of Tourism Statistics
11.3  Basic Concepts of Tourism Statistics
11.4  Demand Perspective of Tourism Statistics
11.5  Measurement of Demand Elements
11.6  Supply Perspective of Tourism Statistics
11.7  Tourism Satellite Account
11.8  World Tourism Statistics
11.9  India Tourism Statistics
11.10  Let Us Sum Up
11.11  Answers to Check Your Progress

11.0  OBJECTIVES

After reading this unit, learner will be able to:
- explain the meaning and need of tourism statistics;
- interpret the basic concepts of tourism statistics;
- understand the concept of Tourism Satellite Account; and
- analyse the data and trends related to Indian Tourism Statistics.

11.1  INTRODUCTION

We all know that tourism is a complex phenomenon having so many diverse elements which act together to deliver quality experience to the tourists. Because of the nature of tourism activity and its associated system, tourism is a complex adaptive system presenting several challenges for the policy makers when it comes to measuring tourism. However, each country collects and publishes tourism statistics across the world. Even, international organisations like World Tourism Organisation (UNWTO) and World Tourism and Travel Council (WTTC) also collects, compile and publish tourism statistics for assessing global trends and making projections. At the national level, tourism statistics helps in identifying the tourist flows across various destinations helping the policy makers to develop destination specific marketing plans. In this unit, we will understand the concept of tourism statistics, its need and the scope of its measurement. We will also highlight the various problems and issues regarding the measurement of tourism statistics and its relevance to tourism industry. At the end, we will present the global tourism statistics and the Indian statistics which is published by the relevant credible agencies.
11.2 HISTORICAL DEVELOPMENT OF TOURISM STATISTICS

The concept of “international visitor” was first established in 1953 by International Union of Official Travel Organisations (now known as UNWTO, United Nations World Tourism Organisation) which was recommended during United Nations Conference on International Travel and Tourism in 1963 at Rome. Till this time, the global fraternity used the word ‘foreign visitor’, which was defined as, “a person who visits a country other than that in which he habitually lives for a period of atleast 24 hours and a maximum period of six months.”

In 1963, during the conference a new term ‘visitor’ was proposed which was defined as, “any person visiting a country other than that in which he has his usual place of residence, for any reason other than that in which he has his usual place of residence, for any reason other than following an occupation remunerated from within the country visited.” The term visitor was divided into two different categories

a) **Tourist** – defined as “temporary visitors staying at least twenty four hours in a country visited, and whose purpose was for leisure, business, family or meeting”.

b) **Excursionist** – defined as “temporary visitors staying less than 24 hours in a destination visited and not staying overnight.” Excursionists are also known as same day visitors for example cruise visitor or border shoppers.

In 1980, UNWTO in its Manila declaration extended these definitions to all form of tourism including domestic tourism. During the fifth session of its General Assembly (1983) in New Delhi, UNWTO issued a report stressing upon the need of a uniform and comprehensive means of measurement and comparison with other sectors of economy. Subsequently in 1991, UNWTO organised International Conference on Travel and Tourism in Ottawa, Canada with an objective to standardise industrial classifications and tourism terminology. During the conference resolution, a new definition of tourism was recommended as

“ the activities of a person travelling to a place outside his or her usual environment for less than a specified period of time and whose main purpose of travel is other than the exercise of an activity remunerated from within the place visited.....”

In 1994, UNWTO published Recommendation on Tourism Statistics which represent the first international standard to set up the basic foundations of a System of Tourism Statistics in terms of concepts, definition, classification and indicators.

Based on the recommendations of Ottawa Conference, many countries initiated the development of Tourism Satellite Account (TSA) that would give credibility to the measurement of tourism and provide comparability with that of other economic and social activity. In 1997, the OECD Tourism Committee made its first proposal for TSA for OECD countries. In 1999, at the UNWTO conference held at Nice, the TSA standard was proposed which was published in 2001 as Tourism Satellite Account – Recommended Methodological Framework that was structurally linked with System of National Accounts 1993.
In 2008, United Nations based on the decision of UN Statistical Commission published International Recommendations for Tourism Statistics which was drafted by UNWTO in collaboration with other agencies including International Labour Organisation, Organisation for Economic Cooperation and development (OECD), International Monetary Fund (IMF) and other similar agencies. This document provided a comprehensive methodological framework for collection and compilation of tourism statistics in all countries.

**11.3 BASIC CONCEPTS OF TOURISM STATISTICS**

While measuring tourism activity, it is important for us to understand the basic forms of tourism, their classification and the basic tourism units that are considered as statistical units in the survey.

Tourism is classified as (a) International – Inbound and Outbound (b) Domestic. These three basic forms of tourism are defined as

i) **Domestic Tourism** – comprising of residents visiting their own country

ii) **Inbound Tourism** – comprising of non-residents travelling in a given country

iii) **Outbound Tourism** – comprising of residents travelling in another country.

Another way to look at these basic forms of tourism is by dividing them in following categories

i) **Internal Tourism** – includes domestic and inbound tourism.

ii) **National Tourism** – includes domestic and outbound tourism.

iii) **International Tourism** – included inbound and outbound tourism

Another term that is used is ‘traveller’ which refers to all individuals making a trip between two or more geographical locations. Traveller includes visitors, direct transit travellers, commuters (travel for study or work) and other non-commuting travel (e.g. diplomats, migrants etc.). The entire system of tourism statistics is based on ‘visitors’ who are engaged in the activity of tourism.

According to International Recommendations for Tourism Statistics 2008, the basic concepts in tourism statistics are

a) **Economic Territory and Economy** – The term economic territory corresponds to geographic reference (or country of reference). The term economy refers to the economic agents that are resident in the country of reference.

b) **Residence** – To distinguish different forms of tourism, the concept of residence helps in classifying the visitors according to their place of origin.

c) **Nationality and Citizenship** – It is important to understand that the ‘country of residence’ is different from his / her nationality. For example, an Indian citizen might be residing in United States of America and would be planning to visit Europe on a vacation. The nationality of an individual depends upon which country has issued his / her passport.
d) **Usual environment of an individual** – This is an important concept which was introduced to exclude those travellers from visitors who commute regularly between their place of usual residence and frequently visited places within their current life routine. For example, many people commute everyday between Mumbai and Pune or between Agra and New Delhi in respect to their work or study. Such travelers cannot be considered as domestic tourist.

e) **Tourism Trips and Visits** – The trips taken by tourists are called as tourism trips. A tourism trip is characterised by main destination, which is the place which is central to the decision to take that trip. For example, a domestic tourist who intends to visit Taj Mahal will have Agra as the main destination, though he/she might visit Mathura as well. The term ‘tourism visit’ refers to a stay in a place visited during a tourism trip.

f) **Tourism and being employed** – In case a traveler is being employed and the payment received is only incidental (and not purposeful), a traveller will still be considered as a visitor. It is important to understand the employer – employee relationship to examine whether a traveler can be classified as a tourist or not. Following set of international travellers are excluded from the visitors list – all form of workers (border, seasonal, short-term, long-term), nomads and refugees, transit passengers, crew of public modes of transport (airlines, ships), long-term students and patients, diplomats, consular staff, military personnel or any other armed forces.

### Check Your Progress A

1) What is the difference between a tourist and an excursionist?

2) What is the role of UNWTO in tourism statistics?

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11.4 **DEMAND PERSPECTIVE OF TOURISM STATISTICS**

As tourism is primarily an economic activity, tourism statistics is viewed from demand-supply perspective. Tourism is primarily seen as a demand side phenomenon. Demand can be measured by taking into account four elements –
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a) people - includes all visitors / tourists
b) money - includes the expenditure incurred by the tourists
c) time - includes the travel duration and period of stay
d) space - includes the distance and length of the trips

International Recommendations for Tourism Statistics 2008, laid emphasis on characterisation of visitor and tourism trip and tourism expenditure. They proposed that the following information should be captured:

- **Personal Characteristics of the visitor** – age, gender, economic activity status, occupation, annual household income and education.

While capturing the characteristics of tourism trips, the report recommended to capture the following information.

- **Main purpose of the trip** – This information is essential as it help in differentiating between a traveller and a visitor. The various classifications include – holiday, leisure and recreation; visiting friends and relatives; education and training; health and medical care; religion or pilgrimage; shopping; transit; business and professional or others. It is important to understand that a visitor may undertake additional activities considered as secondary. For example, a business tourist might also like to visit the places of historical importance or would like to do shopping.

- **Types of Tourism Product** – To market a specific form of packages or destinations, tourism professionals use this term ‘tourism product’ which represent a combination of different aspects around a specific centre of interest. There is no international classification and each country defines tourism products in their own way.

- **Duration of trip or visit** – To assess the level of demand for tourism services, the duration of the trip is an important input. The assessment of duration is also important to assess the estimated expenditure associated with the trip. Generally the number of nights are used to assess the duration of the trip. Based on the number of nights, the destinations can differentiate between long stays (four nights or more) and short stays (less than four nights).

- **Origin and Destination** – According to the report, all inbound trips should be classified on the basis of country of residence rather than by the nationality. Similarly for outbound trips, the main destination of the trip should be the considered. For domestic tourism, the place of usual residence of the visitor should be considered.

- **Modes of Transport** – The main mode of transport is identified on the basis of (a) on which most kms are travelled (b) on which most time is spent (c) which has the highest share of transportation cost. The standard classification of modes of transport include – (a) Air – scheduled flights, unscheduled flights, private aircraft (b) Water – passenger line and ferry, cruise ship, yatch (c) Land – railways, bus, car, taxi, foot, two wheeler or any other.
In addition to the above mentioned information, measurement of the contribution of tourism to the economy is also captured using monetary variables. **Tourism expenditure** is referred to as, “the amount paid for the acquisition of consumption of goods and services, as well as valuables, for own use or to give away, for and during tourism trips.” The expenditure can be incurred by the visitor himself or can even be reimbursed by any other person or company. For example, the monetary expenditure paid by the employer in context of a business travel will also be included. In case the monetary expenditure is borne by government or is reimbursed by a third party, the same shall also be included in tourism expenditure. The following payments are excluded from tourism expenditure – taxes and duties, payment of interest, purchase of financial or non-financial assets, purchase of goods for resale purpose, donations or charities.

It is important to understand that tourism expenditure happens the moment the transfer of ownership of goods takes place or the services are delivered. It is not linked to the time of its payment. For example, a tourist might avail his / her credit card at the hotel and may choose to pay the amount in EMI. In this case, the tourism expenditure is considered to be done during the period of his stay and is not linked to the timing of the payments. In fact, all the goods and service acquired before the travel, specifically for the purpose of the trip should also be included in tourism expenditure.

A major question that arises while assessing tourism expenditure is – which economy gets benefitted? It is not necessary that all the expenditure is incurred by a visitor at the places visited during the trip. For example, an Indian tourist visiting New York might travel by Air India and therefore the travel expenditure gets accrued to the origin destination and not to the country visited by the tourist. Similarly compare a tourist purchasing clothes before trip from his usual place of residence versus buying at a destination. In the former case, the tourism expenditure get accrued to home destination whereas in the latter it gets accrued to the place of visit. Depending upon the form of tourism, the expenditure can be classified as – domestic tourism expenditure, inbound tourism expenditure and outbound tourism expenditure.

### 11.5 MEASUREMENT OF DEMAND ELEMENTS

The guidelines with respect to measurement of characteristics of visitors, tourism trips and tourism expenditure, the guidelines are well specified in the *International Recommendations for Tourism Statistics* 2008. These are

1) The data collected, either through survey or any other procedure, should provide information on all visitors.

2) The classification should be identical to those used in expenditure surveys.

3) The data should be collected on the entry / departure cards at the borders, at destination (accommodation surveys) or as part of household survey (for domestic tourism).

4) The data on inbound and outbound tourism is generally captured by immigration authorities. Here the information on purpose of the trip becomes critical to assess whether the traveller is to be considered as a tourist or not.
The duration of the stay is an important determinant while examining the nature of tourists.

Countries should include a specific expenditure module in survey of inbound visitors.

In case it is difficult to collect information through surveys at borders, data can be collected from guests at places of accommodation.

In case of domestic and outbound tourists, tourism-specific household surveys are recommended.

Alternative estimation methods can also be used where administrative data from travel agencies, credit card companies can be used.

In terms of assessing tourism expenditure, there are various challenges that should be addressed – residency of the visitor and provider should be clearly identified; in case of package tour the components of package should be identified; the modes of transport should be clearly identified; all expenditures whether made by self, company or third party should be included.

11.6 SUPPLY PERSPECTIVE OF TOURISM STATISTICS

In addition to the demand perspective, it is equally important to understand the supply perspective. To understand and describe tourism in a country, it is important to study the supply of consumption goods and services to the visitors. Tourism expenditure is made up of goods and services that are provided as part of the tourism supply. The statistical unit from the supply perspective includes institutional units and establishments. All those establishments having a particular tourism characteristic activity that serves the visitors directly are included and are further categorised based on their main activity. For example, a hotel not only provides accommodation, but it also provides food and beverage and other tourism connected products. According to International Recommendations for Tourism Statistics 2008, the selected tourism industry components include:

- **Accommodation for visitors** – Such services are provided either on commercial basis (e.g. hotels) or non-commercial basis (free stay with friends). The accommodation on commercial basis can take various forms – fully furnished guest rooms, self-contained units with kitchen, shared accommodation, bread and breakfast units. The services provided by accommodation units could also vary including food and beverage, laundry services, conference facilities, swimming pools and gyms etc. Data collected from accommodation service providers (supply side) provides an advantage to policy makers to understand the geographic diversity of the services available and also do a in-depth analysis on the market segments that are catered to. Surveys of accommodation establishment are very important from policy perspective as it provides direct information on tourism flows and the number of nights stayed gives credible information on the duration of the stay. Many countries have made it mandatory for the all accommodation providers to maintain the record of stay of the visitors. The following indicators are generally used while describing the
• **Food and Beverage Serving Activities** – Even though food and beverage serving activities are considered as an important element in tourism industry, establishments in this sector also serve a large number of non-visitors for example, local residents. Validating the expenditure on food and beverage becomes challenging as these services can also be provided on a non-market basis by friends and family members. Also the informal segment of the industry (e.g. street vendors) makes the measurement difficult. According to the report, all the countries should have a proper classification of establishments offering food and beverage service which may include – full service restaurant, self-service restaurant, take-away establishments, street vendors, bars, night clubs etc. While measuring the supply side following information should be captured – number of tables, number of seats, number of meals that can be served daily, number of meals actually served, number of drinks served.

• **Passenger Transportation** – While travelling, one of the major components of travel expenditure is on transportation, particularly in case of international travel where visitors travel by air. Transportation expenditure is categorised under two categories – transportation to or from the destination and transportation at the destination. Further the transportation services may have been purchased or visitor can use their own resources (e.g. motorcycle, car or on foot). Even third party individuals / organisations can provide free transportation (e.g. friends, employers)

• **Travel Agencies and Other Reservation Activities** – Visitors while travelling to a destination often use the services of travel agents for making reservations and bookings of transport, accommodation and other local recreation activities. Since travel agencies act as a mediator between the tourist and the actual service provider, the total value paid by the customer will be split into two parts – margin of the travel agent and value of the tourism services included. Data should be collected from travel agencies which should include – number and value of products sold; types of clients; categories of destination sold; trips with and without packages.

With regard to the measurement issues, following points should be kept in mind.

1) Classification of the type of accommodation should correspond to the data collected from the visitors.

2) The data from unincorporated business (e.g. family homes / dharamshalas etc) should also be addressed and captured.

3) The data on available rooms, beds and occupancy rate should be captured on a frequent basis and should be updated.

4) In context of food and beverage services, due care should be taken to eliminate the services provided to non-visitors. Also the methods should be developed to include the informal economy like street vendors etc.

While developing tourism statistics, all the countries are encouraged to follow guidelines such as.

a) Reliable statistical sources should be used to develop the estimates.
b) The data should be collected in an ongoing process and all the observations should be statistical in nature.

c) Data collected should be comparable between countries and over time.

d) Data should be internally consistent.

11.7 TOURISM SATELLITE ACCOUNT

In 2010, UNWTO in collaboration with OECD, Eurostat and UN Statistics Division published Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF) 2008. The purpose of a TSA is to analyse the aspects of demand for goods and services associated with the activity of visitors and to understand how this supply interacts with other economic activities. The TSA: RMF considers both tourism expenditure and tourism consumption in account.

While tourism expenditure refers to the amount paid for acquisition of consumptions of goods and services during trip; tourism consumption goes beyond tourism expenditure and includes services associated with vacation accommodation, tourism social transfers and other imputed consumption. Tourism consumption included barter transactions, transactions in own accounts, remuneration in kind, as well as transactions by governments described as social transfers. The complete Tourism Satellite Accounts (TSA) provides:

- Macroeconomic aggregates that provides information on tourism direct gross value added (TDGVA) and tourism direct gross domestic product (TDGDP).
- Detailed data on tourism consumption.
- Detailed data on production by tourism industries including information related to employment, gross fixed capital formation and linkage with other economic activities.
- Linking non-monetary information with economic data.

TSA can be viewed from two different perspectives – a statistical tool and as a framework for development of tourism statistics. The framework can be used by various countries as a starting point to improve the system of tourism statistics.

In India, Ministry of Tourism TSA was prepared by National Council of Applied Economic Research (NCAER) for the first time in 2002–03. The second TSA was compiled by NCAER in 2009–10. The last time TSA was prepared for 2015–16 to bring together the data for both the demand and supply of different forms of tourism – inbound, outbound and domestic tourism. The TSA for India was developed using the recommendations of Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF) 2008.

To compile the demand side data, national level surveys for domestic and international tourists were conducted. Various surveys that were included are – Domestic Tourism Survey of NSSO (2014-15); International Passenger Survey of ISI (2015-16); Annual Employment – Unemployment Survey (2015-16); Consumer Expenditure Survey (2011-12); National Accounts Statistics (2017) and Supply and Use Table (2012-13). The national accounts statistics was used for supply side data. In India the TSA report generated TDGVA, TDGDP, and Tourism direct employment. Their share in country total GVA, GDP and
employment were also estimated. Finally Input-Output modeling was used to assess the indirect contribution of tourism.

A total of 11 tourism characteristic products were used in India’s TSA which included – accommodation services / hotels, food and beverage serving services/restaurants, railway passenger transport services, road passenger transport, water passenger transport, air passenger transport, transport equipment rental services, tourism related supporting and auxiliary transport activities, cultural and religious services, sporting and recreational services and health / medical related services. In addition to this, 8 tourism connected products were included – readymade garments, processed food products, alcohol and tobacco products, travel related consumer goods, leather footwear, soaps and cosmetics, gems and jewellery, printing and publishing. These include both tourism characteristic product and tourism connect product. All these 19 TSA products were mapped with International Passenger Survey (IPS) consumption items. In the IPS, the international tourists were classified into Non Resident Indians (NRI), People of Indian Origin (PIO), Overseas citizens of India (OCI), and other Foreigners. Both package and non-package trips were included.

The key findings for inbound tourism are-

- Approximately 13.52 million inbound tourist visited India during 2015-16 of which 58.3 percent were foreign nationals.
- Inbound Tourism Expenditure was estimated at Rs. 2.35 Lac crores. The per-tourist expenditure stands at 1.74 lacs.
- The average unadjusted trip expenditure was Rs. 2.01 lakh which was highest for Overseas citizens of India.
- It was observed that NRI spend 32% on tourism connected products or shopping items of which readymade garments accounted for 49% of the expenditure on tourism connected products.
- PIO spend 36.7% on passenger transport services whereas OCI spend 41.7% on tourism connected products. Foreign nationals spend 47.7% of their money on accommodation.
- Overall accommodation accounts for 39.5 percent of total inbound expenditure, followed by tourism connected products at 22.8 percent, food and beverages at 14.54 percent.
- Of the tourism connected products, 43% of the expenditure is incurred on readymade garments followed by gems and jewellery (29.5%) and tobacco products (9%).

For domestic tourism expenditure, data generated from Domestic Tourism Survey (DTS) conducted by NSSO during 2014 - 15 was used. In this case, 11 tourism specific products and 9 tourism connected products were mapped with DTS consumption items. The major findings were.

- An estimated 1.2 billion domestic trips were made during 2015-16. In this case number of trips and not the number of tourists are considered.
- Approximately 81.4% of domestic trips are for social reasons followed by religious trips (7.7%). A total of 8 categories on the basis of purpose of
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- Domestic Tourism Expenditure was estimated at Rs. 5.53 Lac crores. Out of this, 52% is made on social trips followed by 17.7 percent on medical trips.

- Approximately 50 percent of expenditure is made on passenger transport services. The average un-adjusted per trip expenditure works out to be Rs. 4323. In case of health and medical the average expenditure is Rs. 22,239 followed by holiday, leisure and recreation which is at Rs. 17,231.

For outbound tourism, the TSA report uses Outbound Tourism Survey done by ISI Kolkatta. Only pre-trip expenditure i.e. money spent by outbound tourist within India is included. The expenditure on tourism specific products and tourism connected products was taken into account on the similar lines of inbound tourism. The key findings are:

- Approximately 20.29 million Indians visited abroad / outbound tourists of which the business tourists accounted for 35.2% followed by 30.4% leisure tourists, and 13.8% for social trips.

- Outbound Tourism Expenditure is estimated at Rs. 24575 crores with per-tourist expenditure at Rs. 10560. Social trips account for highest expenditure followed by leisure and business.

- Tourism connected products account for 52.2% expenditure.

As mentioned above, TSA also takes into account tourism consumption in addition to the tourism expenditure. The Internal Tourism Expenditure refers to the expenditure incurred by all tourists which includes:

- Domestic Tourism Expenditure
- Inbound Tourism Expenditure
- Outbound Pre Trip Tourism Expenditure

When imputed consumption is added to Internal Tourism Expenditure, we get the information on Total Internal Tourism Consumption. As per the TSA:RMF 2008, imputed consumption includes – services associated with vacation accommodation on own account, tourism social transfers in kind, and, other imputed consumption. Since data on these heads are not available in context of India, the TSA derived the data using plausible assumptions. The key findings of India TSA are:

- Total Internal Tourism Consumption is estimated at Rs. 9.54 Lac crores of which imputed consumption stands at Rs. 1.41 lac crores.

- Tourism characteristic product account for 65.7% of total tourism consumption. In case of outbound tourism, tourism connected products constitute to 52.2%

- Domestic tourism constitute 68% of total internal consumption followed by 28.9 % for inbound tourism and 3% due to outbound tourism.
The TSA report of India also presents Product Account of Tourism Industries and other industries in the economy of reference. India’s Supply and Use Table (SUT) compiled by Central Statistical Office for the year 2015 - 16 was used to prepare the production account which conforms to the format established by System of National Accounts (1993). The major findings as reported are-

- Tourism characteristic and tourism connected products account for Rs. 30.15 Lakh crore, which is approximately 11.8% of the total value of output (as basic prices).
- The Gross Value added by tourism characteristic and connected industries account for Rs. 9.44 Lakh crores which amounts to 7.6 percent of total gross value added.
- The tourism product ratio (TPR) is estimated at 3.2 percent. The highest TPR is for air transport (81.1%), accommodation (72%), travel related consumer goods (70%), railway passenger services (69.2%), food and beverages (53.3%). In other words, this means that of the total supply in food and beverage industry, 53.3% is on account of tourism activity.
- Tourism Direct Gross Value Added is estimated at Rs. 3.46 Lakh crores which is 2.78 percent of total GVA.
- Tourism Direct Gross Domestic Product is estimated at 2.70 percent of total GDP. This is estimated based on direct net taxes on tourism.

The India TSA report also presents the employment situation in the tourism industry. The data on employment is sourced from annual employment – unemployment survey for 2015-16 conducted by Labour Bureau. As per the estimates, 31.51 million jobs are in tourism characteristic industries (5.40 % of the total employment in the country). Using the Tourism Industry Ration (TIR), the total employment works out to be 17.32 million (2.97% of the total employment). The report also indicates that tourism industry is less capital intensive and is more labour intensive as the employment – investment elasticity ratio is 0.074.

India TSA report also discusses indirect contribution of tourism. The indirect benefits are assessed by using Input-Output Model as suggested in TSA:RMF 2008. The findings indicate that the output multiplier is 1.8350, GVA multiplier is 1.9236 and employment multiplier is 2.29. All these values are greater than 1 which means that unit increase in demand in the tourism sector additionally benefits the economy by value addition and increased employment.

In 2020 due to COVID-19 pandemic, these statistics have seen tremendous decline and hence the new TSA for India will present the revised picture.

Check Your Progress 2

1) What is the statistical unit from supply perspective?

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2) What is Tourism Satellite Account?
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3) List major highlights of India TSA.
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11.8 WORLD TOURISM STATISTICS

According to UNWTO International Tourism statistics, a total of 1.46 billion international tourists arrivals were made during 2019 growing at a rate of 4%. The growth in the tourism sector outpaced the world economy. The international statistics is presented in Table 11.1.

<table>
<thead>
<tr>
<th>UNWTO Region</th>
<th>2010</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Share (%)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>487.0</td>
<td>676.6</td>
<td>716.1</td>
<td>742.2</td>
<td>50.8</td>
<td>3.7</td>
</tr>
<tr>
<td>Asia &amp; Pacific</td>
<td>208.2</td>
<td>324.1</td>
<td>347.1</td>
<td>363.6</td>
<td>24.9</td>
<td>4.6</td>
</tr>
<tr>
<td>America</td>
<td>150.3</td>
<td>210.7</td>
<td>215.7</td>
<td>220.1</td>
<td>15.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Africa</td>
<td>50.4</td>
<td>63.0</td>
<td>68.4</td>
<td>71.2</td>
<td>4.9</td>
<td>4.2</td>
</tr>
<tr>
<td>Middle East</td>
<td>56.1</td>
<td>57.7</td>
<td>59.4</td>
<td>63.9</td>
<td>4.4</td>
<td>7.6</td>
</tr>
<tr>
<td>World</td>
<td>952.0</td>
<td>1332</td>
<td>1407</td>
<td>1461</td>
<td>100.00</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Source: UNWTO World Tourism Barometer, Vol 18(1), January 2020, pg. 5

Table 11.2: International Tourist Receipts

<table>
<thead>
<tr>
<th>UNWTO Region</th>
<th>2018 (in USD billions)</th>
<th>2019(in USD billions)</th>
<th>2019 per arrival</th>
<th>Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>568.9</td>
<td>574.2</td>
<td>770</td>
<td>38.8</td>
</tr>
<tr>
<td>Asia &amp; Pacific</td>
<td>436.4</td>
<td>443.8</td>
<td>1230</td>
<td>30.0</td>
</tr>
<tr>
<td>America</td>
<td>338.0</td>
<td>342.6</td>
<td>1560</td>
<td>23.2</td>
</tr>
<tr>
<td>Africa</td>
<td>38.4</td>
<td>39.1</td>
<td>530</td>
<td>2.6</td>
</tr>
<tr>
<td>Middle East</td>
<td>72.8</td>
<td>80.0</td>
<td>1250</td>
<td>5.4</td>
</tr>
<tr>
<td>World</td>
<td>952.0</td>
<td>1332</td>
<td>1407</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: UNWTO World Tourism Barometer, Vol 18(1), January 2020, pg. 5
As per UNWTO reports by 2019 the top 10 destinations in terms of world arrivals included – France, Spain, USA, China, Italy, Turkey, Mexico, Germany, Thailand and United Kingdom. In terms of tourism earners, the top 10 destinations included – USA, Spain, Thailand, UK, Italy, Australia, Germany, Japan and China. Europe accounts for 1 in 2 trips in the world, and China remains the world’s largest spender with one-fifth of international tourism spending.

As of January 2020, the outlook for 2020 was positive and UNWTO predicted a growth of 3 to 4%. However due to COVID – 19 pandemic the overall tourism industry got affected. By May 2020, overall the tourism arrivals declined by 22.5% (Year-to-date) and UNWTO predicted that the international tourism could decline by 60-80% in 2020 risking the millions of jobs. Further UNWTO predicted a loss of US$ 1.2 trillion in export revenues. The UNWTO panel of experts believed that domestic tourism will recover faster than international tourism and majority believed that the industry will revive in 2021.

### 11.9 INDIA TOURISM STATISTICS

Ministry of Tourism, Government of India releases India Tourism Statistics every year which includes data related to inbound tourism, world tourism scenario and India’s position, outbound tourism, domestic tourism, approved hotels, travel trade, human resource development, schemes of Ministry of Tourism and other related information. As per the Indian Tourism Statistics 2019 report, following are the major tourism statistics.

**Table 11.3: Foreign Tourist Arrivals / Foreign Earnings in India**

<table>
<thead>
<tr>
<th>Year</th>
<th>Foreign Tourist Arrivals (millions)</th>
<th>Percentage Change over Previous year</th>
<th>Foreign Exchange Earnings (US $ million)</th>
<th>Percentage Change over Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>1.28</td>
<td>2.0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1991</td>
<td>1.68</td>
<td>-1.7</td>
<td>1861</td>
<td>-</td>
</tr>
<tr>
<td>2001</td>
<td>2.54</td>
<td>-4.2</td>
<td>3198</td>
<td>-706</td>
</tr>
<tr>
<td>2011</td>
<td>6.31</td>
<td>9.2</td>
<td>17707</td>
<td>22.2</td>
</tr>
<tr>
<td>2012</td>
<td>6.58</td>
<td>4.3</td>
<td>17971</td>
<td>1.5</td>
</tr>
<tr>
<td>2013</td>
<td>6.97</td>
<td>5.9</td>
<td>18397</td>
<td>2.4</td>
</tr>
<tr>
<td>2014</td>
<td>7.68</td>
<td>10.2</td>
<td>19700</td>
<td>7.1</td>
</tr>
<tr>
<td>2015</td>
<td>8.03</td>
<td>4.5</td>
<td>21013</td>
<td>6.7</td>
</tr>
<tr>
<td>2016</td>
<td>8.80</td>
<td>9.7</td>
<td>22923</td>
<td>9.1</td>
</tr>
<tr>
<td>2017</td>
<td>10.04</td>
<td>14.0</td>
<td>27310</td>
<td>19.1</td>
</tr>
<tr>
<td>2018</td>
<td>10.56</td>
<td>5.2</td>
<td>28586</td>
<td>4.7</td>
</tr>
</tbody>
</table>

*Source: Bureau of Immigration, Government of India / India Tourist Statistics Report 2019*
Concept and Impacts of Tourism

The total foreign tourist arrivals (FTA) in India in 2018 stood at 10.56 million. Another 6.87 million NRI also came to India making total International Tourist Arrivals at 17.42 million in 2018. This constituted 1.24% of total global international tourist arrivals and the rank of India stood at 22nd. In 2018, the percentage of foreign tourist arrivals in terms of nationality is – North America (17.12%), Central and South America (0.96%), Western Europe (21.25%), Eastern Europe (4.41%), Africa (3.33%), West Asia (4.26%) South Asia (29.40%), South East Asia (8.40%), East Asia (6.86%), Australasia (3.85%). The peak season for foreign tourist arrivals in India is between October – March. The first and the fourth quarter together constitute approximately 60% of the total foreign arrivals. In terms of mode of transport, 79.6% of FTA come by air, followed by land (19.6%). The top 15 countries in terms of FTA in India are – Bangladesh, United States, United Kingdom, Srilanka, Canada, Australia, Malaysia, China, Germany and Russia, France, Japan, Singapore, Nepal and Thailand. These countries constitute 75.33% of total FTA in India in 2018.

During 2018, 28.8% of foreign arrivals were at Delhi airport followed by Mumbai (15.7%), Chennai (7.5%), Bengaluru (5.8%). In terms of gender classification, 58.6% of the FTA were males. In terms of age 43% of FTA’s are above 45 years of age, 40% of them are between the age of 25–44 years. In terms of purpose of travel, 62.4% of FTA visit India for leisure, holiday and recreation, followed by business and professional (16.3%). The average duration of stay by foreign nationals in India is 22.7 days.

In terms of outbound tourism, the total number of Indian national departures in 2018 stood at 26.30 million growing at a CAGR of 10.54%. The Table 11.4 presents the statistics related to outbound tourism.

**Table 11.4: Outbound Tourism - India**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Indian Nationals Departure from India (Lacs)</th>
<th>Percentage Change over Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>19.42</td>
<td>-14.8</td>
</tr>
<tr>
<td>2001</td>
<td>45.64</td>
<td>3.4</td>
</tr>
<tr>
<td>2011</td>
<td>139.94</td>
<td>7.7</td>
</tr>
<tr>
<td>2012</td>
<td>149.24</td>
<td>6.7</td>
</tr>
<tr>
<td>2013</td>
<td>166.26</td>
<td>11.4</td>
</tr>
<tr>
<td>2014</td>
<td>183.32</td>
<td>10.3</td>
</tr>
<tr>
<td>2015</td>
<td>203.76</td>
<td>11.1</td>
</tr>
<tr>
<td>2016</td>
<td>218.72</td>
<td>7.3</td>
</tr>
<tr>
<td>2017</td>
<td>239.42</td>
<td>9.5</td>
</tr>
<tr>
<td>2018</td>
<td>262.96</td>
<td>9.8</td>
</tr>
</tbody>
</table>

Source: Bureau of Immigration, Government of India / India Tourist Statistics Report 2019

Ministry of Tourism also complies data on domestic tourism based on the monthly returns collected from hotels and other accommodation establishments. The statistical cells of Department of Tourism of various state governments and UT’s
Tourism Statistics

Compile the data on domestic tourism. In 2018, the domestic tourist visits stood at 1,854 million visits growing at a rate of 12% from the previous year. The top five states in domestic tourist visits were Tamil Nadu, Uttar Pradesh, Karnataka, Andhra Pradesh, and Maharashtra accounting for 65% of the total domestic tourist visits.

As per the report, the total number of hotels in the country stood at 1,961 hotels with 1,02,490 rooms as on December 31, 2018. The number of approved Travel Trade Service Providers stood at 999 as on December 31, 2018.

Check Your Progress 3

1) What are the top 10 destinations in terms of international tourist arrivals?

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2) Discuss the trend of Foreign Tourist Arrivals in India?

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11.10 LET US SUM UP

Tourism statistics helps in identifying the tourist flows across various destinations helping the policy makers to develop destination specific marketing plans. Further, since tourism is a demand phenomenon, measuring tourist statistics helps in quantifying the role of tourism in the overall economic activity of the nation. UNWTO has played a vital role in developing the framework for capturing tourist statistics across the world. In 2010, UNWTO published Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF) 2008 with an objective to provide guidelines to develop Tourism Satellite Account. The purpose of Tourism Satellite Account is to analyse the aspects of demand for goods and services associated with the activity of visitors and to understand how this supply interacts with other economic activities. In India, NCAER compiled the third TSA for the period 2015-16. We also discussed the world tourism statistics and India tourism statistics for the recent period.
11.11 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1
1) See Section 11.2
2) See Section 11.2

Check Your Progress 2
1) See Section 11.6
2) See Section 11.7
3) See Section 11.7

Check Your Progress 3
1) See Section 11.8
2) See Section 11.9
UNIT 12 TOURISM IMPACTS – PHYSICAL AND ENVIRONMENTAL

Structure

12.0 Objectives
12.1 Introduction
12.2 Tourism and Environment – The Relation
12.3 Tourism Impacts on Physical Environment
   12.3.1 Positive Impacts
   12.3.2 Negative Impacts
12.4 Managing the Negative Impacts
12.5 Let Us Sum Up
12.6 Key Words
12.8 Answers to Check Your Progress
12.9 Terminal Questions

12.0 OBJECTIVES

After studying this unit, you should be able to:

- understand the concept of environment with reference to tourism;
- understand the relation between environment and tourism;
- identify various impacts of tourism on environment; and
- identify the positive and negative dimensions of tourism development on the physical environment of a tourist destination.

12.1 INTRODUCTION

In the previous unit we had an idea about the concepts of tourism statistics at national & global level. In this unit we shall be delving deep into the impacts of tourism on the physical environment of the destinations. Present unit will provide you with an understanding of physical environment, its relationship with tourism and the negative and positive impacts that tourism has on it. We shall be starting with an understanding of environment, its relationship with tourism which will further guide us towards the mechanism of impacts (positive or negative) that tourism may have. Not necessarily the tourism impacts on environment are positive or negative only, rather it is always a mix bag. The dominating impacts depend on the policy makers understanding of tourism phenomenon and focus areas for the tourism development planned for the destination.

The word environment is derived from “environ” meaning surroundings. The dictionary meaning of environment is “the surroundings or conditions in which a person, animal or plant lives or operates”. Another meaning that can be ascribed to environment is “the natural world as a whole or in a particular geographical
area, especially as affected by Human activity”. Physical environment is composed of biotic and abiotic components. Biotic components of the physical environment of a destination are made of living entities like the flora and fauna and biodiversity prevalent at given destination. Abiotic components of the physical environment encompasses the non living entities i.e. land features, water bodies, architectural landscapes, availability of sunlight, humidity, minerals etc. Physical environment of a destination is a vital ingredient of overall tourism product and plays an important role in tourist satisfaction. On the other hand, tourism can be helpful for environment by the ways of contributing financially for the upkeep and conservation as well raising awareness amongst the tourists and local inhabitants. Hence the relation between tourism and environment becomes a symbiotic one.

12.2 TOURISM AND ENVIRONMENT – THE RELATION

Before commenting on the relationship between tourism and environment, let us have a look on below situations.

A) There are two equally good and significant architectural monuments having almost similar costs in terms of time and money. The only difference lies in the surroundings whilst one monument is in city centre surrounded by buildings, overlooking the city landscape, approachable by narrow lanes with traffic jams and pollution. The other monument is surrounded with lush green trees, a clean and clear lake and overlooking sprawling grasslands and approachable by wide roads. Which monument you think is more likely to be visited by tourists and why?

B) There is a tribe living inside a forest of which some area is open for tourists and tribesman earn their living through the spending made by tourists visiting that specific area. Then there is another area of the forest which is off limits to tourists. So which area you think the local tribesman will care more for preservation/conservation and why?

In Situation A, it is highly likely that more number of tourists will prefer the later destination, the one with green surroundings. This tells us what tourism gets from environment. Attraction which is the basic tourism product coupled with accessibility and accommodation makes a sellable tourism package. As, we can see core attraction is same/similar architectural monument in both cases but then what makes the difference in tourists’ mind and perceptions to favour one over other is the physical environment, the surroundings. So, the Physical environment is part and parcel of basic tourism product i.e. tourist attraction and has a significant influence on the potential tourists’ decisions over selection of a particular destination/attraction/monument. This also explains why tourism has impacts on environment, because when a tourist is enjoying a destination or in other words consuming the tourism product he is also consuming the physical environment. Whenever and wherever rate of this consumption (or degradation) of the environment surpasses the natural rate of rejuvenation, negative environmental impacts of tourism starts arising.

![Symbiotic Relation](image-url)  

Fig. 12.1: Tourism – Environment Relationship
Now, let us come to the second situation i.e. Situation B, local tribesman will be more inclined to preserve and conserve the area which provides them a source of income by being an attraction to the tourists. Here is what, environment gets from tourism – the conservation and preservation. Tourism makes the environmental preservation and conservation economically and financially more viable. Based on this discussion the relation between tourism and environment comes out to be a symbiotic one where one helps the other in better survival.

**Symbiotic Relationship –** *It is a term having origin in biological sciences, it denotes the mutually beneficial relationship between two species, wherein they support the existence of each other. It can also be a mutually beneficial relationship between two persons/groups of persons or two entities like tourism and environment in present case where tourism and environment both support the existence of each other.*

A better product and enhanced tourist experience at the destination is something which the physical environment adds to tourism and in return the environment gets the much needed financial viability and necessary funding for its preservation and conservation.

**Check Your Progress A**

1) What are various types of environment?

2) What are the components of Physical environment?

3) What is the relation between biotic and abiotic components of physical environment?
4) Classify the following as biotic or abiotic components of Physical environment.

i) Landscape .................................................................
ii) Wild Life .................................................................
iii) Water Bodies ..............................................................
iv) Vegetation .................................................................
v) Temperature .................................................................
vi) Rainfall .................................................................
 vii) Humidity .................................................................
 viii) Air Pollution ..............................................................
 ix) Aquatic Life in the water body ..............................................................
x) Herbs & Medicinal Plants ..............................................................

12.3 TOURISM IMPACTS ON PHYSICAL ENVIRONMENT

From the discussion so far, we understood that physical environment is an integral part of tourism product and better environment provides a unique competitive advantage to a tourist destination/attraction. Quality of environment has significant bearing on ability of tourism product to satisfy the tourists’ needs and wants. However, this fact also implies that consumption of tourism product results in depletion of environmental resources and degradation of the physical environment. It is when the visitor usage of resources outperforms the natural resource rejuvenation capacity, negative environmental impacts of tourism starts showing up.

It is not uncommon that we come across with frequent news reports describing environmental problems like water shortage, parking problems, excessive littering, soil erosion, air pollution etc in Shimla, Manali and many other hill stations. It is not the tourism which is real culprit for growing environmental problems in various tourist destinations rather it is poorly planned tourism which results in these negative issues. Mass tourism or excessive tourism is the real culprit which results in resource usage at a rate higher than the natural rejuvenation and gives rise to negative impacts. Tourism development not always results in negative impacts, enhanced environmental awareness, environmental preservation and conservation are some of the positives outcomes associated with tourism development. Let us have a composite view of tourism impacts on the environment.

<table>
<thead>
<tr>
<th>Positive Impacts</th>
<th>Negative Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism provides financial resources for environmental conservation.</td>
<td>Tourism contributes to all kind of pollution at the destination.</td>
</tr>
<tr>
<td>Tourism contributes to government revenues for environmental upkeep.</td>
<td>Tourism degrades the natural landscape and consumes the agricultural land.</td>
</tr>
<tr>
<td>Tourism contributes for better environmental planning and management.</td>
<td>Tourism contributes for loss of flora and fauna at the destination.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Tourism raises the awareness with regard to environmental protection.</td>
<td>Tourism puts the destinations local resources under pressure.</td>
</tr>
<tr>
<td>Tourism helps in creating environmentally sustainable jobs and thus makes conservation of environment economically viable for the local inhabitants.</td>
<td>Tourism contributes to land degradation and loss of biodiversity.</td>
</tr>
<tr>
<td>Tourism also contributes to global warming, depletion of ozone layer and climate change.</td>
<td></td>
</tr>
</tbody>
</table>

As we can see, tourism has both kinds of impacts on destination environment. Actually, it is the mass tourism which gives rise to negative impacts. Tourism planned in a sustainable manner can help destinations maximising the positive impacts and thus reaping the full benefits of tourism phenomenon.

### 12.3.1 Positive Impacts

As long as the tourist’s environmental usage patterns remain within the natural coping up limits tourism brings significant improvements to the destination’s physical environment. Let us have a detailed view of the positive environmental impacts that tourism can bring in for the destinations.

**A) Financial resources for environmental conservation**

Tourism can provide direct financial resources for environmental conservation. A typical example can be the national parks, wildlife sanctuaries etc wherein the entrance fee collected from tourists can be directly used for the conservation of the physical environment there. Not only the entrance fee but also the fee and charges collected from various tourist activities like safaris, game drives etc can also be put to use for the conservation of the physical environment at these destinations.

**B) Contribution to the government revenues.**

It is not that tourism provides for the direct revenue sources only, rather tourism also helps boosting up government revenues by ways of various taxes, permit fees, taxes on sale and rental of recreational equipments, licensing fees on various tourist activities etc. Funds so collected can be used for payment of salaries to conservation staff and to fund other conservation efforts. For example, Nepal charges a significant amount from the mountaineers intending to climb Mount Everest, which gives a steady source of revenue to the national government. Funds so collected can be utilised for the purpose of environmental conservation and preservation efforts in and around Mount Everest.

**C) Better environmental planning and management**

Sustainable tourism development at a natural destination promotes effective environmental planning and management. It involves careful study of...
available natural resources and finding ways to achieve a common ground among various stakeholders with conflicting interests. Sustainable tourism development also involves avoidance of serious environmental mistakes and management of the environmental resources in a way wherein environmental assets significant for tourism are conserved and preserved. Green production techniques especially in case of accommodation establishments can be used for operation of tourism facilities in a way having minimum possible environmental impact. Tourism infrastructure being put up at the destination can have green buildings with clear energy sources (solar/air), efficient waste management, zero draw water management and sewage cleaning facilities thus achieving environmental surplus at the destination meaning the environment at the destination is in a position better than it was before the start of tourism activities.

D) Raising the awareness with regard to environmental protection

Tourism has a huge potential to increase awareness with regard to environmental protection and problems being faced in usage of natural resources. It is the sheer nature of tourism which brings people close to the nature where they can appreciate the value of natural resources as well as understand the consequences of human interactions with nature in an unsustainable manner. Travel organisations which are integral to tourism industry play a key role in raising the environmental awareness among not only the tourists but also among the local inhabitants. Hotels and other accommodation establishments at the natural destinations can inculcate environment friendly consumption patterns among tourists. For example, a hotel which educates its guests about using showers instead of bathing tub or to use bucket instead of showers in order to conserve water, it is also likely that some of the guests may understand the value of water availability and carry those habits back to their home also. Also, when the local inhabitant realise the natural environment being core tourism product offering and a key to their income and employment opportunities, they are more likely to be responsible consumers of the natural resources and more actively involved in environmental protection.

E) Environmental conservation and preservation

Tourism not only helps creating awareness about environmental protection it actually conserves and preserves the environment too. In case of wildlife tourism, adventure tourism where the core attraction being natural resources tourism helps conserving and preserving those resources for as long as possible even if it is at the cost of some foregone revenues. For example, in case of national parks or wildlife sanctuaries there are fixed routes for the game drives and safaris which are used on rotational basis and no diversions are allowed even if it mean that tourists may not be able to see the prominent wildlife. The flora and fauna which is at the brink of extinction can be converted into some sort of tourist attraction which helps in making the conservation efforts economically and financially viable. For example, In Hawaii, new set of legal framework has been created in order to conserve the Hawaiian rainforest and for protecting the native species. The coral reefs around Hawaiian Islands and the marine life depending on them for survival are also being protected. This has made Hawaii not only an international center for research on ecological systems but also these measures have helped promotion of islands’ tourism industry.
Positive Environmental Impacts of Tourism - A Case Study

Punta Cana is a resort town in the Dominican Republic adjoining Caribbean Sea. There is a resort named “Grupo Punta Cana” which is a classic example of how luxury tourism can be combined with conservation of environment. This is a high end resort, established to cater to the luxury tourists while conserving the natural environment of Punta Cana. The developers of the resort have kept more than 24,700 acres as natural reserve and natural fruit garden. The resort is home to 11 natural springs and is surrounded by a subtropical forest area having some of the rare Caribbean flora and fauna in their freely occurring natural states. Here the guests have an option to explore the nature path leading from pristine beaches through mangroves and lagoons of fresh water springs along with the sighting of Caribbean species of birds, animals and plants. There are other environmentally sustainable practices being followed like using the waste water from the resort for irrigation grounds, protection and conservation programmes of offshore barrier reefs.

Check Your Progress B

1) How does tourism help increasing government revenues?

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2) How does tourism help conserve and preserve the environment?

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3) Classify the following statements as true or false.

   i) Tourism has no effect on environment.
   ii) Tourism has only positive impacts on environment.
   iii) Tourism helps in creating awareness about environment.
   iv) Sustainable tourism development does not take into account environmental resources.
   v) Tourism has no role in generating government revenues.
   vi) Tourism has only negative impacts on the environment.
   vii) There can not be any tourism development without affecting the natural environment.
   viii) Natural environment has no role in final tourism product.
ix) Green hotels create more negative impacts on natural environment.

x) Tourism organisations have no role in educating tourists about impacts of tourism on the natural environment of the destination.

### 12.3.2 Negative Impacts

Based on the discussion so far, we can safely assume that natural environment is an important ingredient to tourism resource, wherein the relationship between tourism and environment is a complex one. Various tourism activities are likely to affect the environment in a positive or negative manner, depending on the nature and extent of activity. As we have seen tourism can be helpful for environment by the ways of contributing financially for the upkeep and conservation and raising awareness amongst the tourists as well as local inhabitants. However, it’s more like a double edged sword wherein unregulated and mismanaged mass tourism can be utterly disastrous for the natural environment at the destination. As long as the tourism is within the carrying capacity limits of the destination it plays the saviour of the environment, however once the carrying capacity limits are breached with onset of mass tourism negative impacts of tourism on the natural and physical environment of the destination becomes inevitable. Unregulated tourism growth can endanger the ecological balance at the destination, result in various kinds of pollution and degradation of not only the physical features but also of flora and fauna at the destination. Let us have a detailed view on negative environmental impacts of tourism.

A) **Pollution**

The fact that pollution of any kind is detrimental to human health has been established very well by empirical studies. Mass tourism / mismanaged tourism/ unregulated tourism whatever we call it have a direct impact on the levels of pollution at the destination. It affects the air, water as well as the land in negative ways.

i) **Air Pollution**

Air pollution is the contamination of air with solid/semi-solid/ gaseous components which affects the natural composition of air to the detriment of living organisms as well as physical structures. With increasing number of tourists at a destination, the number of vehicles is set to rise and the fact that vehicular emissions are a major contributor to the air pollution is beyond doubt. The best example can be Agra, where increased levels of air pollution due to tourist vehicles started affecting the white marble of one of the seven wonders of the world Taj Mahal and Hon’ble Supreme Court of India has to intervene by banning all petrol and diesel vehicles near the monument, but not all destinations are so fortunate to have such an intervention. Most of the destinations have to do with increased levels of various air pollutants such as Carbon Dioxide (CO₂), Sulphur Dioxide (SO₂), Carbon Monoxide (CO), other green house gases and particulate matter. This increased air pollution further results into health problems for the local inhabitants and other environmental issues like acid rains and increased temperatures.

ii) **Water Pollution and Scarcity of water**

Number of accommodation establishments (Hotels/Tents etc) at a destination is directly proportional to number of tourists visiting. Sewage waste
generated from commercial accommodation establishments is comparatively more than privately used properties. In most of the cases, sewage and other liquid waste generated from the accommodation establishments finds its way to local water bodies like rivers/lakes/ponds etc thus polluting the local water resources. In some case it has been found to contaminate the ground water also. It is not just the sewage waste from hotels but also in destinations where water sports activities takes place, there also found to be considerable degradation in water quality due to increased tourist activities. Rishikesh is one of the example where all tented accommodations on river banks have to be banned because of increased water pollution levels due to tourist activities.

It is not just the water pollution but another aspect is the scarcity of water created due to limited water resources available at the destination and majority of water being drained out by the tourist establishments thus putting the local inhabitants under severe water crisis. In most of the hill stations water shortage during the peak tourist seasons have become a usual phenomenon and this has resulted in local people’s resentments towards tourism development. Hill stations of Shimla, Nainital can be good examples wherein every summer season (which is also the peak tourist season) there is an acute water shortage due to increased number of tourists and higher water consumption by tourist establishments.

iii) Land Pollution / Land Degradation
Increased number of tourists demands for not only the larger number of tourism and recreational facilities but also it requires more supporting infrastructure like larger bus stands, railway stations, airports, taxi ways etc. Development in terms of facilities like hotels, restaurants, other recreational facilities and supporting infrastructure for tourism involves changes in natural landscape to suit the required facilities. It results in soil erosion and extensive paving. Construction of roads, airports, railways lines/ railway stations, taxi ways etc results in degradation of land, loss to natural flora and fauna, ecological imbalances and deteriorated scenic beauty. Mass tourism also promotes illegal land usage patterns and encroachments. Increasing demand for tourism resources puts local land resources under immense pressure which results in mismanaged land usage and illegal encroachments. In almost all the hill stations parking has become a huge issue and it results in illegal parking places starting to sprout all over the destination at the cost of illegal land usage and loss of revenue to government in parking fees.

iv) Noise Pollution
Increased noise levels from not only from the transport activities like airplanes, trains, tourist vehicles like cars, buses, snow mobiles but also due to recreational activities like dance parties, DJ nights etc cause serious noise pollution issues at the destination. Apart from causing annoyance, stress and hearing loss in extreme cases for humans, noise pollution also affects the natural activity patterns of wildlife at the destination. One such example has been the cases of various national parks and wild life sanctuaries, wherein for optimising tourism revenues loud noise activities like bon fires, DJ nights etc. were allowed and it resulted in detrimental changes in natural behaviours of prominent wild lives.
v) Aesthetic Pollution

In most cases tourism organisations fail to integrate their physical structures with the natural features and local architectural styles of the destination. Large, conspicuous resort structures stand out in the natural environment and may also have clashes with the indigenous architecture. This coupled with inefficient land use planning creates something which is not soothing to the eyes and become aesthetic pollution.

B) Deforestation

Plants are basis of every life form and forests play vital role in environmental management, these are the facts that everyone agrees. Rapid growth of tourism/mass tourism requires facilities which results in destruction of forests on a massive scale. Increase in number of tourist arrivals leads to increase in demand for local resources manifold and in order to meet the said demand local communities are pushed to harvest more and more forests. Despite the best efforts put by governments to safeguard the forests, results are not so promising. Almost all the natural destinations/hill stations are facing this problem of acute land shortage for further development of tourism infrastructure and are harvesting forests to meet the increasing demands. Deforestation is further giving rise to problems like soil erosion, loss of biodiversity, climate change and affecting the overall water cycle at the destinations.

C) Solid waste and littering

Heaps of solid wastes, garbage, plastics and other litter are not an uncommon sight on most of the popular tourist destinations. Thousands of tons of waste is produced by the tourists themselves and other service providers like hotels, restaurants etc. In most of the destinations (at least in India) the waste recycling facilities are either completely missing or if exists then the recycling capacity is far below than production rate of the waste. This results in the accumulation of waste on the destination itself. It is not the case with usual natural destinations but with very extreme adventurous destinations like Mt. Everest (Sagamatha in Nepal), world’s highest mountain peak too are reeling under the problem of solid waste and littering. In order to manage the fragile environment at Mt. Everest, Nepal government has not only considerably hiked the permit fees for climbing the peak but also it encourages bringing back some litter from/on the way of the peak by way of cash rewards for per g litter brought back by the climbers.

D) Loss of local ecosystem

Mass tourism requires large scale development of infrastructure in terms of hotels, restaurants, activity centres, airport, railway station etc. All this development puts local resources especially land and water under immense pressure. It causes degradation of land, scarcity of water, loss of flora and fauna. More so massive presence of tourists and the activities undertaken by them like horse riding, anchoring, trampling, camping etc can lead to soil erosion, land degradation and decrease in scenic beauty. There are enough evidence wherein water based activities or the increased pollution caused by mass tourism resulted in disproportionate increase or decrease of a particular species at a destination which in turn disturbs the entire ecological
chain. For example, Gangetic dolphins had been usual habitants of river Ganges, however owing to the increasing levels of pollution due to various religious and touristic activities across its banks in various cities, now this species is in endangered category, thus disturbing the entire aquatic ecosystem.

E) Emission of Green House Gases, Global Warming and Climatic Change

The United Nations Framework Convention on Climate Change (UNFCCC) defined climate change as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods” (1992, Article 1). Movement of people from place of origin to place of destination, a perquisite for tourism phenomenon is accountable for around half of the passenger traffic (air, water, rail, road) across the globe. This traffic accounts for a significant contribution of green house gases (gases which are responsible for green house effect i.e. increase in temperature by absorption of infra red rays from sunlight incident/reflected by earth surface) in the environment. Increased concentration of green house gases results in global warming i.e. increase in global air and oceanic temperatures, changing climatic patterns with longer dry seasons or unseasonal rains i.e. changing rainfall patterns, deceasing snow and ice covers, global sea level rises and coral bleaching etc. Close to a third of global flora and fauna are under threat because of the climatic changes.

According to IMD Report 2019 (Indian Meteorological Department, Ministry of Earth Sciences, Govt. of India) there is an increase in average temperature of Jammu & Kashmir. During the last two decades there have been an increase of 1.45°C in Kashmir Valley and 2.32°C for Jammu region, this has resulted in deceasing ice cover and loss of snow fall over the years. Climatic change has resulted in increased floods/draughts, snow avalanches, diminishing water supplies to rivers as glaciers recede. There are studies showing considerable decrease in ice cover over Antarctic glaciers which have considerably degraded the local ecological system. Unusual floods/draughts and forest fires are showing up in different parts of world due to global warming and climatic changes taking place. Recent studies have shown that transportation sector (air, road, rail, water) accounts for 70% of the emissions caused by tourism related activities, while accommodation sector accounts for another 20% of the tourism related emissions. Extensive use of refrigerators and air conditioners especially in accommodation establishments are resulting in increased emissions of ozone depleting substances and CFCs (Chlorofluorocarbon) thus accelerating the degradation of ozone layer.

12.4 MANAGING THE NEGATIVE IMPACTS

As said earlier, it is not tourism as such which is bad for environment, rather it is poorly planned and mismanaged mass tourism where negative impacts supersedes the gains achieved out of tourism business. Here are some suggestions to minimise the negative environmental impacts of tourism.

A) The tourism industry should be mandated to use eco-friendly practices keeping in view the nature of local resources at the destination.
B) Sources as well as types of pollutants that tourist activities can generate at a destination need to be studied carefully and managed accordingly to minimise the environmental impact.

C) Local participation in managing the tourism affairs at the destination should be ensured at every destination to the maximum possible extent.

D) Precautionary measures should be taken to minimise the waste generated by tourists and other related establishments like hotels/restaurants etc. Focus should be on zero waste generation techniques to be employed by accommodation units.

E) Principles of likes “Polluter pays” should be employed at destinations and suitable fines should be imposed on not only the tourists but also the locals who spread waste at places not meant for the same.

F) Slogans like “Reduce, Re-use and Recycle” should be made popular.

G) Wastes that may have harmful effects and not bio-degradable like plastic and glass should be kept at minimum and their disposal should also be encouraged as per the latest available techniques.

H) Deforestation should be kept at minimum and rehabilitation of degraded forests should be done with proper management and monitoring.

I) Local flora and fauna should be protected from the development of rails, roads, hotels, airports etc.

J) Management of soil erosion should be kept under control by excessive forestation especially alongside the banks of water bodies with preference to local flora.

K) Tourist activities should be distributed evenly across the year as well as across the destination region so as not to have confined all activities in a small area and during the same time of year.

12.5 LET US SUM UP

In this unit, we have discussed the concept of environment with reference to the tourism. Unregulated and mismanaged mass tourism can be utterly disastrous for the natural environment at the destination. As long as the tourism is within the carrying capacity limits of the destination it plays the saviour of the environment, however once the carrying capacity limits are breached with onset of mass tourism negative impacts of tourism on the natural and physical environment of the destination becomes inevitable. It is not tourism as such which is bad for environment, rather it is poorly planned and mismanaged mass tourism where negative impacts supersedes the gains achieved out of tourism business. In order to minimise the negative environmental impacts of tourism, the tourism industry should be mandated to use eco-friendly practices keeping in view the nature of local resources at the destination. Local participation in managing the tourism affairs at the destination should be ensured at every destination to the maximum possible extent.
Principles of likes “Polluter pays” should be employed at destinations and suitable fines should be imposed on not only the tourists but also the locals who spread waste at places not meant for the same. Wastes that may have harmful effects and not bio-degradable like plastic and glass should be kept at minimum and their disposal should also be encouraged as per the latest available techniques. Loss of local flora and fauna on account of development of rails, roads, hotels, airports and other infrastructure should be compensated adequately.

12.6 KEY WORDS

Environment: It is “the surroundings or conditions in which a person, animal or plant lives or operates”. Another meaning that can be ascribed to environment is “the natural world as a whole or in a particular geographical area, especially as affected by Human activity”.

Biotic Components: Biotic components of the physical environment of a destination composed the living entities basically the flora & fauna and biodiversity prevalent at the given destination.

Abiotic Components: Abiotic components of the physical environment encompasses the non living entities i.e. land features, water bodies, architectural landscapes, availability of sunlight, humidity, minerals etc.

Symbiotic Relationship: It is a term having origin in biological sciences, it denotes the mutually beneficial relationship between two species, wherein they support the existence of each other. It can also be a mutually beneficial relationship between two persons / groups of persons or two entities like tourism and environment in present case where tourism and environment both support the existence of each other.

Air pollution: It is the contamination of air with solid/semi-solid/ gaseous components which affects the natural composition of air to the detriment of living organisms as well as physical structures.

Climate Change: A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.

Green House Gases / Green House Effect: Gases which are responsible for green house effect i.e. increase in temperature by absorption of infra red rays from sunlight incident/ reflected by earth surface.

Global Warming: Increase in overall environmental and oceanic temperatures across the globe.

12.7 ANSWERS TO CHECK YOUR PROGRESS

<table>
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<th>Check Your Progress A</th>
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<tbody>
<tr>
<td>1) Refer Section 12.2</td>
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<td>2) Refer Section 12.2</td>
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<td>3) Refer Section 12.2</td>
</tr>
</tbody>
</table>

**Check Your Progress B**

1) Refer Sub-section 12.3.1
2) Refer Sub-section 12.3.1
3) i) False ii) False iii) True iv) False v) False vi) False vii) False viii) False ix) False x) False

### 12.8 TERMINAL QUESTIONS

1) What is environment and what are its various types in reference to a tourist destination?
2) Elaborate the role of tourism in creating awareness about environment.
3) Write an essay on relation between environment and tourism.
4) Write a detailed note on Positive and Negative impacts of tourism on the physical environment of destination.
5) Explain the effects of mass tourism on forest cover of the destination.
6) Tourism development is like a double edged sword as far as the environmental impacts are concerned. Explain?
UNIT 13 TOURISM IMPACTS – SOCIO-CULTURAL AND POLITICAL

Structure
13.0 Objectives
13.1 Introduction
13.2 Tourism and Socio-Cultural Environment – The Relation
13.3 Tourism Impacts on Socio-Cultural Environment
   13.3.1 Positive Impacts
   13.3.2 Negative Impacts
13.4 Managing the Negative Impacts
13.5 Political Dimensions of Tourism
13.6 Let Us Sum Up
13.7 Key Words
13.8 Answers to Check Your Progress
13.9 Terminal Questions

13.0 OBJECTIVES

After studying this unit, you should be able to:

- understand the concept of socio cultural environment with reference to tourism;
- interpret the relation between culture and tourism;
- identify various impacts of tourism on socio cultural environment;
- comprehend the positive and negative dimensions of tourism development on the socio cultural environment of a tourist destination; and
- understand the political dimension of tourism.

13.1 INTRODUCTION

In previous unit we had an idea about environment, various types of environment in reference to tourist destination and how does tourism affects the physical environment at the destination. We discussed that tourism may affect the physical environment in both ways i.e. positive as well as negative, depending on various factors like type of destination, nature and extent of tourism activity and thrust areas of tourism planners at various levels of planning. Present unit will further enhance our understanding of tourism impacts on socio-cultural environment of a destination. Like the impacts on Physical environment, tourism has the potential to affect the socio cultural environment of the destination in a positive as well as negative manner depending on various factors which we shall be discussing in detail. Before we move further, it will be prudent to understand the terms Society and Culture.
The concept of society is studied in the realms of Sociology wherein people groups and their interactions within the group, between the groups, group attitudes and group behaviours are studied. Society in layman terms can be described as the aggregate of people living together in a more or less ordered community, where community describes the group of people living at a particular place and having a particular characteristic in common. Culture on the other hand deals with behavioural patterns, values and knowledge acquired and transmitted through the generations. Culture in context of tourism encompasses knowledge, belief, art and craft, moral and ethical compasses, customs, rites and rituals, ways and means of celebrations, expression of grief and happiness and any other capabilities of people as members of the society. Socio-cultural environment therefore refers to the local resident’s day to day experiences, way of life, ethics and values, intellectual and artistic products, rites and rituals, their relationships with themselves and with nature and their ways of expressing happiness/sorrow. It is difficult to quantify, any changes in social environment are slow and lasts long. It is something which can be felt very easily but hard to describe in concise boundaries of a definition.

13.2 TOURISM AND SOCIO-CULTURAL ENVIRONMENT – THE RELATION

What tourism needs before anything, is an attraction, something that is worth visiting for someone, something that has the ability to motivate people to move out of their usual place of residence and spend considerable time and money to visit and experience the attraction. It is the attraction that acts as a primary motivation for the potential tourists to invest their time and money for something that is intangible and does not results in any ownership. So, what does the socio-cultural environment of a destination provides to the tourists? Let us analyse some situations and find answers to below questions.

A) To a family living an urban setting with all modern amenities, shopping malls and other urban luxuries in close proximity what is likely to be more attractive destination – A similar urban locale or a place with different way of living and interactions within the populace and with nature. It is not of much debate that likely destination will be the place with different social and cultural settings. So, it is safe to drive the conclusion that social cultural environment acts as an attraction, motivation for the perspective tourists to come and visit a destination.

B) Now, imagine another scenario. There are two destination options available with similar sort of basic attraction. The difference lies in the social and cultural environment. One destination has the social and cultural environment which is friendly and hospitable to the culture of the potential tourists while the other destination’s social and cultural environment is hostile to the potential tourists own culture and society. Again, it is not much of a debate that the tourist is likely to visit the former.

So, to sum up the above two scenarios, socio cultural environment not only acts as an attraction in itself but also it acts as an integral part of overall tourism product when the core attraction is other than the socio-cultural environment.
itself. Further expanding the same argument, when socio cultural environment is itself the tourism attraction or is an integral part of the overall tourism product a destination has to offer, we can say that tourism provided the reasons for the same to be preserved and conserved.

Like the case with physical environment, the relationship between tourism and socio cultural environment turns out to be a symbiotic one.

![Symbiotic Relation](image)

**Fig 13.1: Tourism – Socio cultural environment Relationship**

It is the basic tourism product i.e. attraction or the supplementary tourism product in terms of favourable socio-cultural conditions that is offered by the socio cultural environment of the destination and the needed preservation and conservation is offered by tourism in return thus making it a symbiotic relationship where both supports each other’s existence.

**Why socio-cultural impacts of tourism?**

Tourist by virtue of its definition is some individual or group of individuals out of their usual residential area visiting the destination to experience some attraction which can be tangible, man-made or natural attraction or it can be a intangible attraction in terms of local life styles, society and culture which the tourist may want to experience. When there is an interaction of two different cultures i.e. the culture of tourists and that of the culture of hosts at the destination, by way of human nature it is bound to have an effect on each other. Two different cultures when come in contact of each other are likely to follow a pattern of initial conflicts, confusion and then compromise wherein both cultures becomes adaptable to each other. The nature and extent of this effect depends on various factors like the duration of interaction between the cultures, levels of similarity or dissimilarity between the cultures, frequency of such interactions, dominant characteristics present within either of the cultures etc. Socio-cultural impacts of tourism derive their reason from the fact that tourism by its very nature facilitates inter-cultural interactions.

**Check Your Progress A**

1) What are the components of socio-cultural environment?

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2) What is the relation between tourism and socio-culture environment?

3) Classify the following as Yes/No for being the part of socio-cultural environment of a destination:
   i) Landscape .................................................................
   ii) Festivals ...................................................................
   iii) Rites and Rituals ......................................................
   iv) Vegetation .................................................................
   v) Belief System ..............................................................
   vi) Ethical values .............................................................
   vii) Art and Craft .............................................................
   viii) Dressing styles .........................................................
   ix) Cuisines ..................................................................
   x) Plants and Vegetation ...................................................

13.3 TOURISM IMPACTS ON SOCIO - CULTURAL ENVIRONMENT

Socio-cultural impacts of tourism refer to changes in the lives of people living at the destination i.e. the host population. It also refers to the changes in art, artefacts, customs, rites and rituals, moral and ethical standards, changes in resident’s everyday experiences, their value system, their way of life, their ways of expressions and their intellect arising due to touristic activities at the destination. Various types of socio-cultural impacts can be summarised as follows.
<table>
<thead>
<tr>
<th>Positive Impacts</th>
<th>Negative Impacts</th>
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<tr>
<td>Social tourism, the all inclusive character of new age tourism</td>
<td>Erosion of destination image.</td>
</tr>
<tr>
<td>Promotion to social stability and peace</td>
<td>Commoditization of Culture</td>
</tr>
<tr>
<td>Enhanced understanding of social norms, practices and values</td>
<td>Demonstration effect</td>
</tr>
<tr>
<td>Social elevation and educational awareness</td>
<td>Socio-cultural conflicts</td>
</tr>
<tr>
<td>Improved social capital</td>
<td>Exploitation of local travel professionals</td>
</tr>
<tr>
<td>Rejuvenation of cultural symbols</td>
<td>Identity Crisis</td>
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<tr>
<td>International cultural relations and co-operation</td>
<td>Various kinds of abuses</td>
</tr>
<tr>
<td>Cultural values preservation</td>
<td>Loss of authenticity</td>
</tr>
<tr>
<td>Economic significance of cultural sites</td>
<td>Degradation of local customs</td>
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<td></td>
<td>Law and Order issues</td>
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Changes on account of socio-cultural impacts of tourism arise in the form of changed community structure, family relationships, collective traditional life style dynamics and ways of expressions. Not necessarily the impacts are always negative in nature, rather there can be positive impacts too as shown above. Nature and extent of the socio cultural impacts of tourism depends on various factors like the difference between host and guest cultures, the nature and extent of their interactions, number of tourists visiting, average duration of stay etc.

13.3.1 Positive Impacts

As we have seen above there are positive as well as negative socio-cultural impacts of tourism. Let us first have a detailed view on positive socio-cultural impacts of tourism.

A) Social tourism - all inclusive nature of tourism

Tourism in its earliest form was limited to the selected few and privileged sections of the society, however in the modern era with increase in income levels of people and more leisure time at hand, global tourism now encompasses the diverse group of people from all income and social groups. At the second congress of social tourism held at Viena in 1959 noted tourism scholar M. Hunzikar described social tourism as type of tourism practiced by low income groups, which is facilitated by entirely separate and easily recognisable services. This form of tourism supports people travelling with low budget by means of assistance from various NGOs and schemes under budget travel by various service providers. Over the period of time this phenomenon of social tourism has grown many folds with almost every income and social group of people participating in tourism activity to some extent. Udaan scheme by Ministry of Civil Aviation, Govt. of India provides subsidy to airlines for operating on low profit routes, this in effect provides...
low cost air travel to potential tourists also. It is this social tourism which has brought different social and income groups within the same subset of potential tourists.

B) Promotion to social stability and peace

Social stability is defined as the state when people of the society under consideration are at peace with themselves and with each other. It basically refers to the stability within the individual, within the group and with other groups. Tourism by its very nature provides ways and means for people to people interactions. It fosters relations not at government/diplomatic levels but at the levels of individual people/common citizens. By way of healthy and mutually beneficial interactions tourism paves the way for greater understanding, acceptance and mutual trust among people. Thus, tourism has been emerged as a driver for social stability and peace. A destination with greater social stability and peace is likely to attract more tourists and vice versa. There are various studies linking the tourist destination selection with social stability and peaceful conditions.

C) Enhanced understanding of social norms, values and practices

Tourists visiting places with different social and cultural norms when return to their native places begun to see their own social norms and values in all new light. Their understanding of the social norms and practices being followed by them and by the societies they visit makes them more broad minded and open to divergent views. A North Indian family visiting South India or vice versa for some marriage function is definitely going to return with much enhanced appreciation and understanding of the social norms, rites and rituals of marriage that are followed at both the places. Destinations like Varanasi, Haridwar, Mathura, Vrindavan etc. along with their religious flavour have a culture of their own and any visit to these destinations is going to enhance one’s understanding of social norms, values and practices in general.

D) Social elevation and educational awareness

Human interactions which are integral part of tourism phenomenon have their own educational values too, though without any formal classrooms. Interactions between hosts and tourists are enriching experience for both sides. Individuals associated with tourism in any way i.e. as tourists, as local community, as hosts, as employees or as employers are likely to have positive changes in their own personalities and attitudes which become reflective of global understanding and acumen. Individuals associated with tourism in any way are more likely to have a refined life style and social behaviour. Tourism helps developing a global vision to look at the things. Tourism helps people shun their outdated and irrational predispositions for a broader and wider vision and understanding. It is for the tourism phenomenon that the niceties are absorbed and irrational, outdated practices are discarded by the societies.

E) Improved Social Capital

Social capital can be understood in terms of effective functioning of social groups through interpersonal relationships, shared sense of identity, shared
understanding, shared norms, shared values, trust, cooperation, and reciprocity. As social environment acts as not only a core tourism product in some cases but in almost all cases it is the part and parcel of the overall tourism product on offer by a destination, tourism in turn act as a catalyst in improving the social capital at the destination. Indeed, there have been marked improvements in positive functioning of social groups in case of well known tourism destinations. Tourism also helps improving social capital by way of providing employment and income opportunities requiring closely interwoven efforts among various social groups.

F) Rejuvenation of cultural symbols

Cultural manifestations of the destination like fairs and festivals, art and craft, rites and rituals acts as prominent tourism attractions of the destination and tourism developments at places have shown marked rejuvenation of various cultural symbols. One such example can be “Ashav Poojan” performed at Udiapur by the royal family members. Horses or Ashav had been integral part of royal families for their military as well as aesthetic utility and this practice of “Ashav Poojan” seemed to have its genesis in marking their (Horses) importance in royal life. In modern times, though the horses have lost their relevance as compared to earlier times however the “Ashav Poojan” which draws large number of international tourists continues with same fervour for now being the tourism attraction. Hence, tourism helped not just continuing but rejuvenating this practice. There are many other examples wherein tourism has helped rejuvenating the local art and crafts by means of providing employment and income opportunities.

G) International cultural relations and co-operation

Tourism plays an important role in fostering international cultural relations for its very nature which encompasses interaction of various cultures. There is very famous museum chain of wax statues “Madame Tussauds” having the main museum in London with smaller establishments in other major cities including New Delhi in India too. In earlier days, this museum housed life like wax statues of famous English personalities, however with growing popularity alongside the modern tourism wave this museum became a prominent tourist attraction being visited by tourists of various nationalities. Over the period of time and keeping in view with the growing popularity among tourists across the nationalities, now the museum houses life like wax statues of famous personalities across the world including the Indian cinematic icons like Amitabh Bachchan and others. A chapter of this museum has also been started in New Delhi too. This museum is a one of the classic examples of how tourism helps enhancing international cultural understanding and relations.

H) Cultural values preservation

Tourism’s support to cultural values, attitudes and behaviour of host population not only results in finest of the hospitality and excellent services but also it gives means and reasons to the local populace for preserving their cultural values and authenticity. It is a two way phenomenon, not only the guest populace get reasons to feel more appreciative of their cultural values but also the tourist develops a harmonious understanding of the cultural value system and its manifestations. In one of the most tourism
Concept and Impacts of Tourism

oriented state of India i.e. Rajasthan there are numerous cultural values and other manifestations like rites and rituals, arts and crafts, handicrafts etc. which now are supported by visiting tourists and being preserved by the host population.

I) Economic significance of cultural sites

There are many historical sites like caves, ruins etc which if not being prominent tourism attractions would have been left for natural decay and destruction. It is the visiting tourists and income generated from them which makes the preservation of those historical sites economically viable. Like the case of Ajanta Ellora caves or Vijay Nagar empire ruins in Hampi and many other similar sites dotted across the globe, it is their touristic significance and UNESCO world heritage site status which has added to the economic significance of these sites. Income and employment opportunities generated from the tourists visiting these sites have bolstered the economic advantage of these sites and has thus made the preservation and conservation of these sites financially and economically viable.

Check Your Progress B

1) What does socio-cultural impacts of tourism means?

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2) What is Social Tourism?

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3) How does tourism helps in promoting international cultural relations?

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4) Classify the following statements as true or false:

i) Tourism enhances cultural understanding.
ii) Tourism has only positive impacts on socio-cultural environment.
iii) Tourism helps in promotion of international cultural co-operation.
iv) Tourism adds to the economic value of cultural sites and makes the conservation and preservation economically viable.
v) Tourism has no value in creating positive social awareness.
vi) Tourism has only negative impacts on the socio-cultural environment.
vii) There can’t be any tourism development without affecting the socio-cultural fabric of the destination.
viii) Socio-cultural environment has no role in final tourism product on offer at a tourist destination.
ix) Tourism improves the social capital of the destination.
x) Tourism helps in better understanding and appreciation of socio-cultural norms by the tourists as well as host population.

13.3.2 Negative Impacts

Our discussion so far has highlighted the fact that not only the socio-cultural environment is an integral part of tourism product and plays an important role in destination selection by potential tourists, but also tourism brings a host of positive changes in the socio-cultural milieu of the destination. As every coin has two sides, here too we have the negative socio-cultural consequences also arising out of tourism development. It is not the tourism per se which have negative consequences for the socio-cultural environment of the destination, rather it is unplanned and un-regulated mass tourism which results in negative socio-cultural impacts at the destination. Some of the major negative socio-cultural impacts are as follows:

A) Erosion of destination image

Tourism is one of the avenues that are prone to misuse by antisocial elements. Tourists not being fully accustomed to destination are more prone to cheating, fleecing and other types of crimes. It is not unusual that we come across various news items with regard to fleecing of tourists by antisocial elements on various pretexts. It is the responsibility of local people to guide the tourists for their safety and security. On account of various crimes committed upon tourists visiting a place, overall image of that place takes a beating. It is not in very distant past when rape and murder committed upon a teenager tourist in Goa has damaged the image of Goa as a tourist destination and it took sustained efforts from government to overcome that stigma.

B) Commoditisation of Culture

It has been observed that travel leads to regarding the local monuments, religious places, crafts and dances as a mere commodity. This happens usually whenever there is a high demand and at places where the tourist footfall is higher. The local population in order to reduce the gap between supply and demand starts adapting the these tangible and intangible products
as per the need of the tourist thus resulting in loss of its genuineness as well as the individual ethics. In India, at some places, it has also been observed that there has been major shift in the way many religious and other practices are observed by the local people as mere resource to earning livelihood. One such example is “Aarti-teeka” being offered to guests, in traditional Indian setting “Aarti-teeka” is generally performed during morning and evening hours only, however there are many hotel chains where this is being performed for every guest irrespective of his/her arrival time. Here, this tradition has been commoditised for the sake of visiting tourist’s satisfaction.

C) Demonstration effects

Demonstration effects are defined as the changes in individual behaviours caused by observing the action and behaviours of others. In case of tourism it is the influence felt by the members of host community on account of observing and imitating the conduct of visiting tourists. It is the changes induced in the lifestyles of host community due to their enchantment towards the life style choices displayed by tourists. It has been observed, especially in rural destinations where enchantment towards visiting tourist’s lifestyles has made significant changes in local habitant’s life styles. Not necessarily the demonstration effect results in negative changes only, there may be positive changes also like women empowerment, girl education, shunning superstitions etc. However, many a times demonstration effect result in negative consequences like drinking andz gambling habits, disregard to traditions, drug abuse etc. It has been observed that in many areas of Goa drug abuse has been on rise on account of similar practices being observed by the tourists. In some areas of Himachal too, there have been an increase in cannabis consumption in local population. Demonstration effect is something that if managed suitable can result in good changes among host populations.

D) Socio-cultural conflicts

Since, travel by its very nature includes interactions with persons residing in different places, social interactions occur between persons who under normal circumstances would not have been together. Such interactions when not managed suitably results in cultural conflicts on account of reasons like varied opinion in respect to the ethics, moral values, social choices, lifestyle choices, language, finances, religious inclinations and other practices. As a matter of fact, both the social carrying capacity (the maximum agreeable difference in the social system in or around destination) and cultural carrying capacity (the maximum agreeable difference in the culture of the host community) are liable to witness overutilisation. The response of the local communities to development of tourism may witness and go through various phases of reaction varying from travellers being whole-heartedly received, indifference, annoyance and strong hostility when there is a growing desire of reducing the inflow of tourists.

E) Exploitation of local travel professionals

Many studies have been done to highlight the issues of travel professionals. Travel and tourism has emerged as a huge resource for employment and income generation. With increasing demand for tourism products and services the need of travel professionals has also grown. However the
individual growth of travel professionals has not remained in line with the demand and growth witnessed by overall industry. This is a result of unacceptable work-life balance, low incomes, less exposure and training as well as lack of skills acquirement. Especially the local travel professionals working at destinations which are not metro cities face problems like less payments, insufficient exposure, poor work life balance, job insecurity etc.

F) **Identity crisis**

In their quest to develop tourism, policy makers are tempted to alter the neighbourhoods of historical and cultural monuments in ways that responds to the consumption habits of tourists. This many times results in displacement of local habitants from their places of living and livelihood, creating among them not only a sense of void, detachment and insecurity but also they are likely to experience the identity crisis. Identity crisis results in loss of an individual’s sense of own identity. With social and physical settings altered to suit the tourism development goals, local habitants feel left out and it becomes problematic for them to get settled in new reality. For example, the neighbourhood of Golden Temple in Amritsar has been redesigned to suit to the touristic needs and tastes, however the local residents who have been traditionally living and earning there have to relocate themselves as well as have to alter their source to livelihoods to new set of reality. This has caused a feeling of lost identity among them.

G) **Increase in various kinds of abuses**

Excessive tourism development puts pressure not only on the physical resources of the destination but also on the human and social resources of the destination also comes under pressure with excessive tourism development. This pressure on human resources of destination gives rise to various kinds of abuses like exceptionally high or low wages, poor work life balance, incessantly long working hours, child labour, forced labour etc. In case of some destinations, there are increasing cases of child labour, child prostitution, prostitution and drug abusers especially during the peak tourist seasons. Many times, tourist who visits the destination for a shorter duration of time and sole motive of enjoyment and relaxation exhibit scant regard to the moral and ethical considerations and indulge in activities which otherwise are not permitted. This tendency results in an increase in various kinds of abuses at the destination.

H) **Loss of authenticity**

Excessive tourism also gives rise to “phony culture” or the cultural traits which are either over amplified or over simplified to suit the needs of visiting tourists. For example, there may be a deity at a local temple where specific form of “pooja” is performed at a specific time of the day. However, when that ritual becomes a tourist attraction and demand for the same increase then the condition of specific time is no longer followed and in order to meet the increasing demand of tourists the same is performed throughout the day. In this case the ritual has lost its authenticity and become a mere commodity to suit the touristic tastes. Similarly in case of handicrafts, in order to meet the growing demand from tourists, instead of traditional methods which are long and pain sticking, mechanisation of the process is done at the cost of authenticity.
I) Degradation of local culture

Excessive tourism activity results in overall degradation of destination’s local culture. There have been marked changes in cultural dimensions of host populace with increase in tourism activity. Various negative socio-cultural impacts discussed above results in degradation of local culture. Tourists may show disregard to the local customs, rites and rituals etc which may lessen the pride and respect for their own culture amongst the susceptible members of local population. For example, tourists may exhibit disregard or indifference to local clothing styles, eating habits or other life style then similar tendencies are likely to be exhibited by the local populace.

I) Host – Guest Conflicts

Doxey’s Irritation Index model (1975) describes resident’s attitude towards the visiting tourists changes with growth of tourism development and exhibit various stages like Euphoria (general feeling of happiness and contentment with tourism development), Apathy (when the local residents become indifferent to the tourists), irritation (wherein the local residents have hostile attitude towards tourists) and in the end is Antagonism (wherein local residents display marked hostility towards the tourists. This irritation index model has been studied and validated in context of various destinations. The host reaction stages though have overlapping element, but have been found to be exhibited in case of most destination wherein tourism developments have shown exponential growths.

I) Law and order issues.

Apart from the impacts discussed above, excessive tourism development also results in law and order issues at the destination. Especially, in case of mass tourism events like religious congregations, maintaining law and order situation at destination becomes challenging task.

13.4 MANAGING THE NEGATIVE IMPACTS

Tourism cannot function in isolation and undoubtedly it is a people centric activity. We have discussed how tourism impacts the socio-cultural fabric of the destination in positive and negative ways. It is the responsibility of all stakeholders of tourism development to maximise the positive impacts of tourism development and minimise the negative impacts. Some of the measures to contain the negative impacts of tourism can be summarised as below.

A) Local community can be the best resource as well as the best guardian for preservation and conservation destination’s socio-cultural environment. Hence, despite the inherited limitations like identification of suitable community members, divergent views amongst the community and slow decision making of community involvement in tourism development policy formulation and implementation, participation of local community should be encouraged.

B) There should be synergy between tourism development policy and local socio-cultural manifestations. For example, tourism development plan for a religious destination should avoid the inclusion of tourist amenities like bars and pubs.
C) Socio-cultural carrying capacity which essentially has two dimensions, one being the level of acceptable variations in local socio-cultural milieu on account of tourism development and second being the maximum number of tourists or tourism activities that can be permitted without any host resentment should be studied carefully with the help of tourism and sociological experts. Such carrying capacities owing to their subjective nature are difficult to be placed in rigid numerical brackets but still have their utility in mitigating the negative socio-cultural consequences of tourism development.

D) Tourism developmental policies should have element for the promotion of local authentic items through proper support at production level as well as with proper promotion and marketing levels too. Tourists should be encouraged to go for the authentic items prepared with traditional ways and means rather than the mechanised versions which lack the authenticity.

E) Problems like increased rates of crime against the tourists as well as in general, kinds of abuses to any section of society should be considered while formulating the tourism development plan and should be dealt with heavy hand.

F) There should be a mechanism of regular interactions between local community members and professional tourism organisations so that the issues and reservations with regard to tourism development from any side can be resolved before any escalation.

G) Not only the tourists but also the local community members also need to be sensitised towards the local socio-cultural norms, rites and rituals and moral ethical standards being in observance at the destination.

H) A minimum fix part of income from tourism development should be invested for the promotion and development of local cultural manifestations.

13.5 POLITICAL DIMENSIONS OF TOURISM

Political science is the discipline which deals with the theory and practice of politics. It is the discipline which deals with the study of governance, formulation and implementation of laws and process of decision making at the highest levels of governance. Shape and form of international tourism to a great extent is affected by the global political environment. World wars had a significant bearing on the functioning of tourism in those days. Political relations between two nations shape the form of tourism between them and vice versa too are equally true. Political scientific approach to study tourism deals with the aspects like reciprocity of VISA norms between two countries, ease of movement across the borders, currency convertibility regulations, health regulations etc. More so freedoms of air as defined by International Civil Aviation Organisation (ICAO) to a great deal have been dependent on political considerations between participating nations. Schengen area comprising of 26 European nations having officially abolished the passports and other types of border control in order to function as a single jurisdiction for international travel purposes with a common VISA policy has been possible because of common political will and political amicability amongst the participating nations. Movement of people across the borders for touristic as well as other purposes has always been subject to political relations.
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between concerned nations. In case of selection of destination by potential tourists, political relations between host and guest countries play a crucial role.

Another area of political dimensions is the formulation and implementation of laws. Political stability and participative forms of government always translates into better law and order situation in a country, which by any means is essential for functioning of tourism. In case of countries heavily reliant on tourism revenues, event the differing political ideologies cannot ignore the tourism dimension in formulation and implementation of laws and regulations. Political dimensions of tourism can be articulated well by comparing the ease of travel across borders between India and Pakistan and amongst the Schengen area, where in case of former the political relations between the two nations casts their shadow on movement across border even in case of emergency situations and in case of latter the movement across the borders remains seamless, again due to political considerations of concerned nations.

13.6 LET US SUM UP

Socio-cultural impacts of tourism refer to changes in the lives of people living at the destination i.e. the host population. It also refers to the changes in art, artefacts, customs, rites and rituals, moral and ethical standards, changes in resident’s everyday experiences, their value system, and their way of life, their ways of expressions and their intellect arising due to touristic activities at the destination. Tourism promotes social stability and peace, helps rejuvenating cultural symbols and contributes to preservation of cultural values. Though, on the contrary unregulated tourism erodes destination imagery, fosters socio-cultural conflicts and has demonstration effect which creates identity crisis for the local populace. Changes on account of socio-cultural impacts of tourism arise in the form of changed community structure, family relationships, collective traditional life style dynamics and ways of expressions. Nature and extent of the socio cultural impacts of tourism depends on various factors like the difference between host and guest cultures, the nature and extent of their interactions, number of tourists visiting, average duration of stay etc.

In order to minimise the negative socio-cultural impacts of tourism, local community can be the best resource as well as the best guardian for preservation and conservation destination’s socio-cultural environment. Hence, despite the inherited limitations like identification of suitable community members, divergent views amongst the community and slow decision making of community involvement in tourism development policy formulation and implementation, participation of local community should be encouraged. There should be synergy between tourism development policy and local socio-cultural manifestations.

13.7 KEY WORDS

Society : The concept of society is studied in the realms of Sociology wherein people groups and their interactions within the group, between the groups, group attitudes and group behaviours are studies. Society in layman terms can be described as the aggregate of people living together in a more or less ordered community, where community describes the group of people living at a particular place and having a particular characteristic in common
Culture: Culture on the other hand deals with behavioural patterns, values and knowledge acquired and transmitted through the generations. Culture in context of tourism encompasses knowledge, belief, art and craft, moral and ethical compasses, customs, rites and rituals, ways and means of celebrations, expression of grief and happiness and any other capabilities of people as members of the society.

Doxy’s Irritation Index - Doxy’s Irritation Index model (1975) describes resident’s attitude towards the visiting tourists changes with growth of tourism development and exhibit various stages like Euphoria (general feeling of happiness and contentment with tourism development), Apathy (when the local residents become indifferent to the tourists), irritation (wherein the local residents have hostile attitude towards tourists) and in the end is Antagonism (wherein local residents display marked hostility towards the tourists.

Socio-cultural Environment: Socio-cultural environment refers to the local resident’s day to day experiences, way of life, ethics and values, intellectual and artistic products, rites and rituals, their relationships with themselves and with nature and their ways of expressing happiness/sorrow.

Socio-cultural impacts: Socio-cultural impacts of tourism refer to changes in the lives of people living at the destination i.e. the host population. It also refers to the changes in art, artefacts, customs, rites and rituals, moral and ethical standards, changes in resident’s everyday experiences, their value system, their way of life, their ways of expressions and their intellect arising due to touristic activities at the destination.

Social Capital: Social capital can be understood in terms of effective functioning of social groups through interpersonal relationships, shared sense of identity, shared understanding, shared norms, shared values, trust, cooperation, and reciprocity.

13.8 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress A

1) Refer Section 13.2
2) Refer Section 13.2
3) i) No  ii) Yes  iii) Yes  iv) No  v) Yes  vi) Yes  vii) Yes  viii) Yes  ix) Yes  x) No.

Check Your Progress B

1) Refer Section 13.3
2) Refer Sub-section 13.3.1
3) Refer Sub-section 13.3.1(G)
4) i) True  ii) False  iii) True  iv) True  v) False  vi) False  vii) True  viii) False  ix) True  x) True
13.9 TERMINAL QUESTIONS

1) What is socio-cultural environment? Explain its relationship with tourism.

2) Explain the positive socio-cultural impacts of tourism.

3) Explain the negative socio-cultural impacts of tourism.

4) Write a note on political dimensions of tourism.

5) Explain the negative impacts of tourism development on Host-Guest relations.

6) State some measures to reduce the negative socio-cultural impacts of tourism.
UNIT 14  TOURISM IMPACTS – ECONOMIC

Structure
14.0 Objectives
14.1 Introduction
14.2 Economic Characteristics of Tourism
14.3 Economic Benefits of Tourism
   14.3.1 Direct, Indirect and Induced Effects
   14.3.2 Multiplier Effects of Tourism
      14.3.2.1 Types of Multiplier Effects
   14.3.3 Foreign Exchange
   14.3.4 Balance of Payment
   14.3.5 Increased Tax Revenue for Government
   14.3.6 Cultural Exposure Grooming Entrepreneurship Skills
   14.3.7 Tourism in Developing Countries
   14.3.8 Tourism and Tax Revenue
14.4 Let Us Sum Up
14.5 Key Words
14.6 Answers to Check Your Progress
14.7 Terminal Questions

14.0 OBJECTIVES

After studying this unit, you should be able to:

- comprehend the meaning of economic impacts of tourism;
- identify varied economic dimensions of tourism; and
- analyse economic multiplier of tourism.

14.1 INTRODUCTION

In earlier units we discussed how tourism induced activities bring several impacts on the environment, society and culture of a locality. In this unit we shall discuss the tourism impacts on economy of a destination. As we know tourism as a pleasure seeking activity involves travel to destination away from one’s own locality and sometimes involves travel across borders. Tourism as a leisure and pleasure activity involves spending by the tourists for availing such services. The spending by tourists for availing variety of services brings in resources to the local economy of destination.

14.2 ECONOMIC CHARACTERISTICS OF TOURISM

Tourism involves a series of activities performed simultaneously while a tourist experiences them as the tour progresses. Such activities include transfers, lodging
and related hospitality, restaurant and other food services, entertainment and sight-seeing of attractions and so on. According to UNWTO World Tourism Barometer and India Tourism Statistics report 2019, the international tourism receipts worldwide was $1448 billion in the year 2018 while India earned closed to 2% share of the world with $28.58 billion in the same year. The total revenue from tourism in India reached its peak during 2019 with an all time high $3.1 billion before unsought of COVID pandemic worldwide and resultant restriction.

These statistics may pose a question as to what constitutes this tourism receipts or tourism revenue. How does tourists’ spending spread in the economy and facilitate growth.

One of the easiest ways of finding answers to how does tourism contribute to the local economy, is to understand the fact that tourism creates jobs, the jobs ranging from tour guides, hotel staff, restaurants to coach driver and so on. Tourists undertake travel through variety modes, stay at hotels upon arrival, dine at restaurants, visit attraction sights, rent a car or taxi, enjoy at a theatre, participate in a sports or gaming activities and so on. All these result in creation of jobs for the residents and bring in cash to the local businesses. Thus jobs are created through tourists’ spending for services. Apart from creating jobs, tourism also involves sourcing goods and products locally such as; vegetables, food stuff, beverages, consumer goods, and handicrafts which provide income to such suppliers. Thus the spending by tourists becomes income of others. These spending and income of many in a locality creates ripple effect which we shall discuss now.

To summarise the discussions here, we can agree that tourism has got intrinsic economic characteristics that work as a catalyst for regional development. There are various features of tourism put in action at a tourist destination. These consist of:
Perishability: Tourism products cannot be stored. An empty airline seat on a flight is a loss for ever. Similarly a hotel room unoccupied for a night and a coach running with an empty seat cannot be recovered.

Seasonality: Tourism demand is highly seasonal. Tourist destinations experience peak of crowd and activities during some months in a year and this duration is called tourist season. The peak tourist season is flanked by off peak season with reasonable amount of activities. The lean season is when there is rare tourism activity. During this period tourism businesses dwindle, job opportunities become scarce and incomes of operators plummet.

Volatility: The tourism demand is influenced by unpredictable factors often external to the industry. Fluctuation in exchange rates, political turmoil, or incremental weather at tourist destination or anywhere in the country can affect the inflow of tourists.

Complex motivation: Tourists often travel for more than one reason. Tourist seeking refuse from mundane life may wish to go for trekking in the Himalaya, opt for river rafting in Rishikesh and also may visit Badri-Kedar for pilgrimage. The existence of loyalty to one particular destination is almost non-existent. Tourists are inclined to visit different paces every year rather than returning to the same destination.

Price elasticity: Tourism demand by nature is highly influenced by the fluctuation in price of the commodity. A small change in price by a fellow market player or increased price as a result of changed taxation, may affect business volume at destination.

International tourism receipts; as defined by UNWTO it refers to the expenditure of international inbound visitors including their payments to national carriers for international transport. They also include any other payments or payments afterwards made for goods and services received during their visit in the destination country.
**Concept and Impacts of Tourism**

**Capital Investment:** During formative stage, a destination may require foreign funding for creation of infrastructure and facilities. Gradually when the tourism gets momentum, such investors repatriate the interest and profit of their investment out of the destination country. Thus the less developed countries fail to reap desired benefits of tourism.

**Contribution to national GDP:** Tourism contributes to the national gross domestic product in many ways. The spending by tourists becomes income of many operators. The diverse economic activities propelled by tourism create a hub and contributes to tax revenue, employment and over all development of the place. The total income from tourism depends on the volume of multiplier effect discussed below in a different section.

**State revenue:** Income of governments from tourism may be of three types. First; Direct taxes: on employees and other tourism services, Second; indirect taxes such as customs, road tax; and third; revenue generated by public sector businesses. Various taxation that may be linked to tourism are ; Road tax, Toll tax, Entry tax, customs, Property tax, motor vehicle tax, luxury tax, lottery tax, stamp duty, commercial tax, GST, and VAT.

**Small and micro business entrepreneurship:** Most tourism business are family owned, sole trading small or micro business ventures. A small taxi operator, a restaurant, handicraft shop, a travel agent, a local tour operator, a ground handling agent are examples of small or micro entrepreneurship. The existence of majority of medium, small and micro business entrepreneurs benefit the local economy in terms of extended employment and income. However in many cases when massive tourism developments take place, local entrepreneurs give way to multinational companies to operate and dominate the scene. Resultant increased imports give rise to leakage of local income.

**Possibility of tourism in less developed and rural areas:** Tourism flourishes in places known for their cultural heritage, moderate climate, unique landscape, natural sceneries, rich bio-diversity and rural settings. These typically are areas located beyond the city peripheries and not suitable for any other economic activities.

**Vast potential for employment:** Tourism is a labour intensive sector employing diverse workforce including unskilled, semi skilled and skilled manpower. Conventionally micro and small scale entrepreneurship drive the tourism sector at a destination. Several services in tourism are typically suitable to female and unprivileged resident groups in a locality.

**Large spread supply chain:** Tourism operation are carried out by the expanded network of service providers in a region. Unlike other manufacturing set up, tourism involves a wide range of people for delivery of service. Expanded supply chain of tourism may include hotel, restaurants, taxi operator, tour operator, handicraft and souvenir shops, and theme parks and so on, that are mostly owned by diverse entrepreneurs across the region and sometimes outside the region.

There is also a flip side of tourism that may work negatively in specific circumstances. The financial aspects of environmental and social impacts on the destination also need to be taken into concern. For instance, enriched transportation may raise the costs of moving from place to place, which may not...
Tourism Impacts – Economic

suit the purse of the poor resident. Increased taxes though may bring comfort to
the residents, may not be liked by downtrodden slum dwellers and they may feel
out of sync. The growing discontent amongst the residents may ultimately force
them to escape to rural hinterlands. Let us discuss this flip side of tourism.

- **Volatility of demand:** Tourism is very susceptible to socio-political,
environmental or financial instabilities. A small riot in a corner of a country
may affect tourist inflow to the entire country. The pandemic of COVID-
19 in the recent past almost brought tourism industry to a stand-still. The
fluctuations in the demand threaten particularly the poor and small scale
businesses for survival.

- **Seasonality:** Even in usual business operations tourism suffers from
seasonality syndrome. Tourism in India is typically a six month affair with
tourist season ranging from October to March. Operators literally go out
of business in off season when they have to look for alternative sources of
livelihood.

- **Increased taxes:** Tourist destinations over the period of time experience
additional taxes for provision of additional facilities at the destination.
Municipality taxes, property taxes, road tax, toll tax and water tax etc.
increase as the tourist hamlet grows as a city. In such conditions, residents
too bear the burden of extra setup and amenity costs.

- **Heavy dependence on limited natural resources:** Natural resources of a
tourist destination such as land, water, food, bio-diversity and power, are
largely put into use in tourism. Excessive use of such resources may strain
the availability of such resources for the poor and downtrodden in the
society. Unplanned usage also may threaten the sustainability of such
resources.

- **Displacement Effect:** Displacement means dislocation, and occurs when
residents are shifted from their lands not as a choice but by compulsion.
Displacement is discussed for a wide range of issues concerning the people
on displacement. It includes lack of access to their normal habitat, changed
or restricted mobility, restrictions on livelihood opportunities, or violation
of the rights as a resident. Though a social phenomenon it has large
economic implications. At present, displacement is widely used to refer
involuntary removal of residents from their ancestral or existing home as
part of government proposal for economic and industrial development.
Such government actions though intend to benefit a large section of people
to participate in the developmental process, a minority displaced community
face the brunt of the displacement. Here the need for displacement is viewed
inevitable for concentrated economic activity. And the progress in achieving
economic growth is viewed as capable of generating sufficient surplus for
the entire population that may offset losses by those who are displaced. In
tourism however, the displacement of a different nature may occur. In many
occasions, displacement does not form the part of government strategy.
However, the residents eventually leave the place, since conditions such as;
price rise and loss of traditional livelihood opportunities remain no
more suitable to them.
Concept and Impacts of Tourism

- **Shift in profession:** Tourism at times may alter the economic structure of a destination. Tourism brings with it many white collar jobs, such as waiter, bell boy, and security guards. The sophistication in tourism jobs may attract farmers, fishermen, and labours to migrate from their traditional occupation in search of jobs in tourism. This pattern can put pressure on agriculture, fishing and other traditional occupation.

- **Migrant Labour:** Many top tourists receiving countries in the world employ migrant foreign labours in hotel industry. There are two reasons for it. First the local labour force may not have necessary skills or second there may be a dislike amongst residents to work in hotel industry. In both the cases a huge amount of salary income goes out of the country.

### Check Your Progress A

1) What is meant by economic characteristics of tourism?

2) List out economic features which contribute positively to the destination community.

3) Outline negative impact tourism may bring to economy of a destination.

4) State whether the following statements are true or false?
   i) Tourism is promoted for its economic benefits.
   ii) Tourism at any destination is a year round business.
   iii) Tourist season in India range from October to March of every year.
   iv) Tourism is susceptible to volatility of demands.
   v) Particularly the large scale tour operators face the survival issues during extreme fluctuations of demand.
14.3  ECONOMIC BENEFITS OF TOURISM

The tourism development at a destination induces both positive and negative impacts in that area. The positive or negative impacts depend largely on the nature of planning of the tourism development at the destination. Some of the positive impacts of tourism development at conceptual level include the multiplier effects of rising income and employment, higher GDP growth, reduction of balance of payment deficits, and poverty alleviation. The negative impacts of tourism include the economic cost of other socio-cultural and environmental effect of tourism such as; displacement effects, demonstration effects, carrying capacity issues, pollution. Let us understand these in detail.

14.3.1  Direct, Indirect and Induced Effects

While studying the flow of money in the economy, the benefit of tourism is analysed in terms of primary effect and secondary effect. Primary effect is also called as direct effect and secondary effect is sum total of indirect and induced effect.

Direct effect: is associated with the changes in production because of immediate tourists spending.

Indirect effect: is associated with changes in production because of re-spending of receipts at the first level. Hotel receipts for instance are spent in sectors supplying products and services to the hotels.

Induced effect: is associated with the change in level of economic activity resulting from spending by households out of the income earned through tourism.

Total economic impact; is the sum total of direct, indirect and induced effect of tourism within a region.

14.3.2  Multiplier Effects of Tourism

The spending of tourists pass through the different hands in the economy and people and agencies involved in the process benefit directly or indirectly. The tourist spending changes hands through the economy, thus becoming income for many. The expenditures made by the tourists in the destination locality such as at hotels, restaurants and taxis leaks into the entire economy at three different levels; direct, indirect and induced. This cascading effect is known as the ‘multiplier effect’.

Let us consider an example. Suppose a destination attracts 10 additional tourists and each of them spend Rs.1000/- a day. Hence per day an additional Rs. 10,000/- is circulated in that area. If this trend continues for over a period of 100 days, a total of Rs.10,00,000/- is circulated fresh in that area. This amount further is distributed amongst restaurants, hotels, retail outlets, and other operators, as per the choice of the tourists. It is possible that a portion of the total tourist spending let’s say 30% may leak out of the locality for procuring goods not produced locally. Thus the balance of Rs.7,00,000/- remained in the locality as a matter of direct sales effect. Considering a 50% of the money in circulation is spent at the secondary level, it may produce additional Rs.3,50,000/-. However the circulation does not stop here and goes on and on at various levels and creates a ripple
Concept and Impacts of Tourism

At the subsequent level the tourism establishments pay out salaries and wages to its staff. This creates secondary effects. In tourism, every rupee of direct sales produce an additional rupee at subsequent level. Keeping this proposition, we can calculate that, Rs. 7,00,000/- direct sales can create Rs. 17.4 million in total. This subsequent sales effect may also result in additional revenue and employment.

The agencies that are involved directly in the travel industry can receive the tourists’ spending directly. In turn they purchase goods and services from related organisations within the locality. The resources generated by these subsequent rounds of expenditure add up as indirect multiplier effect. The indirect effect may not involve all the money which is originally spent by tourists, as some of the money may leak out of circulation through imports, savings and taxes.

In the subsequent stage of circulation, the money generated through the tourist expenditures is paid to residents in the form of wages, salaries, rent, interest and dividends during the direct and indirect rounds of expenditure. This is called the induced multiplier effect. In the multiplier processes, direct multipliers surge from what visitors actually spend, while indirect multipliers are created by tourist industry expenditure and finally, induced multipliers come from the routine spending by their non-tourism industry suppliers of both their direct tourist and indirect tourist industry receipts.

14.3.2.1 Types of Multiplier Effects

Multipliers can be summed up as the capability of tourism industry to generate economic development in a destination locality. It includes the ability of tourism to generate income, employment and a host of other benefits. Individually income, employment and output can also be discussed for their percolation effect. As
discussed above income, employment and output can increase manifold at a given level of activity at a tourist destination. Let us discuss how these increase manifold at subsequent stages of transactions in an economy.

**Sales and Output Multiplier:** Sales and output multiplier measure the volume or value of sales and compute changes in the level of production. For instance, tourists spending in the hotel, restaurant or taxi do not stop at this level. These sales at the subsequent level increases the sales of allied sectors such as power, retail, or automobile sectors for instance. The additional business revenue generated for tourism spending can be termed as Sales or output multiplier of tourism. The output multiplier works out the total change in local sales that include the sales in outside of the area in the initial stage. The increase in sales of the exporting industry is multiplied by the output multiplier that provides an estimate of the total increase in sales.

**Employment Multiplier:** Tourism brings in investment by different stakeholders. Investment at a destination creates economic buzz and several people get engaged in such commercial activities, thus giving them occasional, seasonal, or round the year employment. Thus every investment generates employment and does it at different levels. The employment multiplier measures the total change in employment resulting from an initial investment in the economy. The additional employment is also created at subsequent level of economic activity thus creating employment multiplier for the tourism industry. For instance, tourists spending in hotels employ hotel staff. Employed hotel staff requires residential quarters,
Concept and Impacts of Tourism

Tourism is a labour and income intensive industry. Tourists’ spending on varieties of services, create, opportunities for employment in the primary sectors of tourism such as; transportation, lodging, restaurant, entertainment and retail trade. Tourism is understood to have the ability of creating opportunities for skilled, semi-skilled and unskilled manpower.

Income Multiplier: The change in the total income of residents as a result of tourism development is considered income multiplier. The income of the people is determined by the total of business transactions in a day or month or a year. Income multiplier is further calculated by including additional incomes such as wages, salaries, rent, and interest in the economy. Conceptually, the income multiplier takes into account the change in total income resulting from one rupee rise in income of staff engaged directly in tourism.

It is now established that tourism development results in significant multiplier effects. It is through this multiplier effect every investment in tourism sector results in positive cascading effect across the economy. Here it is to note that, though the concept of multiplier appears to be simple, the actual calculation of it is very subjective and often argued to be vague. It is never easy to have actual forecast of the amount of multiplier effect. However the existence of multiplier effect is unarguably a fact and continues to guide tourism planning worldwide. It is also to note here multiplier effects are not limited to the locality, state or the country instead the economic interrelationships may sometimes spread beyond boundaries.

Check Your Progress B

1) Outline the concept of direct, indirect and induced benefits of tourism.

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2) What is meant by multiplier effect?

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3) What is the difference between income multiplier and output multiplier?

4) State whether the following statements are true or false?
   i) Tourism receipts and tourism revenue are one the same thing.
   ii) Tourists’ spending spread in the economy through multiplier effect.
   iii) It is easy to calculate tourism multiplier effect in a given economy.
   iv) The percentage change in the total income of residents as a result of tourism development is considered income multiplier.
   v) Transportation, lodging, restaurant, entertainment and retail trade can be termed as primary sectors of tourism.
   vi) Tourism is understood to have the ability of creating opportunities only for skilled manpower.
   vii) The additional business revenue generated for tourism spending can be termed as Sales multiplier of tourism.

14.3.3 Foreign Exchange

A foreign tourist exchanges his home currency with the currency of the visiting country before he commences his travel or during his visit. In both the cases the currency of the visiting country is sold in exchange of another, thus bringing in foreign exchange to the destination country. Tourist while availing different services makes payment in already exchanged money. The more the visitors spend in the country visited, the more foreign exchange the host country acquires.

For instance international tourism receipt for the year 2018 was estimated to be 1448 US$ Billion. In India foreign exchange earnings from tourism for the year 2018 was estimated to be US$ 28.585 Billion that is close to 2% percent share of the world. On an average a foreign tourist spends US$ 2706 during his visit to India.

Table 14.1: Industry wise ranking of export category in the world

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Industry</th>
<th>USD billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Chemicals</td>
<td>1993</td>
</tr>
<tr>
<td>2)</td>
<td>Fuels</td>
<td>1960</td>
</tr>
<tr>
<td>3)</td>
<td>International Tourism</td>
<td>1586</td>
</tr>
<tr>
<td>4)</td>
<td>Automotive products</td>
<td>1470</td>
</tr>
<tr>
<td>5)</td>
<td>Food</td>
<td>1466</td>
</tr>
</tbody>
</table>

Source: Export earnings by product category 2017 reports of UNWTO
Tourists visiting a foreign country thus increase reserve of foreign currency in the destination country. Worldwide tourist receiving countries benefit by inflow of foreign currencies. The below is the table of top ten foreign exchange earning.

Top 10 Countries of the world and India in International Tourism receipts.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Countries</th>
<th>USD billion</th>
<th>Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td>1)</td>
<td>USA</td>
<td>210.7</td>
<td>214.468</td>
</tr>
<tr>
<td>2)</td>
<td>Spain</td>
<td>68.0</td>
<td>73.765</td>
</tr>
<tr>
<td>3)</td>
<td>France</td>
<td>60.7</td>
<td>67.370</td>
</tr>
<tr>
<td>4)</td>
<td>Thailand</td>
<td>57.5</td>
<td>63.042</td>
</tr>
<tr>
<td>5)</td>
<td>UK</td>
<td>43.9</td>
<td>51.882</td>
</tr>
<tr>
<td>6)</td>
<td>Italy</td>
<td>44.2</td>
<td>49.262</td>
</tr>
<tr>
<td>7)</td>
<td>Australia</td>
<td>41.7</td>
<td>45.035</td>
</tr>
<tr>
<td>8)</td>
<td>Germany</td>
<td>39.8</td>
<td>42.977</td>
</tr>
<tr>
<td>9)</td>
<td>Japan</td>
<td>34.1</td>
<td>41.115</td>
</tr>
<tr>
<td>10)</td>
<td>China</td>
<td>35.6</td>
<td>40.386</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td>27.3</td>
<td>28.568</td>
</tr>
</tbody>
</table>

UNWTO reports 2019 & 2018
14.3.4 Balance of Payment

The balance of payments in relation to a country refers to the reserve of foreign currency to meet out its payments to the rest of the world. It is the balance of foreign exchanges received from exports over the payment requirements arising out from imports. All countries try to maximise their exports in order to achieve a positive balance of payments. Receipts from inbound tourists are considered export since such tourists bring in foreign exchange to the country. On the contrary, outbound tourism is considered as ‘imports’. The ratio of inbound and outbound in a country may decide whether tourism contributes positively or negatively to the balance of payments of the country.

14.3.5 Increased Tax Revenue for Government

Increased business activity relating to tourism such as hotels, restaurant, transports, souvenir shops and so on, result in proportionate increase of tax revenue through sales and excise tax, VAT and service tax and Octroi charges. These recognised as public revenue received by the government as income. This increased revenue helps the administration to spend the public revenue locally for infrastructure development and welfare measures.

14.3.6 Cultural Exposure Grooming Entrepreneurship Skills

Tourism involves social and cultural exchanges. The interactions with tourists develop linguistic and cross cultural skills. The familiarity and awareness about the needs and wants of clients develop business skills amongst the residents. The destination places as a result witness numerous entrepreneurial ventures by residents.

14.3.7 Tourism in Developing Countries

Tourism can flourish even in less amount of infrastructure. This is the reason less developed countries consider tourism as for economic expansion. According to the World Tourism Organisation reports of 2011, emerging nations reported to have 46% share of tourist arrivals worldwide. Tourism has turn out to be a main stay of economic policies of developing nations with the following statistics.

- In 2011, tourism in developing countries corresponded to US $ 459 million.
- Tourism forms the first or second export incomes in 20 of the world’s 48 minimum industrialised nations.
- In small island countries, tourism constitute to over 25% of GDP.

14.3.8 Tourism and Tax Revenue

Governments worldwide consider tourism as a favourite source for tax collection. For the purpose various activities of tourism industry are identified for direct and indirect imposition of taxes as part of public revenue and financial policies of the governments. For the purpose of taxation tourism has the following avenues for levy of taxes. Such as;

- Taxation of tourism services such as tour packages at multiple levels
- Possibility of differential tax systems across states based on local conditions
- Option of levying entry fee for both Inbound and domestic Tourists.
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- Taxes and entry fees for commercial vehicles at state borders
- Separate taxes for airlines and railways passengers
- Taxes on hotel stay and restaurants

Check Your Progress C

1) State whether the following statements are true or false?
   
i) Balance of payments is the balance of foreign exchanges received from exports over the payment requirements arising out from imports.
   
ii) China ranks top in the list of countries in terms of international tourism receipts worldwide.
   
iii) International tourism ranks third in the export oriented industry category.
   
iv) In Small island countries, tourism doesn’t form priority in the economic policy.
   
v) Tour packages are subject to taxation at multiple levels.

14.4 LET US SUM UP

To summarise, tourism is an industry with the unique ability of attracting investment and production, fostering growth and development while generating enormous employment opportunities worldwide. Tourism is also the most important source of earning foreign exchange especially in the third world countries. With all these unique characteristics tourism is considered a prime focus area of government policies across the world.

14.5 KEY WORDS

Perishability: Tourism products cannot be stored. An empty airline seat on a flight, hotel room unoccupied for a night and a coach running with an empty as tourism products are examples tourism products can be stored.

Seasonality: Tourism demand suffer from seasonality factor. Destinations experience peak of crowd and activities during peak season and in the lean season there is rare tourism activity.

Volatility: The tourism demand is influenced by unpredictable factors often external to the industry. Fluctuation in exchange rates, political turmoil, or incremental weather at tourist destination or anywhere in the country can affect the inflow of tourists.

Price elasticity: Tourism demand by nature is highly influenced by the fluctuation in price of the commodity. A small change in price by a fellow market player or increased price as a result of changed taxation, may affect business volume at destination.

International tourism receipts: The expenditure of international inbound visitors for transport and other payments made for goods and services in the destination country.
**GDP:** It can be expanded as Gross Domestic Product. It is defined as money value sum total of economic activity in a country during a specific period. Tourism contributes to the national gross domestic product in many ways.

**MSME:** Micro, small and medium business entrepreneurship: Every country may have different criteria. In India, Micro enterprise refers to manufacturing and services ventures with investments up to Rs. 1 crore and turnover up to Rs. 5 crore. For small enterprises, the investment cap is Rs. 10 crore, with the turnover of Rs. 50 crores and for medium enterprises, investment is up to Rs. 20 crore and turnover up to Rs. 100 crore.

**Tourism supply chain:** Tourism operation are carried out by the expanded network of service providers including hotel, restaurants, taxi operator, tour operator, handicraft and souvenir shops, and theme parks and so on.

**Displacement Effect:** Displacement means dislocation, and occurs when residents are shifted from their lands not as a choice but by compulsion. Unplanned tourism like many other economic activities may result in displacement of residents.

**Multiplier effects of tourism:** The spending of tourists pass through the several hands in the economy and people and agencies involved in the process benefit directly or indirectly. The tourist spending changes hands through the economy, thus becoming income for many. This cascading effect is known as the ‘multiplier effect’.

**Direct, Indirect and Induced effects:** While studying the flow of money in the economy, the benefit of tourism is analysed in terms of primary effect and secondary effect. Primary effect is also called as Direct effect and secondary effect is sum total of indirect and induced effect. Direct effect: is associated with the changes in production because of immediate tourists spending. Indirect effect: is associated with changes in production because of re-spending of receipts at the first level. Hotel receipts for instance are spent in sectors supplying products and services to the hotels. Induced effect: is associated with the change in level of economic activity resulting from spending by households out of the income earned through tourism. Total economic impact: is the sum total of direct, indirect and induced effect of tourism within a region.

**Foreign exchange:** A foreign tourist exchanges his home currency with the currency of the visiting country before he commences his travel or during his visit. In both the cases the currency of the visiting country is sold in exchange of another, thus bringing in foreign exchange to the destination country.

**Balance of Payment:** The balance of payments in relation to a country refers to the reserve of foreign currency to meet out its payments to the rest of the world. It is the balance of foreign exchanges received from exports over the payment requirements arising out from imports.

14.6 **ANSWERS TO CHECK YOUR PROGRESS**

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Concept and Impacts of Tourism

3) Refer Section 14.2
4) i. True, ii. False, iii. True, iv. True, v. False

Check Your Progress B

1) Refer Sub-section 14.3.1
2) Refer Sub-section 14.3.2
3) Refer Sub-section 14.3.2.1

Check Your Progress C

1) i. True, ii. False, iii. True, iv. False, v. True

14.7 TERMINAL QUESTIONS

1) What are the economic characteristics of tourism?
2) What is multiplier effect? Explain its types.
3) Outline various economic benefits of tourism.
4) Discuss the negative economic effects of tourism.
UNIT 15 TOURISM PLANNING

Structure
15.0 Objectives
15.1 Introduction
15.2 Planning
   15.2.1 Tourism Planning
   15.2.2 Process of Tourism Planning
15.3 Assessment of Tourism Demand and Supply
   15.3.1 Objective Study
15.4 Objectives of Tourism Development
15.5 Level and Types of Tourism Planning
15.6 Public and Private Sectors in Tourism Planning
15.7 Status of Tourism Planning in India
15.8 Lets Sum Up
15.9 Key Words
15.10 Answers to Check Your Progress
15.11 Terminal Questions

15.0 OBJECTIVES

After studying this unit, you should be able to:
- know the Concept of Planning;
- understand the assessment of Tourism Demand and Supply;
- know the various objectives of Tourism Development;
- comprehend the various Levels and Types of Tourism Planning; and
- understand various approaches to Tourism Planning and Evolution of Tourism Planning in India.

15.1 INTRODUCTION

Tourism is travel for pleasure or business; also the theory and practice of touring, the business of attracting, accommodating, and entertaining tourists, and the business of operating tours. It also refers to as the travel for recreational, leisure, family or business purposes, usually for a limited duration. Tourism as an industry is competitive and dynamic that is constantly molding and adapting itself to meet the needs of the customers as the customers’ needs and desires change. As an industry tourism is rather complicated and overlaps with various different sectors. Planning is necessary so that many negative impacts could be controlled, as many undesired and unexpected impacts could arise without proper planning. For this reason, tourism is being developed and managed in a proper and sustainable way following sound planning. Also, it is necessary that industry integrate wide planning process for promotion of goals for economic, environmental and social enhancement that could be accomplished through appropriate tourism development.
### 15.2 PLANNING

Planning refers to thinking beforehand. Planning is a dynamic process of determining goals, systematically selecting alternative courses of actions to achieve those goals, implementing the chosen alternatives, and evaluating the choice to determine if it is successful. Planning is the first and foremost process of management. It involves thinking of a plan, in order to achieve a particular set of goal.

#### 15.2.1 Tourism Planning

Tourism planning is the process of considering the needs of people planning a trip and using those factors to determine the best resources, programs and activities for their trip. Tourism planning is intended for local residents and businesses of the location, as well as tourists who travel there. It is a process of setting objectives, identifying a course of action, analysing and implementation of a plan that will favour tourism and its policies. It embraces different dimensions like social, economic and environmental. It is the first and foremost step of any destination to be an attraction for the tourists.

In general, if we talk about Planning, it could be defined as a process of thinking about certain activities and ideas to reach and achieve a desired goal. Tourism Planning follows the same basic process, concept and approaches as normal general planning. The difference is that it is just adapted to the characteristics and specific of the tourism system.

So, tourism planning can be referred to as a step-by-step process in which tourism goals are tried to be achieved by chalking out comprehensive, sustainable, continuous, and integrated and environment friendly ideas, activities and plans. According to Gunn “tourism planning should be directed towards mainly four basic goals which are: sustainable use of resources, integration of local community and area, enhanced visitor satisfaction and improved economy and business success.”

Tourism as an activity in an area must be considered as a part of physical, social, environmental and economic planning. Although in different countries or places the degree may be different but we can find tourism addressed if not fully but partially at regional land use, transportation, recreation, economic development or comprehensive plan. The degree varies on the relative dependence and importance of tourism in that area or region.

While there may be some legal rules for tourism planning in some places, but ultimately the main aim of planning everywhere is to balance, protect and guide the development of a tourism destination or scenic site in long term and for achieving healthy development and reducing the negative impacts.

The planning includes participation and coordination of government agencies, private sectors, hotel and restaurants, travel transport and even popular outlets for carrying out tourism related activities. The planning includes every factor ranging from providing a variety of hotel to a tourist for a comfortable stay to thinking about various ways in which sustainable development could be done in this sector.
15.2.2 Process of Tourism Planning

Tourism Planning Process involves the following steps:

i) **Study recognition and preparation:** The first stage in planning process is associated with the recognition of the need for the strategy in order to obtain and/or increase competitive advantage to contribute to long-term growth. Depending on available budget and a range of other factors, studies may be planned to be conducted on local, regional or national levels.

ii) **Setting of objectives or goals for the strategy:** Goals and objectives need to be formulated according to SMART principle, where the acronym stands for specific, measurable, achievable, realistic and time-bound.

iii) **Survey of existing data:** The survey of existing data or secondary research can be done through analysing relevant information available on wide range of tourism reviews websites, newspapers, magazines, books and other online and offline published materials. The types of data that need to be collected from these sources include, but not limited to patterns of tourist behaviours, availability and quality of accommodation, impacts of environmental factors, social and cultural characteristics of tourism destinations etc. Importantly, the survey of existing data should cover all three directions: the state of issues at present, projected changes in the state of issues, and outline of principles for monitoring for the future.

iv) **Implementation of new surveys:** New surveys are conducted in order to obtain fresh data and/or fill the information gap in relation to the tourism industry. Surveys can be conducted through online or offline questionnaires or interviews. When conducting the survey, it is very important to select respondents i.e. sample group members from amongst target customers for tourism destinations.

v) **Analysis of secondary and primary data:** In case of questionnaires, data analysis can be done through representing collected information in bar-charts, pie-charts etc. In case of interviews, on the other hand, data analysis may involve finding common patterns in responses provided by sample group members and critically analysing these patterns. In data analysis it is important for secondary and primary data to be analysed in an integrated manner.

vi) **Initial policy and plan formulation:** As the next stage in planning process, analysis of the entire primary and secondary information enables decision makers to develop initial policies and formulate initial plans.

vii) **Recommendations:** A set of recommendations can be developed as a result of initial policy and initial plan formulation.

viii) **Implementation:** Recommendations that are found as sensible and feasible by strategic level executives can be implemented into the practice.

ix) **Monitoring and plan reformulation:** The last stage of the planning process involves monitoring the nature of implementation of plans and engaging in strategy re-formulation if changes in internal and especially external environment require doing so.
15.3 ASSESSMENT OF TOURISM DEMAND AND SUPPLY

In the early steps of planning information is collected on the current and potential availability of desirable growth. Here the main problem in analysis is the lack of information. Hence recording down the information and developmental statistics is the most important part here. Then the next step is to determine the present status and how it relates with the tourism potential.

It is highly essential that before forming any potential tourism plans, the information about the country’s or the areas attractions are studied well. A thorough knowledge of the attractions will help in determining the type of plan the country need for development. So a careful study must be done on the physical, historical and cultural attractions that a country possesses.

Some of the principles on which assessment must be based are:

All the attractions should be developed progressively all over the country in a way that the tourism could be spread as widely as possible. By following this method, the benefits which would be gained through the industry will be spread widely and most parts of the country will benefit from it.

Special areas and attractions which have been selected for special development should be marketed among the wildest possible section of the tourist for the longest season possible. In this way the problem of overdependence upon a particular season of year could be avoided.

The attractions and areas that could be most easily and successfully developed should be given the topmost priority. Those which are already in a good infrastructural state would already require less investment.

It should be kept in mind that those attractions which are similar or competing should not be developed at the same time and also the volume of visitors should be noted before developing so that the investment could be justified as it is impossible to develop all the potential attractions at the same time.

All those countries or places which have a unique destination or out of the ordinary features should attempt to invest in them as tourists are always finding for new and unique experiences, thrills and experiences. These could act as great drawing power.

After this demand is estimated for both national and international tourists both internal and external data on tourism activities should be assembled.

15.3.1 Objective Study

In order to decide whether development should be preceded in a region the initial data or the information gathered must give a picture what tourism can do for a particular area. For this there must be a basis for comparison. The objective of tourism development in general must deal with growth of the country which would lead further to better standard of living among the citizens, generating employment, greater opportunities for intellectual growth, and increment of the potential in an area or country. While making these decisions, some set of conditions should also be described under which the decisions could be made.
When after comparison and assessment of data, it is made sure that the objectives for tourism development can be met; a decision is then made to proceed further for conceptual planning study. At the first level for this plan, market study is started and the type of tourism business is determined which is currently existing and could further be expected to grow.

This market study further provides as the base for conceptual planning. With this plan a general layout of the future tourism development programme is made and further steps are determined which would help in achieving the target goal. The various steps which are involved in conceptual planning are as follows:

- Statement of Objectives
- Site selection
- Requirement of various facilities
- Supplementary attractions
- Allocation and control of land use
- Budget
- Legislative requirements

Master plan preparation is the next important step in planning. In the making of, master plan details are added on the portions of conceptual plan and which are then approved for future development. What make a master plan different from conceptual plan are these details.

An example of this would be a conceptual plan which will indicate the need for expanding airport runways and terminal facilities while the master plan would further go in detail like land and construction.

i) Territorial Planning

While planning for development in a country there should be some territory to it. Each pole of tourism development should be located to fit the policy of territorial planning. The natural and cultural assets of the country should be thought about and damage should be avoided which can result from unbalanced exploitation of the economic value.

Even though industrialisation and urbanisation go hand in hand with tourism and compliment it, the development should be done within limits to protect the natural environment and overexploitation, which otherwise could be a serious danger to the resources. Also, it is important the future tourism development is done in selected zones to avoid excess concentration in any one particular area.

ii) Basic Infrastructure

The basic infrastructure comprises of elements like services and utilities which are important for operating a tourism destination. If development is to be done it is necessary that the infrastructure is developed as these are the life supporters for the industry. The economic cost on infrastructure depends from area to area and also on the basic infrastructural requirement. The infrastructure may either be developed specially for tourist for example special tourist buses, hotels or for both the tourists and the people living there like ATM’s, phone booths etc.
The requirement of the infrastructure will also differentiate from one place to another for example the needs of a mountain resort would be different while for that in a beach would be different.

As the development is not only done by the tourism sector but also by other agencies, it is necessary to maintain coordination between both. Without coordination different elements may clash with each other which would result in wasteful expenditure. Specific areas of infrastructure which are common for both the tourists and local people include power, water supply, sewage and drainage, roads, parks, banks, recreation, health care facilities, highways, etc.

iii) Financial Planning

The next major part is financial planning which is very important in the tourism development. For any attraction development expenses are needed and hence it is vital to study and think about the expenses very carefully before coming at a final decision. Both infrastructure and superstructure should be carefully thought before expenses are allocated. It is relatively easy to assess the cost of project when it is compared with assessing benefits. Choices may of location or techniques, but for each choice estimates must be made within a feasible range. Each development proposal must be assessed separately and very carefully to predict its cost benefit, degree of priority and feasibility while making a plan. Agencies which have the option of optional national development may compare investment in tourism facilities with alternative investment opportunities in other sectors.

The comparison in the World Bank Group Operations is done on the basis of basic economic rate of return if the investment is well defined. While in the case of tourism development the attention is paid on the projected financial results by the World Bank Group. In talking about general the tourism projects are justified by the economic impact and also their financial viability.

While finances for tourism development are already there in countries which possess an active tourism industry or those having an upturned potential for the increased tourism development, finances and resources may not be adequate in developing nations where countries are anxious or not much open to invest in tourism due to financial constraints. So here the investment is needed for not only boosting the tourism but also to increase the per capita income. Development in the Tourism sector in the near future may be the one of the future options in front of government in the future to invest in as resources will be inadequate for all the other competing claims. Hence postponing the investment in this sector may be justified in view of its anticipated contribution to the development especially economic development to the country.

In countries like India government may take the first initiative in the development project, still we need the private investment support as being a developing nation the government may not have that much funds. Even if the government is anxious to promote and develop a tourist destination the private sector could always invest in it and expect large profit gains in the future. For alluring private sectors to invest in the tourism sector favourable conditions should be made for the investment and on the second part, private sectors must be assisted to consider tourism development as an attractive investment. Further offering special financial incentives such as subsidies, low rate of interests, tax concessions, offer on land
purchase, credits etc. could encourage private investment in the tourism sector and help it develop to its full potential. Output capital ratio calculation is the basic obligation faced at this stage, which for the most part depend on the external economies which luckily could be achieved. Also developing nations openly welcome foreign investment as these nations usually have shortage of capital resources.

iv) Administrative Structure

For looking after various aspects of tourism development it is very important to set up a strong and adequate administrative setup. For the success of a tourist programme it is necessary to have some entity in the form of organisation for the responsibility of success. Therefore, resources and charter should be in adequate with the organisation to carry out various functions. Special department and agencies have been set up by many countries to coordinate and manage tourism programmes.

The organisation may be fully under the government, maybe be semi government agency in the form of corporate supported by government or may be a private corporation with government support and recognition depending upon the economic, social and political structure in the country. Whatever the form may be, the important thing is the organisation exercises its authority and responsibility for the tourism development.

There are several different departments under these organisations such as for future planning, marketing, training, research, administrative service, etc. each of these departments works together to look after legal aspects for example, preparing the legislature that are required for installing various tourism services, dealing with matters like classification of hotels, controlling travel agencies etc.

v) Marketing and Promotion

The last stage of the development plan is marketing that can be done by preparing promotional activities which are aimed at launching tourist industry within the country as well as outside the country. A tourist main focus is on enjoying the trip and gaining new experiences and insights, the details of planning the journey are often left on travel professionals and intermediaries whose main job is to look and check all the details for the travel plans. If we have to make an attraction famous it is important that close contacts are made with travel professionals and intermediaries. The facilities and specialties of travel professionals are: national tourist offices, regional travel promotion organisation, airlines, tour operators, tour wholesalers, travel agents, travel clubs, convention and conference organisers.

Another way of marketing and promotion includes various communication channels such as tourist literature in the form of catalogues, brochures and folders, blogs, mails, advertising, flyers, publicity, public relations and content posts. Promotion campaigns are set out to sell and promote various tourist destinations. The campaigns are done at such a time that the season corresponds with selling efforts support the destination. The promotional activities should match with tourist development to achieve the maximum effort.
vi) Monitoring Progress

Just planning a plan of three, five or seven year and implementing is not enough. It is necessary to periodically monitor the progress for getting to know about the result. Constant revision of the plan and monitoring it frequently is a very important part of the plan that should be exercised very carefully. A plan is static and planning must be dynamic, so it is necessary that the plan is revised continuously and targets are attempted to reach constantly as the resources are ever changing and sometimes the circumstances turns out in many other different processes that can hinder the progress or may boost it. So, it is necessary to constantly keep a check on the progress being made.

For this purpose, a system of monitoring the progress should be devised and mechanisms should be made for constantly and rapidly adjusting to the changing conditions and ever changing circumstances.

vii) Time Factor

Time is another very important factor in tourism development. Self-sustaining growth is the main purpose of developmental planning. This growth includes, creating an army of trained manpower, increasing our own knowledge about the resources and how to utilise them effectively and sustainably, creating institutions for enterprising investment, creating more opportunities for the people, empowering the local people and spreading the local culture etc.

And all of this takes time. The plan could be from period of 25 years, 20 years, 7 years or 5 years. Some are of the view that the first developmental plan should be of ten years as it requires perspective from a long-term assessment. The medium terms are from three to seven years while five being the most favorable one. The long term includes starting from 10 years and then moving up to the year of 25 year. Time is a fundamental factor and it is necessary that it is wisely estimated and set for the development plan.

15.4 OBJECTIVES OF TOURISM DEVELOPMENT

The tourism planning and development have the following objectives. The main objectives are as follows:

1) Economic Benefits
   - The development is increased in the country
   - Vigor is given to the economies
   - Employment is generated and people are offered with jobs and career prospects
   - Direct and indirect employment creation
   - Increase in foreign currency earnings
   - Increasing the number of visitors and visitors spending within the local community
   - Income increases for commercial operators
   - Economic development and regeneration
2) **Environmental Objectives**

It is said that “tourism destroys tourism”. One of the main aims of tourism development is to reduce it. Protecting the environment is very essential in areas that may be damaged by tourist. The main environmental objectives are as follows:

- Preservation of the habitat
- Conservation and regeneration of the build and natural environment.
- Environmental Education
- Improvement in environment

3) **Socio-cultural Objectives**

It is important to understand that tourism development affects the lives of people who live in tourist destination. Tourism has the power to bring people of different countries all together and hence it is important to increase the awareness and understanding of different cultures. One of the objectives of tourism is to generate income among the local people and provide enough funds so that the traditional cultures are kept alive and then improve the lives of the local people or the host population.

The main socio-cultural objectives of tourism development are as follows:

- To promote the understanding of different cultures among people.
- To improve the day to day life and the quality of local population.
- To provide adequate community facilities as well as tourist facilities.
- To develop pride among people for their traditional culture and identity.

4) **Political objectives**

The pattern of travel could be changed by government directly or indirectly through their policies and their activities. The travel activity increases drastically when political changes are made flexible. Also developing and improving the infrastructure by countries such as United Arab Emirates has led to increase in visitors in their respective countries. The political objectives that are targeted by the government are as follows:

- To enhance the image of the country and promote the tourist destinations
- Creating the regional and national identity among people from other countries.

### 15.5 LEVEL AND TYPES OF TOURISM PLANNING

In literal terms tourism planning should be done to include all the elements of tourism. In general, or talking about more common tourism although being an integrated sector, tourism planning is done independently. Hence the tourism planning is done at various different levels. Although it is almost possible to achieve this but, planning should always take place from being generic to more specific. All the framework and guidelines are to be prepared at the general level where the general policies are to be followed everywhere and the specific plans must include more detailed plans. Some of the various levels of tourism planning are as follows:
1) **International Level**

At the international level the tourism planning is concerned with the following:

- International transportation services
- The movement and flow of tourists around different countries also chalking out tour programming for them
- Developing the major tourism attraction and facilities in nearby countries
- Strategy programme for marketing and promotion of multi country marketing

Some of the organisations working at the international level for tourism planning and development, marketing and defining co-operative activities are as follows:

- UNWTO- United Nations World Tourism Organisation and its regional commissions such as
- ICAO- International Civil Aviation Organisation
- IATA- International Air Transport Association
- International Producer Organisations
- WWF- World Wildlife Fund
- The other Organisations which influence not the whole world but some number of countries are as follows:
  - PATA- Pacific Asia Travel Association
  - CTO- Caribbean Tourism Organisation
  - TCSP- Tourism Council of the South Pacific
  - SCDT- Sub Committee on tourism
  - ASEAN- Association of South East Asian Nations
  - TCU- Tourism Coordination Unit
  - SADCC- South African Development Coordination Conference
  - OECD- Organisation for Economic Cooperation and development

But in all UNWTO or United Nations World Tourism Organisation has the responsibility of global tourism which is an inter-governmental Organisation. United Nations has designated UNWTO as the executing agency for the tourism related projects sponsored by United Nations. Because of the fact that International Organisations depend on the cooperation by the individual countries, the planning sometimes is rather weak but nonetheless it is important for conduction of special function activities and through the sponsorship by the regional tourism projects these international agencies are rather getting encouraged.
2) National Level

The tourism planning and development at the national level takes place under the supervision of government of that country. Although it is suggested that the national level planning should also involve private sector, public sector and also the public opinion so that the planning could be done in a better way and also more funds could be generated. Some of the elements which are covered under the national level of planning are as follows:

- Defining tourism policy and its objectives
- Establishing the various service standards that are required for various components of tourism industry
- Different accommodation services and their quality, amount and type and the other facilities and services required by the tourists.
- Establishment of tourist information system
- Maintaining and building major tour routes in the country and also their connection with different regions
- Tourism organisational structure, taxation, legislation and investment policies
- Developing and executing tourism marketing, promotion, research and legislation programmers
- Development of human resources, education and training programmes
- Facility development and design standards
- Consideration and reducing the negative impact of tourism on socio-cultural, environmental and economic conditions
- Implementing national level development techniques and programmes which include the long term and short-term development strategies and project programming
- Researching and understanding the impacts of tourism

3) Regional Level

For doing tourism planning of any region of a country, regional level planning is required in a country. The region can be a state, a province or a tourist circuit (just like the group of islands or special areas like Buddhist circuits). The point to be noted is that all the plans made under regional government are formulated within the framework provided by national tourism policy if they exist in that country. Also, in the way of regional planning the absence of national level plan should not create a hindrance. Some of the elements focusing on regional planning are as follows:

- Making regional policy
- Facilitating regional access and internal network of transportation facilities and services
- Determining the type of location of tourist attraction.
- Determining the amount, location and type of tourist accommodation and other facilities and services for the tourists
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- Consideration and impact analysis of regional level environmental, socio-cultural and economic considerations
- Developing regional level education and training programmes
- Developing programmes for marketing and promotion
- Constituting organisational structures, legislations, taxations, regulations and investment policies
- Formation of implementation techniques which may include project programming and regional regulations

The regional planning development programmes are generally more specific than the programmes at the national level but the degree of detail depends upon the size and extent of the country or the region. For example, the national level planning programme of a small country would be the same as that of regional level planning programme compared to a large country. Also, it is not necessary for every country to have a regional level planning; the small countries may only have the national ones as the national level could fulfil the whole development. Nonetheless the regional planning should be bases wherever it is possible and could help in the development. And these should be done regardless of the size and administrative boundaries.

4) Destination Level

In some countries there is a need to go even deeper than the regional level of tourism which is the destination level planning. The development plan is even more specific and detailed here. This level is called as destination/zonal planning.

In planning, any geographical area which contains critical mass of development that satisfies a traveller’s objective is known as a destination zone. At destination level the focus is made on developing large and diverse attractions that have potential to attract different kinds of segment of travellers. For example, the main focus will be to develop a destination that contains attractions that can attract not only leisure travellers but also research travellers or business travellers.

Depending on the situation of the destination, components of a destination plan will be chosen. However, elements like tourist attractions, general locations, services, access to destination all would be developed by the destination level tourism developing committee.

5) Site Level Planning

Nowadays the most important planning and the most popular is the site planning. Government, private owners and non-profit organisations are actually taking an interest in building attractions at a small level to attract tourists. Also, local employment is being increased because of this. Architects, engineers and planners are finding opportunities in this field as these are becoming a source of one-time investment plans. The owners of land are also actively engaging the professionals in this service to plan a wide range of facilities, services and attractions. The big companies and larger firms are taking an immense interest in the site level development depending upon the need of the project.
15.6 PUBLIC AND PRIVATE SECTORS IN TOURISM PLANNING

P. Pearce (The Social Psychology of Tourism Behavior, 1982, Oxford) observed that the:

“Provision of services and facilities characteristically involves a wide range of agents of development. Some of these will be involved indirectly and primarily with meeting the needs of tourists, a role that has fallen predominantly to the private sector in most countries. Such activities have commonly been the responsibility of the public sector with the government at various levels being charged with looking after the public’s interest and providing goods and services whose cost cannot be attributed directly to groups or individuals”.

From the above comment we can understand how public and private sectors both have their different roles in the tourism planning and providing facilities and services and also how both of these are important for the successful running of tourism industry. However, from 1970’s there has been a shift and many provisions and services that were being provided by the government before started being commercialised and privatised. It was an almost universal and the major reasons for this trend can be explained by looking at the following points:

- Increasing technical efficiencies by commercialisation
- Selling state assets for reducing public debt
- Reducing the dependency of public enterprises on public budgets

1) Public or Government Sector

Although it is believed that tourism is a large industry mainly run by the business sector, the development and growth is in the hands of a very important sector that is the government. In a country the main role of a government is to govern, enact and form rules and implement them. In the same way government’s role in the tourism sector is regulation and implementation of laws. Other than this, there are various other roles played by them which are important for the smooth functioning and running of this industry. In many countries like India government is responsible for promotion of attracting visitors to the country. Many tourist destinations like natural parks, monuments, reserves, biospheres are protected and promoted by government bodies and throughout the world it is mostly like this. Many tourist adventure activities like hiking, trekking, sightseeing, skiing etc. are performed on areas that are publicly owned lands and properties.

The policies and practices done by the government are essential for the tourism planning and development programme. Some of the various reasons why government is involved in tourism and is important are as follows:

Economic reasons
- Improving the balance of payment of the country
- Attract more foreign investors
- Increasing the regional or local economic development and employment
- Increasing the diversity in the economy
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- Increase the income levels of the population
- Increase the state revenue from taxes
- Generate new employment opportunities

Social and cultural reasons
- Ensure the well-being and health of families and individuals by achieving social objectives related to social tourism
- Protect the culture, tradition, resources and heritage of the country
- Promote and create awareness about the culture among the people
- Promoting international understanding

Environmental reasons
- To ensure that the development policies of the tourism sector does not lead to any resource depletion or cause any environmental harm. In short to check the tourism activities of the industry
- Creating natural resources which will have the potential to attract the tourists

Political Reasons
- To broaden the political acceptance of the government among the visitors by promoting tourism development
- Control the development processes that are associated with tourism
- To protect the public interests and the interests of the minorities
- To spread the political ideology of the government

The five areas of involvement by the public sector were given and discussed in 1974 by the International Union of Tourist Organisations’ which are as follows: Coordination, planning, legislation, regulation and entrepreneur stimulation.

2) Private Sector

The main motivation for the investment in tourism sector by private companies is for profit as tourism entrepreneurs invest in business opportunities. Because of profit and large number of people investing many complex and diverse organisations and operators are born. For example, the multi-national hotel chains, travel agencies, tour operators etc. and also many small businesses are also born.

In developed, capitalist and mixed economy the development of tourist facilities and services are under the private sector such as the hotels and other types of accommodation, tour and travel agencies, commercial type tourist attractions and activities and local infrastructure. In some areas these are also under the public sector.

15.7 STATUS OF TOURISM PLANNING IN INDIA

Tourism planning in India started quite late with the first tourism policy being announced by the Government of India in November, 1982 after tourism was recognised as an industry by the Planning Commission of India in June, 1982. In July, 1986 the Planning Commission of India set up the National Committee on Tourism in order to formulate plans for this sector. The government’s initiatives
of incorporating a planned tourism sector in India went a long way in boosting Indian tourism. In May, 1992 the National Action Plan for tourism was announced. The objectives of this landmark plan for tourism planning in India were:

- To improve the economy category domestic tourism
- To develop the tourist areas socially and economically
- To preserve the environment and the national heritage
- To encourage international tourism
- To improve in world tourism India’s share
- To increase opportunities for employment in this sector

India tourism planning increased with the seventh five year plan India (1985-1989). The various polices advocated by the seventh plan for tourism planning in India are:

- To promote aggressively domestic tourism
- It laid stress on creating more beach resorts
- To conduct conferences, trekking, conventions, and winter sports so that various options are available to the foreign tourists

These polices of the seventh five year plan gave a boost to the tourism planning in India. To further encourage tourism planning in India, the eighth five year plan (1992-1997) mentioned that the private sector should increase its participation in the sector. The various polices advocated by the eighth plan for tourism planning in India are:

- To develop the tourists places
- To develop winter sports, beach resort, and wildlife tourism
- To restore the projects of national heritage
- To provide in tourists centres, economy class accommodation

Tourism planning in India has increased by leaps and bounds in the last few years and the government and Department of Tourism needs to make continuous efforts to ensure that tourism planning in India takes the tourism sector of the country to greater heights on a sustainable basis.

**Check Your Progress A**

1) First Tourism Policy of India was came in
   1) November 1981
   2) December 1981
   3) November 1982
   4) December 1982

2) National Tourism Policy came in the year
   1) 2001
   2) 2002
   3) 2003
   4) 2004
15.8 LET US SUM UP

In conclusion planning is a very important component of tourism development. Without planning not only tourism but no industry can develop. Hence, it is very important that planning is done in a very careful way keeping in mind the resources and the development level of the destination. If done in a proper way all the tourism can be beneficial for the private as well as the public sector but if done on a wrong way as in the activities are not checked, there can be serious consequences on the environmental, economic and socio-cultural resources of the destination. Planning not only helps in the development and advancement but also in increasing the employment opportunities and spreading the culture of a place.

Tourism is a great way to increase the economy of the state and help the local people rise and get empowered. All the countries should adopt the type of planning strategy that is best for them and help in the growth of their country. India also came a long way in development because of the tourism sector development.

15.9 KEY WORDS

Motivation: Internal and external forces and influences that drive an individual to achieving certain goals.

Occupancy: The percentage of available rooms occupied for a given period. It is computed by dividing the number of rooms occupied for a period by the number of rooms available for the same period.

Price elasticity of demand: A measure of the variability that can be expected in sales when prices are changed. Unity elasticity would see equal increase in sales to in reaction to a decrease in price. Inelastic demand would not change when prices went down or up.

Product: “The result of a process” (i.e. output), which may be either a service, or a good (hardware or processed materials) or software (e.g. information) or their combination.

Tourism Planning: Tourism planning relates to the same basic concepts and approaches as general planning; however, it is adapted to the specific characteristics of the tourism system. A plan can be defined as a set of various decisions for action in the future.

15.10 ANSWERS TO CHECK YOUR PROGRESS

1) November 1982
2) 2002
3) False
4) True
15.11 TERMINAL QUESTIONS

1) Describe assessment of Tourism Demand and Supply in detail.

2) What do you understand by Territorial Planning?

3) Enlist and describe briefly various levels and types of tourism Planning.

4) Write an essay on various stages of evolution of Tourism Policy in India.

5) What do you understand by Planning?
UNIT 16 MANAGING TOURISM-
SUSTAINABILITY AND CARRYING CAPACITY APPROACHES

Structure
16.0 Objectives
16.1 Introduction
16.2 What is Tourism System and How does Sustainability Comes in Picture?
16.3 Understanding Visitors in Tourism Management
   16.3.1 Who Manages Visitors in Tourism? How is Sustainability Involved?
16.4 Concept of Sustainability
   16.4.1 Concept of Tourism Sustainability
   16.4.2 Essential Features of Sustainable Tourism Destination
16.5 Concept of Carrying Capacity
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16.6 Understanding Destination and Visitor Management
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   16.7.2 Environmental Auditing
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16.9 Key Words
16.10 Answers to Check Your Progress
16.11 Terminal Questions

16.0 OBJECTIVES

After studying this unit, you should be able to:
- understand the concept of sustainability;
- describe what is responsible tourism;
- explain environmental auditing;
- distinguish various types of carrying capacity; and
- explain the EIA.

16.1 INTRODUCTION

WHAT IS TOURISM and SUSTAINABILITY?

By now you would have already understood the meaning of tourism and various stakeholders involved in tourism development and consumption. Just to recap what we learnt in earlier units, tourism is a phenomenon or an activity which involves movement of people from one place to another for various reasons. Mathieson and Wall in 1982 defined tourism as “The temporary movement of people to destinations outside their usual places of work and facilities created to cater to their needs.”
Activities of tourism have always been prevalent since a very long time but after World War II there was a commercial shape given to tourism which was more prominent then and kept increasing. All that growth in tourism happened with the growth in industrialisation, free time, and disposable income. During this time there was a huge development and the tourism activities around the world kept increasing. As tourism brings in foreign income it is much liked by both developing and developed Nations. Since tourism brings income to the destination, it is important to know the likes and dislikes of the tourists. In doing so, tourism became a commodity (any product which is created after understanding needs of customers usually at mass level for sale to customers to earn profits) and in the wake of developing tourism and considering it as another commodity like any other business, customer choices and preferences were given the highest preference. These preferences and choices did not care much about sustainability. Hence the concept of sustainability was not looked at in the wake of earning profits.

Once the choices of tourists were known, destinations started planning activities suitable to tourists demands and requirements as is the case of any commodity. Hence there were many man-made changes such as development of roads, hotels, recreational activities, shopping, entertainment activities and so on to woo the tourists’ interests forgetting the interest of sustainability. In pursuing so, many forms and types of tourism emerged to serve the interest of the tourist. Every form and type of tourism had its impact on the local economy, ecology, and Society. To simplify, when tourism activity happens, tourists interacts not just with the hotel staff at destination but also visits the local society and interacts with local culture, values, infrastructures, rules and regulations, language, flora, and fauna. During the tourism activity at destination, tourists may not follow the local values, rules and may not respect local culture which causes disrespect/harm to local society, ecology, and values of destination. For many years, many impacts of tourism on destination were not considered or even measured except for economic impacts and jobs creation. As economy was always considered the first-choice, impact on society, culture and ecology was either not seen or unnoticed which led to unplanned developments to attract tourist, uncontrolled usage of natural resources and many activities which may not be suitable to ecology but attractive to tourists. Hence there were many impacts rather harmful impacts on local society and ecology and environment. In this unit we shall try to understand how tourism is created, managed and various factors involved in management of tourism at destination and what are various approaches about sustainability, what could be done and associated terms involved in destination management.

16.2 WHAT IS TOURISM SYSTEM AND HOW DOES SUSTAINABILITY COME IN PICTURE?

To understand further, we must first understand what is managing tourism and in doing so we also need to understand how tourism is created and how tourism is consumed. Leiper’s model has been used to comprehend the tourism environment and various stakeholders involved in the creation of the tourism ecosystem and various regions involved (Tourist home and Destination region along with the transit route).
Let us first understand the traveller generating region and the tourist destination region. At the Traveller generating region there are various activities that happen at the home region or tourism production region due to which tourist decides to undertake tourist activity. There are motivators or triggers that bring urge to travel to a particular destination such as availability of attraction, spare time, spare money and other factors like marketing, advertisement, promotion of products and services in the home region increases tourist interest in undertaking tourism activity. Once a traveller makes his/her mind, there are many actions that take place in the Origin region which may be considered as touchpoints. There are various touch points such as travel agency, online information from advertisements, websites, and Online Travel Agencies’ for bookings. This leads a traveller to take a decision to undertake a tourism activity.

Next region to understand is the stage when tourist undertakes the real travel to reach the destination, at this stage traveller uses various modes of transport to reach destination. During this stage, tourists interacts with transport authorities and professionals for few hours to few days depending upon mode of transport (Air/ Water/ Land (Rail/Road)) used and there are more touchpoints en-route to and from destination (such as going to and travelling through airport, train station or sea port along with experience while traveling through various travel modes to destination). If travellers are having long distance journey, they may engage in activities such as food and beverages, transiting at airport or railway station (which includes short stay at hotel at airport or railway station). All the experiences incurred during the transit route while going to the destination and back home are covered in this stage.

Next region to explore is the Tourist destination region. Once tourists are at their destination, there are many activities that take place such as hotel/accommodation for stay, restaurants and takeaways for food and drinks, local attractions, sightseeing and various other activities at destination. All these activities take place with the involvement of tourism stakeholders at destination. To make sure that all the activities are organized in a systematic and pleasant manner, lots of actions at destination are executed which impact local society, economy, culture, flora and fauna at destination. These actions could be hotels built on a beach or in a mountain at the cost of the living space of the locals. Locals may have to move out to make room for a hotel building. In the similar way, a beach resort may have used lots of space of various species of plants and animals who lived there for generations.
Hence the next stage is when a tourist goes back to his/her hometown through the same or different travel mode and shares his/her experiences to family/friends through various modes such as word of mouth or e-worm (electronic word of mouth which includes using various social media platforms). You just saw how much the activity is involved in one trip or conducting tourism. For each stage of the tourism activity, there are various complexities and procedures involved. The role of tourism management is quite complex and involves overall responsibility to make sure there is good experience for tourist, travel and tourism operators at both destination and hometown. In the complete circle, however, there is huge potential of tourism to impact environment adversely if the process of tourism is not properly planned and executed.

16.3 UNDERSTANDING VISITORS IN TOURISM MANAGEMENT

As you saw above that how tourism is executed from generating an idea to physically undertaking tourist activity with post tourism reviews. All these coordinated activities need a systematic channel of guidelines and professionals planning, executing and managing these activities. Such synchronized actions to run tourism business including managing finances to suit the pocket of tourist and making sure tourism owners are getting profit and finances are dealt with properly are part of tourism management. It also includes planning of various tourism destinations, tourism product development, their marketing, operations, service delivery, managing human resource to cater to tourists, providing assistance to tourists and facilitating their overall trip/journey, meet customer demands, managing customer complaints and ensuring customer satisfaction for smooth growth of business. All these activities are quite complex individually and hence team of professionals with required expertise and knowledge undertake such operations. In doing so, sustainability must be considered at every step to make sure destinations are available for future generations.

Tourism management is a complex process which involves management of variety of activities such as studying tourism activity at origin and destination (this involves studying of requirements of people at home or generating regions, their likes, habits, paying capacity, their choices for travel etc.), planning of the tour packages (based on the data collection and interviews such decisions are made), making various travel arrangements, and delivering accommodation and attraction activities while en-route and at destination. All the mentioned factors must consider sustainability. It also involves various marketing efforts to attract tourists to travel to a destination (this could include road shows, billboards, hoardings, flyers, newspaper advertisements etc.). It is a complex sector involving a wide range of economic operations (money is involved at every stage such as researching tourist choices and needs through surveys to building hotels and other attractions at destination and good investment in developing big transport infrastructure) which are the result of inputs from various sectors (also called stakeholders). It is dependent on various attractions be it natural (mountains, sea beaches, waterfalls etc.), artificial or man-made (fountains, entertainment houses like Disney park, zoos, artificial lakes etc.). Its operations also depend upon various services provided by several suppliers (such as tour operators, travel agents, guides etc.). Hence managing tourism activity is managing various sectors of economic activities in various industries to act in a coordination thus providing tourist best experience.
Additionally, we can breakdown tourism management to understand better into smaller sectors such as various tourism activities which represent complex systems. In tourism management, we need specialised skills and people handling such management need, various specialised skills to manage tourism businesses which include skills to manage visitor attractions, managing historical and geographical attraction of tourism destination, accommodation for tourists, tourism distribution channels (such as travel agencies and tour operators), dealing with the government policies and procedures impacting tourism, tourism businesses and entrepreneurs, human resources in tourism, finance for tourism and much more.

16.3.1 Who Manages Visitors in Tourism? How is Sustainability Involved?

Tourism is mainly managed at two levels namely, the micro (at individual business level) and macro levels (at policy development level and government or Destination management body level) which means it is managed by a wide range of organisations and stakeholders. Now we also need to know who are stakeholders and specifically who are tourism stakeholders?

As per corporate finance institute “in business, a stakeholder is any individual, group, or party that has an interest in an organisation and the outcomes of its actions. Common examples of stakeholders include employees, customers, shareholders, suppliers, communities, and governments”.

So, whom do you think would fall in this category of stakeholders for Tourism and Hospitality? Let us try and find out.

In tourism, various stakeholders include but are not limited to the list below.

a) Tourists
b) Host Communities, (local, regional, or national community)
c) Host government,
d) Government at Tourist place of Origin
e) Businesses at Destinations
f) Government Organisations nationally and internationally
g) Non-Government Organisations
h) Education and Community Organisations
i) Tourism and Hospitality industry

These above-mentioned stakeholders have different goals which need to be considered in the management of tourism. This means each stakeholder has its requirements and destination managers must acknowledge these requirements. Hence these stakeholders must know about sustainability and how their actions will impact the destination.

Following are the components of Tourism and Hospitality that are utilised to complete a tourism activity.

A) Travel Trade Organisations and Transportation:

Tourism Organisations, Tour operators, Travel Agents, Airlines, Airports, Railways, Roadways, Seaports and Cruise ships
B) Lodging and Stay:
Hotels, Hostels, Resorts, B&B, Apartments, Caravan parks, Camping Grounds

C) Attractions:
Natural- Mountains, sea beaches etc., Man-Made- Castles, Palaces etc., Purpose built- Theme parks, Zoos etc.

D) Food and Beverage:
Restaurants, Bars, Café, Quick service outlets, Takeaways, Catering companies, catering employment and suppliers

E) Functions and Business:
Marriages, Banquets, Clubs, Casinos, Meetings, Incentive Travel, Conferences, Exhibitions

16.4 CONCEPT OF SUSTAINABILITY

Let us now understand what sustainability means? It is to ask one common question to yourself, “can I do this forever?” For example, can I get oil forever? Or can I extract coal forever from earth’s womb by the current practice of extraction? If your answer to these questions is no, this means it is not sustainable practice.

So how do we become sustainable? In finding an answer to this question, a good approach is to keep in mind that sustainability is the capacity to sustain forever. Or in other words sustainability is the ability to maintain resources for a very long period of time. The definition of sustainability as per the Earth Summit (1992) is “the ongoing capacity of earth to maintain all life”. The word sustain comes from the Latin word “sustinere” which means to hold up. In simple words sustainability is to have resources for the current generation while making sure to retain or regenerate for future generations. There are three key components or pillars of sustainability namely:

i) Society
ii) Economy
iii) Environment

Now we also need to understand what sustainable development is. “It is the development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.”

The term sustainability can be used at various contexts and is quite extended and can be applied to various types of sustainable developments. So, understanding from above definitions and examples, to be sustainable, we must maintain the balance of resources for present at the same time keeping for future generations. Society is one of the three components that play important role by either supporting the sustainability or ignoring it. Another component is economy, which plays important role in sustainable development as everyone needs money and businesses care more about profits. This leads to less sustainable development activities. Lastly but most importantly, the environment, where tourism activities take place and environment is the most important reason to attract tourists to a
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particular destination. Tourism environment includes, all the natural and man-made attractions, host population, facilities that make it a tourist destination. For Example: A beach resort comprises of beach, locals, beach activities such as surfing, boating etc. locals to run those activities and facilities to reach there, stay there and to eat out. Hence, the destination environment includes everything that makes it a tourist destination.

16.4.1 Concept of Tourism Sustainability

Having known about sustainability gives us a clear understanding of how to use resources but what about tourism and hospitality? Do we use any resources in tourism? Oh Yes! we do use many resources in undertaking tourism activities. If we were to understand sustainability in tourism, we must first look at various tourism resources we use and to find out if they cover three basic key components of sustainability which are, Society, Economy and Environment? In tourism we widely use all the three key components.

So far in tourism we have not been implementing the concept of sustainability for long time rather these concepts were loosely implemented in developing or underdeveloped countries where economy was the prime motive. Being humans, we have capacity and expertise to build structures for many tourism destinations and there are many examples where the habitats of plants and animals have been destroyed through tourism activities. In the similar way, when too many tourists visit one destination, locals feel overcrowding and the price of the land, building and rent increases. In this way, locals are deprived of their basic needs and rights of being locals and may have to move out of their hometown. This excludes locals or hosts from destination which does not fulfil the criteria of sustainability.

It is important for us to understand in more detail about how best we could be sustainable in tourism. Sustainable tourism is the one that stresses on sustaining the tourism industry in all the ways. The various aspects where we need to look at tourism sustainability are efficient usage of natural and man-made resources at tourist destinations, making sure that local culture is not impacted by tourist visiting destinations and also to make sure that destination has enough economic gains to continue tourism business. To break it down, we must understand that when a tourism destination is developed to cater to the needs of tourists, many resources are used and sustainability should be considered in every action from the stage of building a tourism destination to marketing the destination to operations on a day today basis.

For example, if a beach resort is being prepared,

1) There must be involvement of locals to prepare the resort,
2) There must be use of local products and materials
3) There must be awareness of local plants and animals in that area
4) These displaced plants and animals might need shifting and preparing alternative habitats or plantation
5) There must be enough avenues for locals to enjoy their local culture and values
6) Locals must have opportunity of sustaining their businesses through tourism
7) Social issues like traffic jams, negative impacts of tourism should be taken care of
8) Local government involvement is imperative in executing laws and policies benefiting locals

And the list goes further. In doing so, we covered three criteria namely Social, Economic and Environmental.

Now it does not just stop here, we need to use tourism for overall development of the destination along with fulfilling requirements of tourists without harming the host destination so that we can save the environment, create employment, and fulfil all stakeholders’ requirements along with keeping it safe for future generations to use.

For a destination to be sustainable, we must recognise that it must satisfy all its stakeholders in the long term. To achieve the sustainability goals, the destination management must prepare a strategic planning approach which executes marketing of destination focused on tourists, but planning is focused on the needs of local people. We should also understand that the tourist experiences every aspect at destination and every time tourist faces good or bad experience with locals it creates an impression. These series of small impressions with many stakeholders strongly influence the success or failure of the visit. Hence planning of tourism destinations keeping in view of sustainability plays an important role on success of visitor management.

Let us get a deeper understanding of various stakeholders and their roles and impacts on sustainability.

- Host Community: They are the most important stakeholder as they live and work at the destination and provide local resources to visitors. Being locals, they have varied knowledge, realistic approach and belonging towards their place. It is therefore important to involve the local community in the decision-making process. This also ensures that tourism does not bring unacceptable impacts upon the local people and their homes on a short- or long-term basis.

- Tourists: They undertake tourism to seek satisfying experiences and feel the worth of money spent undertaking tourism activity at the destination through various tourism products. They seek a high quality of service and a well-managed and organised destination.

- Tourism Industry which is a bigger umbrella and covers many hospitality and tourism outlets which cater to the needs of tourists. It is responsible for the development of tourism and the delivery of the tourism product. It acts as a body and various tourism organisations are available at local levels to international level such as local tourism councils and World Tourism Organisation (UNWTO).

- Individual businesses which make the industry run and provide employment to many. They seek an adequate return on the investment. These could be from local to international level organisations such as international hotels chains, Airlines, Entertainment businesses like Disney international. Now the multinational organisations are usually well-resourced with good spending/investment, experience of operations, expertise, and power at both local and international levels. Often such business houses may have limited interest and commitment to destinations, hence impacting sustainability.
Local businesses are usually traditionally small, family-based ventures which may be lacking capital, expertise, qualified workers. So, they may also not have much of the say in the decision making for local tourism planning.

- Government: It may be at local council level or at national level which are big players in the development of tourism. These are the public sectors which see tourism as a means to increase incomes, stimulate regional development and generate employment. Often plays various roles such as policy formation, rules, infrastructure development and governance.

Sustainable tourism development is an ongoing process which requires maintaining a balance between the needs of all the stakeholders and the provision of services keeping social, economic, and environmental factors. In this process of maintaining balance, long term planning is required to make sure that tourists’ demands are met without impacting the host destination. This could be achieved by inclusion of technology, education and awareness through campaigns and making rules for safeguarding host population and investing businesses. Hence being a sustainable tourist destination needs coordinated and continuous efforts of all the stakeholders with business growth and guest satisfaction.

### 16.4.2 Essential Features of Sustainable Tourism Destination

By now you have clearly understood the importance of sustainability and its long-term vision of ensuring that consumption of resources for catering to current tourists does not exceed the current and future capacity of host destination. Hence sustainability of destination is maintained. To do so, there are few key factors that need to be given important consideration. These are;

i) Carrying capacity

ii) Destination management

iii) Strategic planning

In developing tourism, there has been many efforts to improve the infrastructural development which has caused tremendous damage to various aspects of sustainability. The approach used was a short-term vision and it was not long-term planning hence there was short term economic growth at the cost of overuse of diminishing resources for current or future generations. Let us get further details on three concepts of Sustainability.

#### Check Your Progress A

1) Briefly explain what sustainability is?

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16.5 CONCEPT OF CARRYING CAPACITY

As the name suggests, carrying capacity is the maximum capacity to hold something. This could be applied to any physical container like a jug carrying 1 liter of water. It is easier to understand the carrying capacity of a car which is a 5-seater or 7-seater car. Similarly, we need to define a carrying capacity for a tourism destination keeping in mind the sustainability concept. It is the number of people that can be at a destination to enjoy its environment without any decline of quality experience of tourists and without unacceptable change to the host environment. Let us use the same example of a 5-seater car which has a capacity to fit 5 people, but if there are 6 or 7 people in the car, there will be shortage of space, it will become uncomfortable for enjoying the journey, it’s a safety risk as only 5 seat belts are there and there will be extra load on engine too. So, it is important to follow the carrying capacity regardless of being in the car or any tourism destination. Hence carrying capacity could be summarised as, “capacity of destination to accommodate tourism activity without harmful impact on itself”.

Mathieson and Wall (1982) define carrying capacity as: ‘The maximum number of people who can use a site without an unacceptable alteration in the physical environment and without an unacceptable decline in the quality of experience gained by visitors.’

The issue here could be that it is easier to define the carrying capacity of a car or jug and we know as we see the car or jug where it is clearly mentioned and obvious. But in the case of tourism, it is not obvious for the sake of tourism development and economic growth, carrying capacity concept is not adhered to much extent in the recent past. Hence, it was left on the destination managers and tour operators/travel agents to push tourism to a destination without caring much on destination sustainability which included using its resources and culture. But the situation has changed much and especially with the Covid-19 there is a new normal and hence we look forward to adhering to sustainability concept by all stakeholders.

There are a few types of carrying capacity to have better understanding. This shall be discussed in the next topic.

16.5.1 Various Approaches to Carrying Capacity

As mentioned in detail previously about the concept of Carrying Capacity, let us investigate further on its types and its meaning and impacts to tourism.

a) Physical carrying capacity

To explain this concept, we shall take earlier example of a 5-seater car. As the name states it has a physical capacity to accommodate 5 persons. Now let
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us implement same to a tourist destination. As we do not have any specific dimensions, to apply physical carrying capacity it equates to the amount of suitable physical land available for infrastructural development of facilities such as accommodation, entertainment areas, car parking facilities, food and beverage outlets etc. So, to make sure physical carrying capacity is maintained destination developers and managers must make sure there is not too much of development physically to accommodate too many tourists at one point of time.

b) Psychological Carrying Capacity

To explain this concept too, we shall take an earlier example of a 5-seater car. If we have 6 or 7 people sitting in a 5-seater car, we feel congested and do not enjoy the journey of the car especially if you are paying fare for travelling in the car. Similarly, the psychological capacity of a tourism destination is exceeded when a visitor’s experience is significantly impaired. To a certain extent, we may be OK with some crowded and busy places, but overcrowding is never enjoyed. Hence, Psychological capacity is quite different for every individual and may differ from person to person. Destination management and planners can do some landscaping of a destination in such a way that people cannot see others much and can reduce the impact of overcrowding.

c) Biological Carrying Capacity

The biological capacity of a destination covers plants and animals living at that destination. You may also call native plants and animal species. When there is environmental damage or disturbance to the habitat of native plants and/or animals which is unacceptable, it falls under the category of biological carrying capacity. When there are too many roads, accommodation, food and beverage facilities etc. built in national parks or in a natural habitat which brings tourists; such activities hinders the free movement and growth of flora and fauna and hence disturbs biological carrying capacity. To quote an example of helicopter service at Mata Vaishnodevi shrine, there is enormous noise pollution which scares local animals of the mountains of Trikuta mountain.

d) Social Carrying Capacity

Local population plays an important role from development to execution of tourism in any tourism destination. When tourism activity begins, locals are very keen on developing business and results to the employment opportunities. But when negative factors come in picture such as, high pricing, congestion, theft and so on, locals tend to feel negative for tourism and do not support it and in some cases even oppose it. Social carrying capacity involves participation of the local community in tourism. It is community-based tourism planning and sustainability. This means that managers and developers of a tourism destination must keep in mind the level of tourism development to the extent that it does not create a negative impact for the host population. Hence host communities, residents and businesses must accept a level of tourism that does not overpower locals.
16.6 UNDERSTANDING DESTINATION AND VISITOR MANAGEMENT

By now it is understood and obvious that it takes lots of complex tasks to complete any tourism activity. Hence destination management is very important and requires lots of planning and execution with a team of professionals to understand visitor’s behaviour and various actions to manage these. It also requires lots of coordination and interrelationship among various elements of tourism. The coordinated management of all the elements that make up a destination includes tourist behaviours and expectations which require its managers to have good knowledge of local culture, economics, policies, and human resource management skills.

Let us try to understand step-by-step as to how Destination management takes place to manage visitors coming to a destination and their impacts on local people, culture, environment, and economy.

Visitor management is a part of destination management which takes necessary actions to deliver a high-quality experience to the visitor and to manage the consequences of visits at the destination.

As discussed above, managers at destination deal with everything that is related to the hospitality, travel and tourism industries. They offer solutions and management in the travel, accommodations, and food industry. They also do liaisoning with associations or agencies (intermediaries) that are directly involved with tourism services. They are also responsible to plan and execute various campaigns to promote the destination. Overall, they are responsible for growth of destination including all the elements for overall growth of the destination. Let us look at different tasks that need to be executed for the performance of tourism business.

a) Managing budgets and accounts
b) Overlooking the day-to-day functions
c) Managing staff and induction
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d) Tourism promotion
e) Ensuring customer satisfaction
f) Expanding business revenue
g) Financial planning
h) Handling customer complaints or queries
i) Marketing and advertising of the tourism business
j) Keeping up with emerging industry trends
k) Improving tourism-related activities

To undertake all the above complex activities, we need to have proper systems in place and we also need support in the forms of policies and procedures. There are organisations at destinations which help tourism at destination to achieve its goals and such organisations are called Destination Management Organisations. These institutions use the local know-how and government support to work on policy management; these institutions also work on planning legislation and partnership building with destination stakeholders. The destination stakeholders include local businesses, local population, NGOs that are involved in the outcome of tourism at destination, act as voice for host destination and work with DMO’s to reflect contemporary thinking of the local destination stakeholders.

DMOs also act as one stop information for government policies and local’s thinking where they try to develop policies which involve locals using a national framework. DMO also updates on various services being delivered at destination and how to best channelise and promote these services such as visitor services, identify gaps and filling those gaps, fulfilling training needs and support the local businesses.

16.7 UNDERSTANDING RESPONSIBLE TOURISM

Let us understand the term responsible tourism. It is considered as a tourism activity that is very much respecting sustainability. Tourism activities undertaken under responsible tourism are responsible to both destination and tourism business. It can also be termed as tourism activities undertaken responsibly. To understand better, let us take an example of a tourist who takes transport and reaches a destination where he/she stays at a hotel, spends good time in entertainment/religion/activities and goes back to home town/place of origin.

In this circuit, the tourist was not fully aware of many aspects of destination culture as he was only dealing with hotel staff (some of them may not be locals) and may have quite a different image of destination culture/issues. Secondly, he/she while undertaking activities at destination may not be aware of impacts of his/her actions such as how much carbon footprint, how much damage is done to host flora, fauna, and culture by him/her. Thirdly, the power of money may urge locals to develop businesses that suit the needs of tourists where local cultural/regional values may hamper, hence locals are in loss. In a normal tourism activity, money plays an important role and not much of emphasis is given to know other important aspects for locals. But in case of responsible tourism, true balance is made where the impacts on locals or host destinations are reduced. Tourists are informed of their actions which drives momentum where methods are already
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devised to make sure least disruption or destruction while undergoing tourism activity.

The actions of responsible tourism make sure that the negative impacts (economic, social and environmental) are minimised and locals are respected and benefited by tourism activity with improved working conditions and involvement of the host population in decision making. Such tourism helps in respecting diversity and helping conservation of local environment. Most importantly, responsible tourism develops respect between the guest-host relationships and improves confidence of locals.

16.7.1 Concept of EIA (Environment Impact Assessment)

An important concept of understanding about environment is EIA that is Environment Impact Assessment. Whenever we go to a tourist destination, there are lots of man-made structures, facilities and amenities present to facilitate positive tourist experience for the growth of tourism. Now in making these man-made structures, natural habitats of both flora and fauna including host population may be compromised. Not only that, when major projects in development of a destination are involved such as water and sewage pipelines, and similar other projects including roadways, railways etc. there is need to understand to know how much damage could be expected from such projects. To understand the impacts to environment the project needs to undergo the EIA through a structured process. Professionals from various departments work to find the quantum of impacts and suggest if the project is feasible environmentally or if there are some modifications/suggestion to mitigate the impacts just in case the project was to be executed. Hence, EIA is an important stage for any project development including tourism.

16.7.2 Environmental Auditing

To understand environment auditing we look at the activities and practices that take place in an organisation and these actions are then measured with the standard criteria. To make it simpler, environment auditing checks for any risks that tourism destinations may pose such as noise pollution, waste from tourism and hospitality and contamination of air, water, or land as a by-product. It is essentially a system to check the environment performance of an organisation by assessing its prevailing systems. This helps in understanding the environmental issues and framing policies to mitigate the issues and safeguard the environment. To summarise this, we should take environmental auditing as a tool to assist destination management. It facilitates managers and policy makers to understand any harsh impacts of the tourism operations and help them to develop the tourism products. This also makes sure to safeguard the environment and provide increased guest satisfaction without altering the choices of tourists.

16.8 LET US SUM UP

To sum it up, let us start from the concept of tourism activity which starts from tourist going out from place of normal residence and interacts with hosts during travel in transit and at destination. He/she uses local facilities at destination and pays for services before he travels back to home or place of origin. In this process, exchange of money takes place along with host meeting demands of tourist
including various facilities to make it a smooth experience for tourist in this journey. To manage all these activities, we need professionals who at every stage of tourism and assist tourist in creating good experience of their journey both ways along with stay and activities at destination. These professionals understand the need of tourists and create tourism products matching to the demand of the tourists. To do so there are many complex systems that need to be catered. Carrying capacity helps destination managers to allocate resources in line with the capacity of destination and helps to maintain the sustainability of tourism product (destination). There are systems in place to check the environmental level and issues through structured means called environmental auditing. Also, there are ways to find feasibility of tourism projects though environment impact assessment. This assessment helps managers to devise ways to mitigate harmful impacts of tourism on environment and prepare policies to provide solutions or reduce harmful impacts. The important factor to have tourism sustainable asks to care for natural resources at destination for the use by coming generations. To do so there is good example of responsible tourism which assists tourism activities by tourists without harming host destination which includes locals, flora, and fauna.

### 16.9 KEY WORDS

**Sustainability:** Sustainability is to have resources for the current generation while making sure to retain or regenerate for future generations.

**Carrying Capacity:** It is the capacity of a tourism destination to accommodate tourism activity without harmful impact on its flora, fauna, tourist experience and host population.

**Destination Management:** The coordinated management of all the elements that make up a destination which includes tourist behaviours and expectations. This requires its managers to have good knowledge of local culture, economics, policies, and human resource management skills.

**Stakeholder:** A stakeholder is any individual, group, or party that has an interest in an organization and the outcomes of its actions.

**Responsible Tourism:** All tourism activities carried out responsibly and minimizing negative impacts (economic, social and environmental) on locals and benefiting them with improved working conditions and decision making.

**Tourism Impacts:** Tourism impacts means the effects of tourism on the host region with respect to society, economics, and environment.

**Host Population:** The population at the tourist destination which may or may not be involved in tourism activity but gets impacted through various tourism development and management operations.

**Flora and Fauna:** All the plant life in the ecosystem stands for flora and all the animals stands for fauna.

### 16.10 ANSWERS TO CHECK YOUR PROGRESS

**Check Your Progress 1**

1) See Section 16.4

2) See Sub-section 16.4.2
Check Your Progress 2

1) See Section 16.5
2) See Sub-section 16.5.1

16.11 TERMINAL QUESTIONS

1) What is tourism sustainability?
2) What is carrying capacity? Write its three types.
3) What is EIA and why do we use it?
4) What is Environmental auditing?
5) What is responsible tourism?
6) What is a DMO?
UNIT 17 EMERGING DIMENSIONS AND TECHNOLOGIES IN TOURISM

Structure
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17.0 OBJECTIVES

After studying this unit, the students shall be able to:
- understand the role of ICT in tourism;
- explain the meaning of e-tourism;
- identify various features, advantages and disadvantages of e-tourism;
- describe the significance of mobile applications in modern tourism; and
- recognise the emerging dimensions in tourism like Cyber Tourism, Virtual reality, Artificial Intelligence, Sharing Economy and DIY traveller.

17.1 INTRODUCTION

In this unit you will learn about Emerging dimensions and significance of technology in modern travel industry. Tourists in contemporary world start their tour by searching information on web and end it by sharing their experience on
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various e-platforms. Thus, technology plays a vital role in the lives of present day travelers as they make its use in each stage of their tour, thereby enhancing the overall touristic experience. The advancements in technology have led to the emergence of dimensions, like, Cyber tourism, Virtual reality, mobile applications, Artificial Intelligence, DIY traveler and Sharing Economy in tourism. Such emerging dimensions in tourism have transformed the travel experience and changed the world view of tourists and touristic experience.

17.2 ICT AND ITS ROLE IN TOURISM

ICT stands for Information and Communication Technology. ICT refers to the technologies that allow people and organisations to access information and interact in modern world with the help of internet, computers, mobile phones and other devices. Thus, ICT is a sum total of all devices, applications, systems and networking components that are used to gather, process, store and disseminate the information/knowledge. Some aspects of ICT like computers and telephones are older as compared to smart phones, digital TVs, artificial intelligence, virtual reality etc. that are recent entries in the world of ICT.

According to Wikipedia, Information and Communications Technology (ICT) is an extensional term for information technology (IT) that stresses the role of unified communications and the integration of telecommunications (telephone lines and wireless signals) and computers, as well as necessary enterprise software, middleware, storage, and audio-visual systems, that enable users to access, store, transmit, and manipulate information. The term ICT is also used to refer to the convergence of audio-visual and telephone networks with computer networks through a single cabling or link system. There are large economic incentives to merge the telephone network with the computer network system using a single unified system of cabling, signal distribution, and management. ICT is an umbrella term that includes any communication device, encompassing radio, television, cell phones, computer and network hardware, satellite systems and so on, as well as the various services and appliance with them such as video conferencing and distance learning. ICT covers any product that will store, retrieve, manipulate, transmit, or receive information electronically in a digital form (e.g., personal computers, digital television, email, or robots). (https://en.wikipedia.org/wiki/Information_and_communications_technology)

Role of ICT, like, in any other field has been extensive in tourism as well. Technology has made the life easier for both travelers and service providers in tourism sector. Smart tools and technology has reduced the cost in terms of time, effort and money for tourist by offering them an effective platform to online search, select and book their preferred destinations. Thus, technology helps tourist in each phase of their decision making be it information collection, destination selection, booking and arrangement, experiential phase or reflexive phase. On the other hand, the usefulness of ICT has been equally important for travel industry intermediaries also. It helps them while purchasing services from airlines, hotels, car rentals etc. through GDS (Global Distribution System), assembling these services into a package and finding potential customers for their packages. In addition to this, internet has become a perfect tool for the travel companies to promote their packages globally. Therefore, it may be rightly said that the technology has changed the world view of both tourists and travel industry
intermediaries by offering them a solution to the problems that existed in traditional setup of tourism industry.

The advancements in technology and their time to time application in tourism industry have given birth to the concepts like e-tourism, cyber tourism, use of mobile applications in tourism, virtual reality, artificial intelligence, sharing economy and DIY travellers. These concepts are discussed in the following paragraphs.

17.3 E-TOURISM

E-Tourism refers a form of tourism wherein both tourists and businesses in travel trade make use of Information and Communication Technology (ICT) in buying and selling of tourism products. Buhalis, 2003, mentions that E-tourism is the digitalisation of all processes and value chains in tourism, travel, hospitality and catering industries that enable organisations to maximise their efficiency and effectiveness. As discussed above, tourists use technology while searching, selecting and booking destinations in pre-consumption phase or pre-tour phase. In addition to this, ICT is used by tourist in consumption and post-consumption phase. During consumption phase, they use ICT to search cabs, restaurants, shops, hospitals banks & post-offices, to take photographs, to communicate with their kith and kin, etc. In post consumption phase, tourists use ICT to share their experience with others and to give their feedback and suggestions regarding the tour. While service providers use ICT to find their potential customers, identify their needs and wants, design a tour package in line with the needs of their customer, promote their tour package and sell it to the customers. Moreover, they use technology to connect with their customers while they are in destination and address their real time needs. Finally, they utilise technology to take feedback and suggestions from their customers and to ensure that these customers must retain with them in future also. Therefore, it can be said that the application of ICT in travel industry has significantly transformed the tourism supply chain.

17.3.1 Features of E-Tourism

1) Easy Accessibility: Involvement of technology in travel industry has created an easy accessibility to tourism products and services for both service providers and travelers. Technology has enabled tourists to easily plan and book their tour anytime and from anywhere. On the other hand it has facilitated travel agencies and tour-operators to online buy services from primary service providers like airlines, hotels, car rentals, etc. and convert them in packages. In addition, technology has made it easier for service providers to access their target markets.

2) Transformation of Supply Chain: Supply chain refers the chain of people, organisations and activities involved in moving goods and services from producer to final consumer. With the advancements in technology, modern-day travellers do not rely directly on intermediaries to buy their services. Customers have freedom to online plan and book their trip using online platforms like Make My Trip, Goibibo, Ease My Trip, etc.

3) E-Marketing of Tourism Products: In this era of digitalisation, travel Agencies and tour operators (TATOs) are available with various online facilities to promote their tour packages. Some of the top e-marketing
strategies include search engine optimisation, social media promotions, website designing, content marketing, blog writing, etc.

4) **Global Reach:** With the help of ICT, travel agents are able to target any customer or group irrespective of their location on globe. In addition, the online promotional techniques enable them to promote their packages among the targeted group of customers sitting anywhere on globe.

5) **Online Payments:** Technology has equipped travel agents to accept payments from their customers through online payment gateways. Thus customers are facilitated to make payments from anywhere without personally visiting the office of their travel agent. These online payment gateways are available on 24/7 basis.

6) **Increased Competition:** Online buying, packaging, marketing and selling of tourism products over internet has made it possible for any person to start his/her travel agency. Therefore it may be rightly said that ‘any individual in the modern world can become a travel agent’. The rising number of online and offline travel agencies in the world of globalisation have resulted in increased competition among travel industry intermediaries.

7) **Mutual Benefits for Tourists and Businesses:** E-tourism is beneficial for both tourists and the businesses in travel trade. Both businesses and tourists have witnessed reduced cost in terms of time effort and money while designing packages and selecting destinations respectively.

8) **Online Communication:** ICT has provided travel industry with different platforms to conduct B2B or B2C communication. Various online platforms like Zoom Meeting, Webex Meet, Skype, etc. are trendy for B2B communication and WhatsApp, Telegram, e-mail, etc are commonly used for B2C communication.

17.3.2 **Advantages of E-Tourism**

1) **Optimal Product Information to the Customers and Suppliers:** With the effective usage of ICT, the customers and Suppliers can have easy access to the diverse range of Information. The global search engines can bring whole range of valuable information with reduced efforts in gathering information on various perspectives of travel planning. Huge range of information on Customers preferences, profiles, behaviour and needs are readily available.

2) **Reduced Cost for Customers:** Using ICT while buying travel related services reduces cost for customers in terms of time, efforts and money. Online booking saves time and effort as compared to that of offline mode. It also helps travellers to buy services at comparatively lesser prices. For example, the price of train ticket booked self through IRCTC website is lesser than one booked through travel agents. This is because travel agents charge commission for their services.

3) **Wider Choice:** Incorporation of ICT in travel trade has made available a very wide range of choices for tourists. Modern travelers have large number of choices to select their tour packages. Travellers may compare the attractiveness and price of number of tour packages available in the websites
of different travel agents and can make the decision consistent with their budget and preferences.

4) **Increased Demand for Tourism Products:** Globally rising levels of per capita income and more leisure time among working classes clubbed with online searching, selecting and booking facilities offered by digital world has resulted into a tremendous increase in demand for tourism products.

5) **Better Tailoring of Products:** ICT allows tour operators to identify the individual, social and psychological needs of their target markets. It helps them to tailor their products in the line with needs of potential customers and enhance their experience by providing them with a package that offers value for money level of satisfaction.

6) **Visa Facilitation:** Visa is a very important document for undertaking an international tour. Unlike traditional times, modern travelers and TATOs have option to avail the facility of e-visa offered by various nations to rationalise the visa regulations. An e-visa may be obtained anytime through internet which saves time and effort.

7) **Expansion into New Markets:** ICT has created opportunities for travel companies to expand their business by exploring new markets towards different corners of globe. With the help of computer and internet it is easy for TATOs to identify a market segment anywhere on globe that is relevant to ones business.

17.3.3 **Disadvantages of E-Tourism**

1) **Loss of Jobs and Reduced Job Creation:** ICT has provided travelers with ability to make their booking and arrangements themselves which has eliminated the role of intermediaries at some places in supply chain. Thus, technology has caused a loss of employment to them. With most of the activities in modern TATOs being carried out online, there has been a lesser creation of new jobs in industry.

2) **Threat to SMTEs:** With the overwhelming role of technology in travel business, there arises a threat to many small and medium tourism enterprises (SMTEs) who fail to efficiently run and manage their websites due to lack of technical skills and knowledge.

3) **High Cost of Maintaining Websites:** Travel companies hire a well qualified technical staff to efficiently develop and manage their websites. Since, there are lots of job opportunities for people having knowledge and skills in the field of ICT, therefore, travel companies have to incur a large sum of expenses to retain such employees in their organisation.

4) **Cyber Crime and Hacking:** These are the major issues faced by organisations where some unknown people may enter into the websites of travel companies and can hack their private information that results in huge losses to them. For example, hacking of bank account details can result in transfer of funds from travel agents account to hacker’s account.

5) **Security Issues for Customers:** Customers often face security issues while operating in the digital world. There exists a fear of providing information like their ID card numbers, credit card details, contact numbers etc. There
have been instances where hackers illegally visit the organisation’s website and retrieve confidential information from there.

6) **Technical Limitations:** People often face technical problems to get information about products and packages available at the websites of travel companies. Basically, it happens when the software used by the travel agent or tour operator is not compatible with the device or operating system available with the customer.

### 17.3.4 Outcomes of E-Tourism

The role that technology plays in modern travel industry has been vital and increasing with the passage of time. As discussed in the above paragraphs, e-tourism has brought a revolution in the field of travel trade by transforming the supply chain. Modern-day travelers do not need to rely on travel agents to search, select and book their preferred destinations. They have a much wider range of choices than ever before while selecting their destinations. The cost in terms of time, efforts and money has also been reduced due to the availability of online platform to buy tourism products and packages. On the other hand, e-tourism has also created benefits for businesses in travel trade by providing them an online platform to easily buy service from primary service providers using GDS and sell them to the customers through their websites. With the use of ICT, TATOs can expand their business by finding attractive market segments in different corners of globe. E-tourism has also resulted in increased competition for travel companies which has resulted into a *shift from mass production to more customized service provision* in the modern tourism business.

However, application of ICT in travel trade has posed negative impacts on tourism employment, security of data over websites and cost of operating and managing a travel company. Nevertheless, people who are able to operate successfully in the digital world are getting benefitted irrespective of their place in the supply chain.

**Check Your Progress A**

1) Define the role of ICT in tourism industry.

2) What do you mean by e-tourism?
3) Explain the features of e-tourism.

4) List some advantages and disadvantages of e-tourism.

5) What is the outcome of e-tourism?

6) State whether the following statements are true or false?
   i) Technology is only useful for businesses in travel trade.
   ii) ICT has increased the cost for tourists in terms of time and efforts.
   iii) Technology helps tourists in each phase of their decision making.
   iv) Incorporation of ICT in travel trade has increased the number of product choices for tourists.
   v) Technological advancements have resulted in unemployment and lesser creation of new jobs in tourism industry.

7) Fill in the blanks given below:
   i) ICT stands for ……………
   ii) E-tourism is a form of tourism in which both ……………and businesses in travel trade make use of technology to satisfy their needs.
   iii) Supply chain refers to the chain of people, organisations and activities involves in moving goods from producer to……………….
   iv) Travel companies hire a well qualified staff to ……………… and …………….. websites.
   v) E-tourism has resulted in shift from………………….. to more customised service provision.
Cyber Tourism being a combination of two words Cyber and Tourism defines a form of tourism where tourist interact with cyber space and feels the destination without actually visiting the real geographical spaces. Cyber tourism is one of the most novel forms of tourism which has been made possible due to the tremendous growth and developments in the field of computer technology. Unlike their counterparts, cyber tourists sit at their homes and safely experience the exquisite landscapes at their computer screens. A combination of high-resolution images, videos, sound effects, text, music and narrations produces a quality experience for cyber tourist. These tourists take a virtual tour to far off lands and admire the beautiful places visible in their computer. However, at present most of the cyber tours in world are not Virtual Reality because there are limited numbers of cyber tours that one can touch and even smell.

There are various beautiful attractions in the world that people wish to travel but mostly due to limited availability of resources, it becomes infeasible for them to take a tour. Cyber tourism that allows people to interact with virtual world through realistic images and simulations is a good solution to overcome such limitations as it offers almost a real feel of destination. However, there are many demerits attached with cyber tourism. For example, you may take cyber tour to Hawaii, Singapore, France, etc. just by sitting in front of your computer screen in India.

### 17.4.1 Characteristics of Cyber Tourism

1) **Marketing Tool:** Most of the times cyber tours motivate people to take actual tour to the beautiful destinations visible in the computer screen. Therefore, travel agents use it as a tool for attracting customers to buy their packages by offering them a chance to take a virtual tour of destination at their websites.

2) **Helps to overcome limited resource availability:** There are no limitations in terms of time, money, distance and human frailty in the case of cyber tourism. Most of the times these factors deter people from taking tours to their preferred destinations. Cyber tourism offers a platform to people where they travel to a virtual world and satisfy their travel needs even in the wake of such limitations.

3) **No Social Contacts:** Tourism is a social and relational activity where people visit the destination away from their homes and interacts with destination’s society, environment and economy that leads to creation of relationships between host and guest. Therefore, it is the biggest limitation of cyber tourism that there are no social contacts.

4) **Eliminates Risk Factor:** Various types of risk like theft, accident, violent crime, ill health, etc. may occur to tourists when they take actual tour to the destination. However, such risks do not exist in cyber tourism because here people travel into a virtual world by sitting at their homes.

5) **Unlimited Choices:** There are unlimited number of choices that are available with cyber tourists while selecting a destination for them. In
addition, there are no limits to the number of places that a person can visit with the help of computer. This feature of cyber tourism makes it different from other forms of tourism.

6) **Tours to Imaginary Destinations:** With the help of virtual reality it is even possible for a cyber tourist to visit to the destinations that do not exist in the real world. For example, taking a tour to the world of aliens, dinosaurs, monsters, etc. As these worlds do not prevail in reality therefore they can be experienced only with the help of computer technology.

7) **Restricts People from Taking Real Tours:** It is another limitation of cyber tourism. Being addicted to the virtual world restricts people from taking tour to the beautiful landscapes present in the different parts of world. In this way it is a threat to the tourism industry as well because the increasing number of cyber tourists may reduce the footfalls to the physical spaces or destinations in different corners of globe.

8) **Security issues:** Taking online cyber tours exposes a person to the risk of being hacked where an unauthorised entry into ones system may result in severe leakage of some personal and confidential information.

### 17.5 VIRTUAL REALITY IN TOURISM

Further advancements in technology lead to the development of Virtual Reality (VR) in the field of tourism that attempts to make cyber space more and realistic. The term Virtual reality was coined in 1989 by Jaron Lanier, the founder of VPL Research. A tourist in virtual reality can have a more realistic experience that is very near to the actual visit to the destination.

Virtual Reality refers to the use of computer technology to generate simulations of 3 dimensional pictures and videos that offer a feel of reality and can be interacted with the help of electronic equipments like sensor fitted gloves and helmet with a screen inside. Some of the major organisations involved in the field of Virtual Reality include Oculus Rift, HTC Vive and PlayStation VR.

*Source: www.shutterstock.com*
(PSVR). Unlike conventional user interface, it places the person inside the experience. Virtual reality allows user to see, smell, hear and touch the objects visible on the screen. Therefore virtual reality provides platform to interact with 3D world instead of just watching a computer screen. Continuous research and development in the field of virtual reality are creating more and more realistic experience for cyber tourists.

Virtual reality has a great significance in the field of tourism. It helps tourists to take the real feel of destination without actually visiting the location. However, at present there are small numbers of cyber tourism experiences that are Immersive Virtual Reality (IVR). Immersive virtual reality in tourism allows a cyber tourist to immerse into a 3D virtual world by offering him/her platform to sense the attractions visible in screen. For example, a 3D virtual tour to space, heavily snow-fed mountains, Caribbean islands, under the ocean etc. can also be taken with the help of virtual reality.

Depicted in the picture is a girl taking a virtual tour to Germany. She is wearing 3D glasses and experiencing the Triumphal Arch at Munich in Germany over a big screen.

### 17.6 FEATURES OF VIRTUAL REALITY

1) **Feels Real:** While in Virtual reality people never visit the real physical spaces but it provides them with a kind of experience that is nearly real. This has been made possible only due to the time to time advancements in technology that has taken place in different parts of world, especially in last three decades.

2) **Use of Electronic Equipments:** To make the experience real for tourists, equipments like helmet, 3D glasses and sensory gloves are used in virtual tours. Therefore, inclusion of virtual reality in cyber tours makes them realistic but more costly as compared to just watching images and videos in computer.

3) **Interactivity:** Tourists in virtual tour can interact with the simulated environment by touching, pushing, picking and even breaking the objects visible in three dimensional virtual world.

4) **Immersion:** People travelling in virtual world get immersed into a virtual space on sensory level. They even forget the real space they are in and feels as if they are actually in the virtual landscape floating in their screen.

5) **Possible Motion:** While in virtual tour, a person is even able to move and change position rather than just sitting in front of computer screen and pressing buttons. It produces for users the illusion of moving in virtual world.

6) **Tool for Tourism Promotion:** Virtual reality also helps in tourism promotion by allowing people to walk in the streets of London, Touching Eiffel Tower, etc. It sometimes created an urge in user to actually visit the destination. Today people have some opportunities where they can even check the interior of hotel by visiting its rooms through virtual reality and can choose according to their preferences.
1) Define the meaning of cyber tourism.

2) List the characteristics of cyber tourism.

3) Explain the significance of virtual reality in tourism.

4) Describe the features of virtual reality.

5) State whether the following statements are true or false?
   i) In cyber tourism tourist actually visit the real geographical spaces.
   ii) Cyber tourism helps to overcome the limitations of time, money, distance and human frailty.
   iii) There are many social contacts in cyber tourism.
   iv) Virtual reality enables tourists to interact with three-dimensional digital world.
   v) In virtual reality tourists use electronic equipment like sensory gloves, 3D glasses, etc.
Mobile phone has become a necessary part of human life in contemporary world. Smartphone and its applications play a noteworthy role in the lives of modern travellers. Availability of mobile phone applications like Google Maps, Make My Trip, OYO, Trivago, Chrome, Ola, Uber, redBus, swiggy, Zomato, etc. are extensively useful for tourists in all the stages of their decision making process. In addition, these applications make it easy for users to operate their mobile phone. In absence of these applications, one would require to visit different websites again and again to solve their purpose.

Modern travellers see smart phone as their perfect travel partner. The use of smart phone applications in the life of these travellers in not only limited to clicking photographs and sharing them on social media but its usefulness is apparent in each stage of tourist’s decision making process. The various uses of smart phone applications in pre-consumption phase, experiential phase and reflexive phase of tourists decision making process is depicted in the following diagram.

**USE OF MOBILE APPLICATIONS IN DIFFERENT STAGES OF TOURIST’S DECISION MAKING PROCESS**

- **Pre-Consumption Phase**
  - Planning trip
  - Searching destinations
  - Analyzing reviews by past visitors
  - Communicating with service providers
  - Selecting destination
  - Checking weather conditions
  - Booking tickets
  - Making payments, etc.

- **Experiential Phase**
  - Navigation
  - Booking entry tickets of attraction
  - Cab booking
  - Contacting travel agent
  - Shopping
  - Ordering food online
  - Sharing photos & videos on social media
  - Contacting friends & family, etc.

- **Reflexive Phase**
  - Offering Feedback
  - Storing memories
  - Sharing experience with friends and relatives
  - Writing blogs
  - Giving Suggestions
  - Writing review in travel agent’s website
  - Writing Comments, etc.
17.7.1 Mobile Applications: Assistance or Hindrance for Tourists

Mobile applications play a vital role in the entire journey of a tourist be it planning, searching, selecting, booking, clicking photographs and sharing them, offering feedback and other activities. It reflects that mobile applications have become an inseparable part of trips undertaken by present-day travellers. In addition, these applications serve as an e-guide for tourists in each stage of their tour. These applications reduce the overall cost of booking trip by reducing the role of intermediaries and increasing accessibility towards different tourism products and packages.

However, taking travel decisions is getting tough over time because of abundance of choices available over internet. It becomes further complex in the wake of negative feedbacks, ratings, reviews and blogs posted by past visitors on various online platforms. Being tech-savvy is one of the biggest problems especially among youths deters them from enjoying the destination thoroughly. Over engagement in social media applications during trip poses hindrance while exploring the different aspects of destination. Optimum utilisation of time becomes tough when traveler remains busy in clicking photographs, editing them and sharing with their friends and relatives. In addition, there is a recent trend of sharing live activities during tour on social media distracts tourist from looking around the destination and experiencing it.

Thus, there exist both positive and negative impacts of mobile applications on the life of traveler. Nevertheless, it totally depends on the users that how they make use technology. Deciding optimal use of smart phone during tour and even in day to day life will definitely enhance the visitor’s experience.

17.8 ARTIFICIAL INTELLIGENCE (AI) IN TOURISM

In contrast to the natural intelligence demonstrated by human beings, Artificial Intelligence refers to the intelligence displayed by machines that are programmed to think and act like human beings. With the time to time advancements in technology such machines are becoming more and more reliable to perform complex tasks without any assistance. With the help of Artificial Intelligence many countries have been successful to bridge the gap in their manpower requirements by employing machines to perform tasks that were traditionally done by humans.

Artificial intelligence is very useful in the field of travel trade as well. It helps to fulfill the need of efficient and quality manpower by replacing human beings with machines. Such use of artificial intelligence in hospitality industry is successfully delivering services like room service, floor cleaning, assistance at airport, chat bots, etc. Given below are the advantages and disadvantages of Artificial Intelligence.
17.8.1 Some Real Time Examples of AI in Tourism

- KLM airline has started utilising Artificial Intelligence to deal with social media queries.
- A Tokyo-based startup is Wamazing has installed a SIM card distribution machine at 25 major international airports of Japan. These machines are serving around 90% of foreign tourists arriving Japan.
- Incheon International Airport of South Korea has robots that assist travellers to find their way around the massive airport complex.
- South Korean government has introduced VR technology translation to remove the linguistic barriers.
- Hyatt, a leading hotel in world is using chatbots to answer customer queries on Facebook Messenger.
- TagTagCity is an online platform in Belgium that helps tourists to find nearby spots of interest like shops, restaurants, banks, hospitals, etc.

17.9 SHARING ECONOMY

Sharing economy is a peer-to-peer economic system in which available assets and services are shared with individuals in return for a fee. Internet acts as medium for transactions in sharing economy. In other words, sharing economy is a community based online platform for renting out the assets and services that are lying either unutilised or underutilised. This system is also known as collaborative consumption.

The system of sharing economy encourages community participation in tourism. This system is very effective to meet the rising demand for tourism products especially in peak season. The high demand for services like accommodation, transportation, food, etc in a tourist destination during peak season results in inflationary situation. Residents sharing their idle assets like car, home, ones time etc. with tourists help to normalise the prices of such services in destination.
System of sharing goods and services is not new to the society but the advancements in ICT have enabled more ease in making transactions than ever before. Following are some examples of sharing economy in tourism industry:

- **Zipcar** application helps to rent car
- **Airbnb** application helps to rent rooms
- **Ola and Uber** allows ride-sharing
- **Eatwith** app facilitates booking food experiences in the house of locals
- **ShareGrid** is a good platform to rent cameras
- **Withlocals** is an app that allows hiring local for guiding and escorting.

### MODEL OF THE SHARING ECONOMY

![Sharing Economy Model](image)

#### 17.9.1 Impacts of Sharing Economy on Tourism:

Sharing Economy has both positive and negative impacts on tourism. These impacts are discussed in the table given below:

<table>
<thead>
<tr>
<th>Positive Impacts</th>
<th>Negative Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy accessibility to the large number of assets and services.</td>
<td>It creates an unfair competition in service providers like hotels, car rental companies, etc.</td>
</tr>
<tr>
<td>More affordable as compared to the service providers.</td>
<td>It generates threat of traditional unemployment among employees working in hospitality industry.</td>
</tr>
<tr>
<td>Generally high quality of goods and service are offered.</td>
<td>Reduces the rate of new job creation in hospitality industry.</td>
</tr>
</tbody>
</table>
Emerging Dimensions and Technologies in Tourism

<table>
<thead>
<tr>
<th>More authentic experience is available to tourists.</th>
<th>Sharing economy may lead to tax avoidance and tax evasion.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing visitors with novel opportunities to stay in the destination and explore it.</td>
<td>Assets and services rendered by sharing economy are sometime unhygienic &amp; unsafe.</td>
</tr>
<tr>
<td>Provides more flexibility to tourists while choosing assets and services.</td>
<td>Creates negative externality. Eg: one’s apartment sharing service may disturb his neighbours.</td>
</tr>
<tr>
<td>Incumbent firms are forced to improve quality of their products and charge reasonable price.</td>
<td>Sharing economy results in revenue losses for the traditional firms in market.</td>
</tr>
<tr>
<td>Tourists get to contact with locals and experience their culture.</td>
<td>Sometimes hoteliers are forced to set price even below the competitive price.</td>
</tr>
<tr>
<td>Sharing Economy provides more personalised approach for service provision.</td>
<td>There exists a risk of theft and safety concern for the owners of assets and services.</td>
</tr>
<tr>
<td>Sharing economy is a more sustainable practice as it involves lesser energy consumption, water use and waste.</td>
<td>Sharing economy platforms may create data security issues for the users like leakage of contacts, credit card details etc.</td>
</tr>
</tbody>
</table>

17.10 DIY TRAVELLERS

DIY stands for ‘Do It Yourself’. As the name suggests, DIY travellers refer to a category of tourists who take each and every decision of their trip themselves without taking help of any travel agency. DIY travellers prepare their own itineraries and do not prefer taking assistance even from online travel companies. They themselves select their destination and tailor their products based on their needs and budget. To design their tour package, DIY travellers book services like hotel, airlines, escorts, activities, etc. either online through websites or contacting the concerned. Thus, they design and manage their tour at their own. This concept of DIY traveller has become feasible in modern world only because of growth and development in the field ICT.

17.10.1 Characteristics of DIY Packages

1) More Personalised Tour Packages: The packages booked by DIY travellers are more personalized in nature because such packages are booked by tourists on the basis of their taste and preferences. A non-DIY traveller may suggest his travel agent while booking his package but there is no guarantee of receiving exact service.

2) More Autonomy while Selecting Products: A DIY traveller enjoys more autonomy while booking products like airline, hotel, car rental, etc. because he himself takes every decision regarding his trip.

3) No Feedback: As DIY travellers do not hire the services of travel agents therefore they are not formally asked by anyone to give feedback on their
experience. However, they can post their stories, suggestions, comments, etc. on various online platforms.

4) **Reduced Cost**: Since DIY travellers do not take assistance of any intermediary therefore the overall cost of their package is lower. Self buying of all the products and services eliminates the omission that otherwise needs to be paid to travel intermediaries.

5) **Self Responsibility**: DIY travelers hold the self responsibility of their travel experience because they took every decision on their own. Hence, they cannot blame someone if they encounter something unexpected in their tour.

6) **Lack of Expertise**: Self decision making nature of DIY Travelers avoid them from taking expert advice while selecting package and buying products. Thus, their experience is unsatisfactory on some instances.

7) **Budgetary**: DIY packages comes totally in the budget of traveller because he is well aware of the amount in his pocket and takes decision accordingly.

8) **Demands some Minimum Level of Knowledge and Skills**: Self tailoring of products and designing a tour package needs knowledge about hospitality products and skills to operate effectively in the digital world.

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<table>
<thead>
<tr>
<th>Check Your Progress C</th>
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<tbody>
<tr>
<td>1) What do you mean by artificial intelligence?</td>
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<tr>
<td>2) List various advantages and disadvantages of artificial intelligence.</td>
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<tr>
<td>3) Describe the model of sharing economy.</td>
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</table>
4) State various positive and negative impacts of sharing economy on tourism industry.

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5) Define some characteristics of DIY tour packages.

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6) Categorise the following activities of tourists in pre-consumption, experiential and reflexive phase of tourist’s decision making process:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Phase of Tourist’s Decision Making Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Shopping</td>
<td></td>
</tr>
<tr>
<td>ii) Offering feedback</td>
<td></td>
</tr>
<tr>
<td>iii) Searching destination</td>
<td></td>
</tr>
<tr>
<td>iv) Navigation</td>
<td></td>
</tr>
<tr>
<td>v) Booking Tickets</td>
<td></td>
</tr>
<tr>
<td>vi) Selecting destination</td>
<td></td>
</tr>
</tbody>
</table>

7) Fill in the blanks given below:

i) Mobile applications are both assistance and .................. for tourists while enjoying their destination.

ii) DIY stands for ......................

iii) .................. intelligence refers to the intelligence displayed by machines.

iv) The system of sharing economy is also known as ................... consumption.

v) .................. acts as medium for buying and selling in sharing economy.

17.11 LET US SUM UP

The time to time advancements in technology have facilitated each and every tourism stake holder be it tourists, host community, businesses in travel trade or
various government and non-government organisations. Incorporation of ICT in travel trade has given birth to the concept of e-tourism where both tourists and businesses make use of technology to satisfy their needs and wants. Merits of E-Tourism include increased accessibility towards tourism products, transformed supply chain, online payments, easy communication, reduced cost of tour, increased product choices and bigger markets for TATOs. On the other hand, negative impacts of e-tourism on hospitality industry includes unemployment, increased completion for TATOs, cyber crime and high cost of creating and managing websites. The availability of mobile applications in smart phone makes decision making shorter and simpler for the travelers. The further advancements in technology have given birth to the concepts like cyber tourism and virtual reality that provides tourists with opportunity to experience the destination without actually visiting its real geographical area. Cyber tourism and VR help tourists to overcome limitations of resources like time and money. In addition, the uses of artificial intelligence allow tourism industry to cope with increasing demand for manpower at places like airport, hotels, etc. Sharing economy assists tourist to easily find services at reasonable price in destination and enables host community to earn from tourism. Finally, the advent of technology in tourism has created DIY travellers who are completely equipped with tools and techniques to design and manage their tour at their own. Hence, it may be rightly said that technology has given new dimensions to travel industry and has made the lives of travellers easier than ever before.

17.12 KEY WORDS

**B2B Communication:** B2B stands for business to business. B2B communication refers to a form of communication wherein employees from different organisations communicate with each other.

**B2C Communication:** B2C stands for business to consumer. In B2C communication employees of organisation communicate with their customers for purposes including selling, promotion, queries, etc.

**Content Marketing:** A promotional technique that includes sharing online materials like videos, images, posts, etc. to attract customers towards ones product.

**E-Marketing:** Marketing of goods and services conducted through online mode with the help of digital technologies such as computers, internet, smart phones, etc.

**Experiential Phase:** A phase is also known as consumption phase and involves all the activities of tourists during the tour. It starts after purchasing the necessary goods and services for tour.

**Global Distribution System (GDS):** A computerised network system that allows travel agencies and tour operators to online buy services from their primary providers like airlines, hotels, car rental companies etc.

**Intermediaries:** All those individuals and groups who are involved in transferring goods and services from producer to final consumers.

**Peer-to-Peer System:** A networking system in which each computer functions as server for others to allow access to its material without needing any central server.
Emerging Dimensions and Technologies in Tourism

**Pre-consumption Phase:** It is the initial phase of tourist decision making process where he search information, select destination, book his tour and do arrangements for his tour. During this stage of decision making tourist is at his/her beat area.

**Reflexive Phase:** This phase of tourist decision making includes all the activities after the tour like feedback, suggestions, etc. It is also known as post-consumption phase.

**Search Engine Optimization:** A practice of increasing the visibility of your website for the people using search engine to search information with keywords related to your business.

**Tour Operator:** Tour operator is a wholesaler in travel trade who combines the individual products bought from primary service providers like airlines, hotels, car rentals, etc. into a package and sells it to travel agents. Thus, he is a link between primary service providers and travel agents.

**Tour Package:** These packages are prepared by travel agents, They arranging all the services like hotel, airline, guides, restaurants, car rentals, etc. and combining them together to facilitate tourists. A packaged tour allows tourists to buy all the product and services related to their tour at one price and one time.

**Tourism Product:** All those goods and services that are useful for tourist like attraction, transportation, entertainment, accommodation, etc.

**Travel Agent:** Being a link between tour operators and travellers, travel agent plays a role of retailer in travel trade. He sells and administers packages prepared by tour operators.

**17.13 ANSWERS TO CHECK YOUR PROGRESS**

### Check Your Progress A

1) See Section 17.2
2) See Section 17.3
3) See Sub-section 17.3.1
4) See Sub-section 17.3.2 and 17.3.3
5) See Sub-section 17.3.4
6) i) False  ii) False  iii) True  iv) True  v) True
7) i) Information and communication Technology  (ii) Tourists  
   iii) Final consumer  iv) Develop and manage  
   v) Mass Production

### Check Your Progress B

1) See Section 17.4
2) See Sub-section 17.4.1
3) See Section 17.5
4) See Section 17.6
5) i) False  ii) True  iii) False  iv) True  v) True
Concept and Impacts of Tourism

Check Your Progress C

1) See Section 17.8
2) See Section 17.8
3) See Section 17.9
4) See Sub-section 17.9.1
5) See Sub-section 17.10.1
6) i) Experiential  ii) Reflexive  iii) Pre-consumption
    iv) Experiential  v) Pre-consumption  vi) Pre-consumption.
7) i) Hinderance  ii) Do It Yourself
    iii) Artificial  iv) Collaborative  v) Internet.

17.14 TERMINAL QUESTIONS

1) Define ICT and its importance in modern travel industry.
2) Describe cyber tourism and its characteristics.
3) Elucidate the significance of mobile applications and their various uses in the context of tourism.
4) Discuss artificial intelligence along with its merits and demerits.
5) Explain the meaning of sharing economy and its impacts on travel trade.
**SOME USEFUL BOOKS AND JOURNALS**


Nimit Chowdhary, (2013) Handbook for Tour Guides, Indian Institute of Tourism and Travel Management,


Salvador Anton Calve, (2007) the Global Theme Park Industry, CABI,


Peter Mason, 2009, Tourism Impacts, Planning and Management, Butterworth Publication, NEW YORK.


Some Useful Books


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https://www.investopedia.com/terms/s/sharing-economy.asp
ACTIVITIES

ACTIVITY – 1

Visit the website of Ministry of Tourism, Government of India and identify which are the major states in India attracting domestic tourism. Further assess which are the major ASI monuments that attract the maximum foreign tourists.

ACTIVITY – 2

Visit the website of UNWTO and identify major strategic initiatives taken by global destinations to overcome the challenges of COVID - 19. Assess how the international tourist arrivals changed since 2020.
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To get regular updates on Placement Drives, Admissions, Examinations etc.